



Brookdale Community College
Board of Trustees Public Business Meeting
Tuesday, March 26, 2019 5:30 PM (EDT)
765 Newman Springs Road Lincroft, New Jersey 07738
Brookdale Lincroft Campus, Student Life Center, Navesink I & II

- I. Call to Order, Reading of Statement and Roll Call - Chair Abby-White
- II. Pledge of Allegiance - Chair Abby-White
- III. Adoption of Agenda - Chair Abby-White
- IV. Review of Consent Agenda - Chair Abby-White
 - *Any item may be removed from the consent agenda for discussion by any voting member of the Board of Trustees*
 - A. Adoption of Consent Agenda - Chair Abby-White
- V. Reports from the Board Committees and Liaisons - Chair Abby-White
 - A. Executive Committee - March 19, 2019 - Chair Abby-White
 - 1. Annual Signing of Board of Trustees Code of Ethics
 - B. Finance & Facilities Committee - March 19, 2019 - Trustee Kaufmann
 - 1. Monthly Reporting - Trustee Kaufmann
 - 2. Report from the Engineer of Record - Mr. Charles Rooney
 - Capital Project Report submitted in Financial Dashboard*
 - C. BCC Foundation
 - 1. Honorary Degree Nominations - Dr. Stout
 - 2. Distinguished Alumni Awards at Commencement 2019 - Dr. Stout
 - D. Ad-Hoc Public Private Partnerships Committee - Trustee Cattelona
 - E. Governance Committee - Board Retreat - Vice-Chair Brennan
 - F. Audit Committee - Trustee Becht
 - G. NJCCC - Dr. Stout
 - H. Student's Perspective - Trustee Cattelona
- VI. President's Report - Dr. Stout
 - A. New Jersey Career And Technical* Education Alternate Route Teacher Program - Dr. Latte, Ms. English, Professor Marshall
 - B. MSCHE Update - Dr. Nancy Kegelman

- C. Acknowledgement of Sabbatical and Educational Leave Recipients - Dr. Stout
- VII. Public Comment on Agenda Items - Chair Abby-White
- VIII. Approval of Public Business Meeting Minutes - February 26, 2019 - Chair Abby-White
 - A. Approval of Executive Session Minutes - February 26, 2019 - Chair Abby-White
- IX. Consent Agenda - Chair Abby-White - 5 minutes
 - A. Approval of Human Resources
 - B. Gift Acceptance
 - C. Purchases in Excess of \$35,300 and New Jersey "Pay-to-Play" bids, and Pursuant to the New Jersey "Pay to Play" Process, in Excess of \$17,500
 - D. Monthly Financial Dashboards
- X. Authorization to present to Diane Raver and Francine Acquaviva an honorary associate degree at Commencement 2018. - Chair Abby-White
- XI. Approval of Policies - Chair Abby-White
 - A. Approval of Policy 1.80000 Adoption, Review, and Amendment of Mission, Vision, Values and Strategic Priorities of Brookdale Community College - Chair Abby-White
 - B. Approval of Policy 3.9009 Involuntary Administrative Leave - Chair Abby-White
 - C. Approval of Policy 4.7000 Risk Management
- XII. Approval of Policy 2.0001 Naming Rights - Chair Abby-White
 - After your review over the weekend, the policy will be included in the board packet for your final review and vote.*
- XIII. Acceptance of FY18 WBJB Radio Audit - Chair Abby-White
- XIV. Acceptance of FY18 Financial Audit - Chair Abby-White
- XV. Authorization to Refinance Series 2009 Bonds - Chair Abby-White
- XVI. Public Comment - Chair Abby-White
- XVII. Old/New Business - Chair Abby-White
- XVIII. Resolution to Hold a Closed Meeting - Chair Abby-White
- XIX. Motion to Re-Open the Meeting to the Public - Chair Abby-White
- XX. Adjournment - Chair Abby-White
- XXI. Appendix - Board Materials

BROOKDALE COMMUNITY COLLEGE COLLEGE POLICY

1.7060 Code of Ethics for Trustees

I. Title of Policy

Code of Ethics for Trustees of Brookdale Community College

II. Objective of Policy

To establish a Code of Ethics for the conduct of all Trustees of Brookdale Community College.

III. Authority

N.J.S.A. 18A:64A-12; Executive Order No. 65 issued by Governor Codey on November 16, 2005, and Board of Trustee Bylaw 1.7060 Code of Ethics for Trustees of Brookdale Community College.

IV. Policy Statement

The Board of Trustees of Brookdale Community College will comply with the following Code of Ethics:

- A. A Trustee should devote time, thought, and study to the duties and responsibilities of a community college trustee so as to render effective and creditable service.
- B. As an individual, a Trustee has no legal authority outside of the meetings of the Board and should conduct him/herself accordingly with College staff, local citizens, and facets of the community.
- C. A primary function of the Board of Trustees is to establish the policies and the goals of the institution and to audit the performance of the administration in the fulfillment of these policies and the progress towards the goals, but the administration of the College's operations shall be left to the President and the President's staff.
- D. No College Trustee should accept from any person, directly or indirectly, or through his/her spouse or any member of his/her family any gift, favor, service, employment, or other things of value under circumstances from which it might be reasonably inferred or which he/she knows or has reasons to believe is offered to him/her with intent to influence his/her public duties and responsibilities.

E. No College Trustee should knowingly act in an official capacity, by voting or otherwise, on any College matter in which he/she has an interest.

F. Disclosure of the precise nature of the interest or involvement, at first knowledge of the transaction, should be required in the event that the Board must consider any College matter which also involves:

1. A member of the Board of Trustees or a member of his/her family (defined as spouse, parents, siblings, or children); and/or
2. An organization with which a member of the Board of Trustees is affiliated.

G. Disclosure should be further required of Board members concerning all relationships and business affiliations that reasonably could give rise to a conflict of interest involving the institution.

H. No College Trustee should act as an officer or agent of the College for the transaction of any business with himself/herself or in which he/she has an interest.

I. No College Trustee should willfully disclose to any person or party for pecuniary gain any information not generally available to members of the public which he/she receives or acquires in the course of his/her official duties.

J. No College Trustee should have any interest, financial or otherwise, direct or indirect, or engage in any business or transaction or professional activity which might reasonably be expected to impair his/her objectivity or independence of judgment, or which is otherwise in substantial conflict with the proper discharge of his/her duties in the public interest.

K. No College Trustee should use or attempt to use his/her official position to secure unwarranted privileges or advantages for himself/herself or others.

L. No College Trustee should act in his/her official capacity in any matter wherein he/she has a direct or indirect interest that might reasonably be expected to impair his/her objectivity or independence of judgment.

M. No member of the Board of Trustees, including the President of the College, nor any member of the immediate families of such officials, shall do business, directly or indirectly, with the institution that they govern or by which they are employed. For purposes of this section, "member of the immediate family" shall mean the official's spouse, child, parent or sibling residing in the same household.

N. The prohibitions in M, above, shall also apply to any firm, association or partnership by which the College President or Trustee is employed, from which the President or College Trustee receives compensation, or of which the President or College Trustee owns or controls more than one percent of the profits or assets of that firm, association or partnership. Such prohibitions shall also apply to shareholders, associates or

professional employees of a professional service corporation regardless of the extent or amount of their shareholder interest in such a corporation.

O. A President or College Trustee who is currently involved in a business relationship that is prohibited by this Policy shall be given 30 days to terminate the prohibited business relationship or to resign from public office. Failure to comply with the terms set forth in sections M through O, above shall constitute good cause for the removal from employment or office of the College President or College Trustee.

P. The Executive Director of the Executive Commission on Ethical Standards is hereby authorized to grant an exception from the terms sections M through O, above, if, in the judgment of the Executive Director, the entity that employs, provides compensation or is owned in part by the College Trustee is one with which the College may contract with pursuant to N.J.S.A. 52:13D-19 and N.J.S.A. 52:34-10, or where the public interest requires that an exception be made.

Q. Violations of this Code of Conduct may also constitute cause for removal of an appointed member of the Board of Trustees pursuant to N.J.S.A. 18A:64A-9 or imposition of other sanctions determined by the Board and/or the appropriate appointing authority.

R. Board members will annually sign a statement affirming the Code of Ethics and their intention to fully comply with same.

S. The members of the Board of Trustees will comply annually with public law with regard to the filing of financial disclosure statements.

The following definitions shall have the following meanings with regard to the Code of Ethics for Trustees of Brookdale Community College:

“College Matter” means any application, award, bid, claim, contract, license, proceeding, resolution or transaction made by, to, against, or with Brookdale Community College or which requires any official action by the Board of Trustees, its officers, or employees.

“College Trustee” means any person who is a member of the Board of Trustees of Brookdale Community College. This includes the President, who by appointment is an ex-officio member of the Board of Trustees.

“Interest” means any personal, financial, economic, property, or other concern amounting to a right, advantage, share, or portion coming either directly or indirectly to a Trustee singularly or in affiliation with any person or party as defined herein.

“Member of the immediate family” will mean the official’s spouse, child, parent or sibling residing in the same household.

“Person or party” means any natural person, association, corporation, estate, partnership, proprietorship, trust, or other legal entity.

Approved: August 1995
Revised: December 2005
Proposed Revision: March 2016
Approved Revision: March 2016 (Lodging of Policy was waived by unanimous consent)

ACKNOWLEDGEMENT FORM FOR CODE OF CONDUCT

I have read and am familiar with Brookdale Community College’s Board of Trustee Code of Ethics. I will comply with and enforce the policies in this Code in its entirety.

By signing this acknowledgement I am indicating that I have read and will abide by Brookdale Community College’s Board of Trustee Code of Ethics.

Board of Trustee Signature

Name (printed)

Date _____

Board of Trustees Brief Honorary Degree 2019

Topic: Honorary Degree

General Issue Overview:

In accordance with College regulation 2.0012R, Official Recognition of Members of Community and Guests of the College, the Honorary Degree Committee met and nominations for honorary degree recipients were solicited and evaluated, after which the Committee voted on proposed candidates.

The public and the college community (employees, students, Trustees, and alumni) were notified and encouraged to nominate a candidate worthy of this honor. The deadline for nominations was January 31, 2019.

To be eligible for consideration, a nominee needs to have achieved excellence in one or more of the following:

- ✓ Professional Accomplishments
- ✓ Community/Public Service
- ✓ Personal Accomplishments
- ✓ Inspirational Life Achievements: whereby the candidate would serve to inspire Brookdale students

Please note that no current Brookdale employee, Board member or student is eligible to receive this honor.

Honorary Degree Committee Members are Co-Chairs Tim Zeiss (Foundation & Alumni Affairs) and Eric Goll (Faculty); Dinneen Jackson, Administration; and, Lauren Sheehy, Alumna.

Recommendation:

The President recommends to the Board of Trustees that he be authorized to present to candidates Dianne Raver and Francine Acquaviva an honorary associate degree at Commencement 2019.

Diane Raver

Ms. Raver has enjoyed a long history in the realm of film and television production. She began her career in film in 1980. By 1987, she was the first female president of a commercial production company in New York City when she founded the Madison Group. She took the helm as President, Head of Sales, and Executive Producer on all commercial production done domestically and internationally.

In 1999, Diane and her family had the opportunity to spend a year living in France. It was there on a visit to Cannes that the idea of creating a film festival in her beloved New Jersey was born.

Board of Trustees Brief Honorary Degree 2019

In 2002, Diane co-founded the Garden State Film Festival (GSFF) a 501 c 3 nonprofit organization. It promotes the art of film making on all levels by showcasing film, video and animated works. They also provide educational programs in the creative arts to the public by industry leaders. The First Annual Garden State Film Festival was held in Asbury Park in spring 2003. The festival expanded over the years and in 2018 over 25,000 people attended and more than 240 films were featured. The festival also includes casting calls, panel discussions and workshops. The festival culminates with a gala that attracts celebrities and honorees.

The GSFF has generated over \$8 million of economic vitality to our state in its seventeen year history, all while paying tribute to New Jersey's legacy as the birthplace of American film making. Diane is a visionary. Her vision to create a film festival in the city she loves has blossomed into a world-renowned event that provides a platform for creativity and passion and at the same time generate funds for the city, local merchants and the community at large.

Francine Acquaviva

A resident of Holmdel for 42 years, Francine was an active contributor to her family's business enterprises, The Acquaviva Companies. Dutiful wife and mother of four sons, she worked alongside her husband Ron to build a comprehensive building and construction business. The Acquaviva Companies became the driving force behind the notable land development and expansion of Holmdel. She acted as the interior designer for the projects and opened Unique Boutique bringing the community a New York City shopping experience without having to drive into Manhattan.

In the early 1990s, she and her husband opened Remington's Café. It became a much-loved family restaurant where Francine brought community and business leaders together for the many philanthropic endeavors that she has supported for over thirty years.

Francine has also contributed her time, talents and resources to dozens of non-profit organizations throughout Monmouth County for more than three decades. She does not seek the spotlight but prefers to stay in the background, quietly making a difference through her leadership, passion and commitment to "giving back."

She has served on Boards and Chaired Galas for the Children's Psychiatric Hospital, ARC, Hackensack Meridian's Heart Fund, the Anabel Foundation and many others. She recently served as Co-Chair of the Tigger House Foundation annual "Bonfire on the Beach" fundraising event. This non-profit organization is dedicated to achieving a positive impact by reducing the rate of heroin and opiate addiction that is devastating our communities.

In addition, Francine and her husband Ron are Honorees for the Brookdale Foundation Scholarship Ball on May 17, 2019.

Submitted by: Tim Zeiss, Executive Director, Foundation & Alumni Affairs

Board Brief - 2019 Brookdale Community College Distinguished Alumni

General Issue Overview:

This prestigious award is presented to selected alumni (graduates/attendees) whose professional, personal and/or civic accomplishments and service to the community have earned them unquestionable recognition. The award is presented at the College Commencement ceremonies on May 16, 2019.

A “Call for Nominations” was distributed by the Brookdale Community College Alumni Association to the college community and the community at large with a nomination deadline of January 31, 2019. The award recognizes alumni for professional achievements (demonstrated accomplishment(s) in any field of professional endeavor) and personal achievements (demonstrated accomplishment in any field of community service or any area where active participation demonstrates that the nominee is a shining example for others).

Two alumna have been selected for 2019.

Thomas Bonhag ‘14

Tom Bonhag enjoyed a successful and diversified forty- year career in the financial services industry. He held senior level positions at AXA Financial, Winged Keel Group, the deBart Group, the Equitable Life Assurance Society and Chase Manhattan Bank. He earned professional credentials as a Certified Financial Planner, Chartered Life Underwriter, Chartered Financial Consultant and a Chartered Advisor in Philanthropy.

Tom graduated from Fordham University with a Bachelor of Science Degree. He then went on to earn his MBA from St. John’s University. Tom served on the President’s Advisory Committee for Fordham. St. John’s University named him “Distinguished Alumnus” on the 25th anniversary of his graduation.

Upon his retirement in 2012, he earned his EMT certification and license. He also pursued his interest in health information trends by enrolling at Brookdale in the Health Information Technology program and earning his Associates Degree in 2014. Using the knowledge he learned in this program, Tom volunteers at the Monmouth County Society for the Prevention of Cruelty to Animals (MCSPCA) where part of his duties include maintaining health records for each of the animals. Tom is also an active volunteer with the American Red Cross and is a member of the Red Cross Disaster Health Services team. He was deployed twice in 2018 to California to work alongside other healthcare professionals to provide services to victims of the California wildfires.

Tom is also a proud member of the Brookdale Community College Alumni Association Board of Trustees.

Board Brief - 2019 Brookdale Community College Distinguished Alumni

Sheriff Shaun Golden '89

Shaun Golden is the 76th Sheriff of Monmouth County. As Chief Executive, he oversees law enforcement, communications and corrections, as well as the administration of the Monmouth County Police Academy and the Office of Emergency Management, which played the lead role in preparing for Super storm Sandy and coordinating the response and recovery efforts during and after the storm.

His experience includes serving as an EMT, certified paramedic and volunteer firefighter. He earned his Associate Degree from Brookdale Community College. He holds a Master's Degree in administration from Seton Hall University, is a NJ Certified Public Manager and an adjunct professor at Monmouth University with the Department of Political Science and Public Policy. The Sheriff has been instrumental in promoting shared services in Monmouth County, specifically through the expansion of the Communications Division, to cost effectively address the ever increasing needs of Monmouth County's first responders.

Sheriff Golden is the president of the Constitutional Officer's Association of New Jersey (COANJ), is a member of the Board of Trustees for the Monmouth-Ocean Foundation for Children (MOFFC), sits on the board of the Monmouth County Prevention Coalition and serves as Chairman of the Monmouth Council of Boy Scouts Exploring Committee. In 2013, Sheriff Golden received the Maurice Pollak Award for Distinguished Community Service from Monmouth University. Under his leadership, the Sheriff's Office offers over 28 community safety programs throughout the county and has collaborated with Neptune High School in establishing Explorer Post #1 at Neptune High School for the Jump Start Law/Criminal Justice students as well as partnering with Neptune for the annual Sheriff Youth Week program.

Submitted by: Tim Zeiss, Executive Director, Foundation & Alumni Affairs

BROOKDALE COMMUNITY COLLEGE

Board of Trustees Public Business Meeting Minutes

February 26, 2019

Brookdale Community College
Brookdale at Wall
800 Monmouth Blvd.
Wall, NJ 07719

- A. Chair Abby-White called the meeting to order at 5:35 P.M. and the group made the Pledge of Allegiance. Chair Abby-White read the mission of the college.
- B. Ms. Gruskos read the following statement: "In compliance with the Open Public Meetings Act, N.J.S. 10:4-6 et seq., advance written notice of this meeting of the Board of Trustees was provided in the following manner:
1. On February 19, 2019, at 8 PM advance written notice of this meeting was posted at Brookdale Community College on the first floor of the Brookdale Administrative Center; emailed to *The Asbury Park Press* and *the Star Ledger* and filed with the Clerk of the County of Monmouth.

Roll Call:

Present	Trustees	Administration:
	Ms. Abby-White, Chair	Dr. Matthew Reed
	Mr. Dan Becht, Trustee	Mr. Joey Stoner
	Ms. Suzanne Brennan, Vice-Chair	Dr. Nancy Kegelman
	Ms. Victoria Cattelona, Graduate Trustee	Ms. Joan Scocco
	Dr. Hank Cram, Trustee	Ms. Patricia Sensi
	Mr. Bret Kaufmann, Trustee	Ms. Kathy Kamatani
	Dr. David M. Stout, Secretary	Ms. Bonnie Passarella
	Ms. Marta Rambaud, Trustee (5:45 PM)	Mr. Ed Johnson
	Dr. Les Richens, Trustee (5:45 PM)	Dr. William Burns
		Dr. Yesenia Madas
Absent	Ms. Latonya Brennan, Trustee	Ms. Cynthia Gruskos, Recorder
	Mr. Paul Crupi, Trustee	
	Ms. Madeline Ferraro, Trustee	
		Mr. Charles Rooney, Engineer of Record
College Counsel	Mr. Mitchell Jacobs, Esq., General and Labor Counsel	

Topic and Discussion	Votes Taken	Action and Follow-up Actions
<p>Adoption of Agenda for Public Business Meeting</p> <p>Chair Abby-White announced that Board Policy 3.9009 Involuntary Administrative Leave has been updated since the board packet was posted. It has been updated in BoardMax and is available in print tonight.</p>	<p>A motion to adopt the meeting agenda was made by Trustee Becht and seconded by Vice-Chair S. Brennan</p> <p>Motion passed unanimously.</p> <p>YES: Trustees Becht, S. Brennan, Cattelona, Cram, Kaufmann, Rambaud, Richens and Chair Abby-White</p> <p>NO: None</p> <p>ABSTENTIONS: None</p>	
<p>Reports from Board Committees and Liaisons</p> <p>A. Executive Committee - Chair Abby-White reported that the Executive Committee was held on February 29, 2019 to set the agenda.</p> <p>B. Finance & Facilities Committee – Trustee Kaufmann reported that the Finance & Facilities committee met on February 19. He reported that the facilities report dominated the meeting and they explored ways to improve planning for facility construction projects. Trustee Kaufmann reported that the college is on budget for the current year, as well as plans to change the financial reporting to focus on year to year comparisons.</p> <p>C. Capital Project Update – Mr. Rooney provided an update on his capital project report submitted in the board packet on 2/12/19. He provided an update on the following projects</p> <ul style="list-style-type: none"> a. LED Lighting Upgrade – He reported to expect the contractor to begin working on non-academic areas in March and academic areas over the summer months. The project is expected to be completed by the end of August. b. Tennis & Basketball Courts – A recommendation is being made tonight to award the bid to Halecon, Inc. c. New Academic Building Wall Campus – He reported there was continued progress with remedying the noise and water infiltration problems. <p>D. Policy & Education Committee – Trustee Cram reported on the Policy & Education meeting held on February 21, 2019. He reported on the following:</p> <ul style="list-style-type: none"> a. Recommendation to approve submission of MSCHE monitoring report at tonight’s meeting. b. Academic Program Review – Dr. Reed outlined the current procedures for academic program review and the process followed in reviewing and implementing endorsed recommendations as a result of the process. This update was to inform the Trustees of the process, for preparation for the accreditation visit in April. 		

<p>c. Academic Program Gap Analysis – Dr. Kegelman reported on a commissioned program gap analysis. According to the report labor needs continue to be in the areas of health care, social assistance and technology skills. No gaps in our offerings were identified but the report suggested a need for expanded credit certificate programs. This report will be used to inform program decisions and related long range strategic planning by the Board and administration.</p> <p>d. The new Assessment Fellows Committee was described.</p> <p>e. Policy Review The committee made a recommendation to lodge two new policies, Involuntary Administrative Leave and Mission, Vision, Values and Strategic Priorities of Brookdale Community College. They made a recommendation to lodge revised policy 4.7000 Risk Management.</p> <p>f. Update o Programs Moving to 60 Credits – Dr. Reed provided an update on the college’s efforts to comply with the new State requirement to limit Associate degrees to 60 credits. The committee expects to review requests for exemptions for 4 programs which may exceed the 60 credit limit at their April meeting.</p> <p>E. Governance Committee – Vice-Chair Brennan reported on the Governance meeting held on February 21. She highlighted the following in her report:</p> <p>a. The results of the board self-evaluation were reviewed and there was a noted positive trend based on the comparisons of the results for the last 3 years.</p> <p>b. A facilitated Board retreat is planned for March 29 from 6 to 9 PM and March 30 from 9 AM to 12 PM at the Two River Theater in Red Bank. Agenda items were discussed.</p> <p>c. Dr. Kegelman provided the committee with an overview of the MSCHE Monitoring report.</p> <p>d. The committee will perform a gap analysis to be shared with the Freeholder Search Committee.</p> <p>e. Committee goals were established which included the following:</p> <ol style="list-style-type: none"> Hold a board retreat with 100% participation. Take ideas from the retreat and turn them into action plans focused on strengthening our board. Complete the board gap analysis and welcome the new addition to the Board of Trustees. <p>F. New Jersey Council of County Colleges (NJCCC) – Dr. Stout reported that the Council is restructuring their committees and looking for Trustee nominations to serve on the new committee structure.</p> <p>G. ACCT Legislative Summit – Trustee Cattelona, Chair Abby-White and Dr. Stout attended the ACCT Legislative Summit. Trustee Cattelona reported on the community college priorities at the Federal level and Chair Abby-White reported on an opportunity to hold a cybersecurity camp at Brookdale. Trustee Cattelona and Chair Abby-White had the opportunity to meet with legislators.</p> <p>H. Foundation Update – Dr. Stout reported on an update from the Foundation, which included information on how the Foundation has committed funding to address food insecurity on campus. Full report (Attachment A)</p> <p>I. Private Public Partnership Committee - Trustee Cattelona announced the next meeting will be held on March 4 at 4 PM in the Trustees Conference Room in the Student Life Center.</p> <p>J. Student’s Perspective - Trustee Cattelona reported that she met with current students to discuss the role of the Graduate Trustee and Governance at the college.</p>	<p>President’s Report</p> <p>Dr. Stout gave a special recognition to :</p> <ul style="list-style-type: none"> English faculty Karen D’Agostino, Donna Flinn, Bettejane Bolan-Kenney, Marcia Krefitz-Levine, and Charles Mencil for their presentation at the League for Innovation in the Community College Innovations Conference this weekend.
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- Our Jersey Blue's Women and Men's Basketball teams for moving forward to the regional tournaments.
- The upcoming retirements of Patricia Schuberth and Christine Forman and acknowledged their service to the college.
- The staff of Long Branch for acting as our hosts this evening.

MSCHE Report – Dr. Nancy Kegelman reported on the details and timeline of the monitoring report and the Monitoring Report Team visit from April 2-3. She reviewed the draft monitoring report structure which has been provided to the staff, faculty, students and Board for review. She provided information on the greatest strengths reported in the 2018 Student Satisfaction Inventory. Full report contained in **(Attachment B)**.

Public Comment on Agenda Items –

No public comment was made on agenda items.

Topic and Discussion	Votes Taken	Action and Follow-up Actions
Review and Adoption of Consent Agenda <ul style="list-style-type: none"> • <i>Any item may be removed from the consent agenda for discussion by any voting member of the Board of Trustees.</i> A. Adoption of Consent agenda	<p>A motion to adopt the consent agenda with a correction to the HR materials, effective end date of Townsend Weeks is 3/15/19, was made by Trustee Richens and seconded by Trustee Becht.</p> <p>Motion passed unanimously.</p> <p>YES: Trustees Becht, S. Brennan, Cattelona, Cram, Kaufmann, Rambaud, Richens and Chair Abby-White</p> <p>NO: None</p> <p>ABSTENTIONS: None</p>	
Approval of Public Business Meeting Minutes – January 29, 2019	<p>A motion to approve the minutes from the public business meeting held on January 29, 2019 was made by Trustee Cram and seconded by Vice-Chair S. Brennan.</p> <p>Motion passed</p>	

<p>Executive Session Minutes – January 29, 2019</p>	<p>unanimously. YES: Trustees Becht, S. Brennan, Cattelona, Cram, Kaufmann, Rambaud, Richens and Chair Abby-White</p> <p>NO: None</p> <p>ABSTENTIONS: None</p> <p>A motion to approve the executive session minutes from the meeting held on January 29, 2019 was made by Trustee Richens and seconded by Vice-Chair S. Brennan.</p> <p>Motion passed unanimously.</p> <p>YES: Trustees Becht, S. Brennan, Cattelona, Cram, Kaufmann, Rambaud, Richens and Chair Abby-White</p> <p>NO: None</p> <p>ABSTENTIONS: None</p>	
Topic and Discussion	Votes Taken	Action and Follow-up Actions
<p>Consent Agenda</p> <p>A. Approval of Human Resources</p> <p>B. Application of Grants</p> <p>C. Acceptance of Grants</p> <p>D. Purchases in Excess of \$35,300 and New Jersey “Pay-to-Play” bids, and Pursuant to the New Jersey “Pay to Play” Process, in</p>	<p>A motion to approve the consent agenda was made by Trustee Becht and seconded by Trustee Richens.</p> <p>Motion passed unanimously.</p> <p>YES: Trustees S. Brennan, L. Brennan, Cattelona, Cram, Crupi, Kaufmann,</p>	

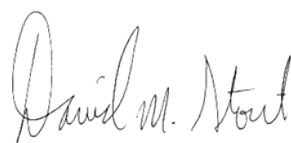
<p>Excess of \$17,500</p> <p>E. Open Invoice Payment Request for Vendor, Student and Employee Payments</p> <p>F. Monthly Financial Reports</p> <p>G. Capital Project Update</p>	<p>Rambaud, Richens and Chair Abby-White</p> <p>NAYS: None</p> <p>ABSTENTIONS: None</p>	
<p>Lodging of Policies:</p> <ol style="list-style-type: none"> 1. Lodging of Policy 1.8000 Adoption, Review and Amendment of Mission, Vision, Value and Strategic Priorities of Brookdale Community College 2. Lodging of Policy 3.9009 Involuntary Administrative Leave 3. Lodging of Revised Policy 4.7000 Risk Management 	<p>A motion was made to lodge Policy 1.8000 Adoption, Review and Amendment of Mission, Vision, Value and Strategic Priorities of Brookdale Community College, Policy 3.9009 Involuntary Administrative Leave and Policy 4.7000 Risk Management by Trustee Cram and seconded by Trustee Rambaud.</p> <p>Motion passed unanimously.</p> <p>YES: Trustees Becht, S. Brennan, Cattelona, Cram, Kaufmann, Rambaud, Richens and Chair Abby-White</p> <p>NO: None</p> <p>ABSTENTIONS: None</p>	
<p>Submission of MSHCE Monitoring Report</p>	<p>A motion to endorse the Brookdale Community College 2019 Monitoring Report to be submitted to the Middle States Commission on Higher Education by March 1 was made by Trustee Richens and seconded by Trustee</p>	

	<p>Rambaud.</p> <p>Motion passed unanimously.</p> <p>YES: Trustees Becht, S. Brennan, Cattelona, Cram, Kaufmann, Rambaud, Richens and Chair Abby-White</p> <p>NO: None</p> <p>ABSTENTIONS: None</p>	
Approval of Revised Bylaws	<p>A motion to approve the revised bylaws was made by Trustee Becht and seconded by Trustee Cattelona.</p> <p>YES: Trustees Becht, S. Brennan, Cattelona, Cram, Kaufmann, Rambaud, Richens and Chair Abby-White</p> <p>NO: None</p> <p>ABSTENTIONS: None</p>	
<p>Public Comment</p> <p>Mr. Jacobs read the public comment statement.</p> <p>Mr. Tom Brennan, Radio Station Manager – Mr. Brennan highlighted an increase in revenue compared to last year through their membership drive and sponsorships.</p>		
<p>Old/New Business</p> <p>Chair Abby-White announced that the newly revised bylaws restructure the board committees. She removed the Bylaws and Nominating committees. The Policy & Education committee has been renamed to Student Success & Educational Excellence. All committee members will stay the same and the updated committee appointments are in the board packet.</p>		
		Action and Follow-up

Topic and Discussion	Votes Taken	Actions
Resolution to Hold a Closed Meeting Mr. Jacobs read the resolution to hold a closed session. (Attachment C)	A motion was made to approve the resolution to hold an executive session by Trustee Richens and seconded by Trustee Rambaud. Motion passed unanimously. YES: Trustees Becht, S. Brennan, Cattelona, Cram, Kaufmann, Rambaud, Richens and Chair Abby-White NO: None ABSTENTIONS: None	
Motion to Re-Open the Meeting to the Public	A motion was made to re-open the meeting to the public by Trustee Richens and seconded by Trustee Rambaud. Motion passed unanimously. YES: Trustees Becht, S. Brennan, Cattelona, Cram, Kaufmann, Rambaud, Richens and Chair Abby-White NO: None ABSTENTIONS: None	
Topic and Discussion	Votes Taken	Action and Follow-up Actions

<p>Adjournment –</p> <p><i>The meeting was adjourned at 7:50 p.m.</i></p>	<p>A motion to adjourn the meeting was made by Trustee Richens and seconded by Trustee Cattelona.</p> <p>Motion passed unanimously.</p> <p>YES: Trustees Becht, S. Brennan, Cattelona, Cram, Kaufmann, Rambaud, Richens and Chair Abby-White</p> <p>NO: None</p> <p>ABSTENTIONS: None</p>	
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Respectfully submitted:



David M. Stout, Ph.D., Secretary

Brookdale Community College
Middle States Monitoring Report Board Update
February 26, 2019

The Policy and Education Services and Governance committees reviewed the Feb. 17, 2019 draft Monitoring Report at their committee meetings on February 21, 2019. An outline of the components in each of the five sections was provided.

Subsequently, President Stout updated the Report. In Standard IV, Support of Student Services, he include 1) a comparative table of the increase in student satisfaction over a five year period and 2) the timetable for Board policy review (**Appendix A**). **Table 3** in the Monitoring Report highlights several of these significant improvements. The data was obtained from the November 2018 administration of the Student Satisfaction Inventory (SSI). The College has administered the SSI a dozen times over the past 20 years. The comparative table reports student satisfaction on select items from the three most recent administrations. The latest administration in November 2018 shows a marked increase in student satisfaction with academic advising a direct result of the changes made to advising, counseling, and registration, and the launching of the One Stop Center.

Among the greatest strengths reported in 2018 were:

- “The Student Planning system makes planning and registering for classes easy.”
- “The One Stop Center staff are helpful with all of my enrollment (Admissions, Registration, and Financial Aid services) needs”
- “The personnel involved in registration are helpful”

Since last shared with the full Board, President Stout **added a sustainability actions plan** for each of the three Middle States standards addressed in the Report. Subsequently President Stout, compiled a comprehensive list of sustainability activities and frequency of monitoring. Pat Schuberth in Dr. Reed’s office combined the Report and Appendix into one document with indexing and links from reference in the Report to the specific appendix item.

Timeline of Events

- **Feb. 27, 2019** Upload the Monitoring Report President Stout shared with the BOT to the Middle States portal
- **April 2, 2019** **Follow-up Visit** - Board meeting with Middle States at 2:15 in the Trustee’s Conference Room
- **April 3, 2019** 9:30 - **Oral Exit Report** – Navesink Room of the SLC
- **April 24, 2019** Final Team Report Uploaded to MSCHE portal
- **May 2, 2019** College responds to Team Report in MS portal
- **May 28, 2019** MSCHE Committee on Follow-up Activities expresses opinion
- **June 26-27, 2019** MSCHE Commission Meeting determining accreditation status

Thanks to the many who ensured and demonstrated Brookdale’s compliance with Standards II, V and IV and to those who helped built this impressive monitoring report.

Brookdale Community College
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3.1 Human Resources Recommendations

Hires, Change of Status & Separations - This month there are a total of 18 recommended items. A summary of the action items is listed below with supporting documentation attached.

A. Hires

Support Staff

Adjuncts

Coach

Recommendations

2

2

1

B. Change of Status

Faculty

Administrative

Recommendations

1

4

C. Separations

Faculty

Administrative

Support Staff

Recommendations

2

1

1

D. Sabbaticals

Faculty

Administrative

Recommendations

1

1

E. Educational Leave

Support Staff

Recommendations

2

A. HIRES**SUPPORT STAFF**

1. Name: Meghan Begley
Department: Continuing & Professional Studies
Position: Associate
Salary: \$40,455
Effective: 4/1/19
2. Name: Marcia Finn
Department: President's Office
Position: Confidential Secretary to the President and Board of Trustees
Salary: \$37,079
Effective: 4/1/19

ADJUNCTS

1. Name: Cara Drozd
Department: Fitness
2. Name: Wayne Girard
Department: History

ADJUNCT DEGREE SUMMARY

Masters

2

COACHES

1. Name: Marc Scoran
Department: Athletics
Position: Assistant Men's Lacrosse Coach
Compensation: \$3,150
Dates: 2/8/19 – 5/31/19

B. CHANGE OF STATUS**Faculty**

1. Name: Olga Malpica-Proctor
Department: Mathematics
Position: Professor
Action: Transitional Sabbatical for FY20 before retirement
Effective: 9/1/19 – 6/30/20

Administrative

1. Name: Hilda Dudick
Department: VP Learning
Position: Director, Learning Divisions Operations
Action: Reclassification
New Salary: \$56,781 prorated from an annual base of \$75,709
Effective: Correction from 10/1/18 to 7/1/16
2. Name: Patricia Meyer
Department: Payroll
Position: Acting Payroll Administrator
Action: Change in status from N4 to acting A3 position
New Salary: Salary prorated from an annual base of \$55,250
Effective: 4/16/19 until incumbent returns
3. Name: Michael Naparło
Department: Facilities
Position: Supervisor, Maintenance & Grounds
Action: Monthly stipend of \$266 for assuming additional Manager level responsibilities
Effective: 2/25/19 until further notice, but not later than 6/30/19
4. Name: Fidel Wilson
Department: Educational Partnerships
Position: Director, Early College High School Programs and Educational Partnerships
Action: Change in status from A3 to A5 position through bona fide search
New Salary: \$21,291 prorated from an annual base of \$85,163
Effective: 4/1/19

C. SEPARATIONS**FACULTY**

1. Name: Carole Carney
Department: Mathematics
Position: Associate Professor
Action: Retirement
Effective: 3/31/19
2. Name: Karen D'Agostino
Department: English
Position: Professor
Action: Retirement
Effective: 6/30/19

ADMINISTRATIVE

1. Name: Donna Bastedo
Department: Brookdale at Freehold
Position: Associate Director, Branch Campus
Action: Retirement
Effective: 5/31/19

SUPPORT STAFF

1. Name: Dawn Taylor
Department: Payroll
Position: Senior Assistant, Payroll
Action: Separation
Effective: 3/7/19

D. SABBATICALS**FACULTY**

1. Name: Marie Maber
Department: Fine Art
Length of Sabbatical: One-Half Year
Effective: Fall 2019

ADMINISTRATIVE

1. Name: Anne LaPorta
Department: Career & Leadership Development
Length of Sabbatical: One-Half Year
Effective: 7/1/19 – 12/31/19

E. EDUCATIONAL LEAVE**SUPPORT STAFF**

1. Name: Cynthia Bradbury
Department: Humanities Institute
Length of Sabbatical: One-Half Year
Effective: 1/1/20 – 6/30/20
2. Name: Michael Conklin
Department: Music
Length of Sabbatical: One-Half Year
Effective: 7/1/19 - 12/31/19

FACULTY SABBATICAL

CANDIDATE: Marie Maber
DEPARTMENT: Fine Art
LENGTH OF SABBATICAL: One-Half Year, Fall 2019

The purpose of Marie's sabbatical is to complete research at the Pennsylvania Academy of the Fine Arts archives on Philadelphia Artist Morris Blackburn. In partnership with Morris Blackburn's widow, Marie catalogued Mr. Blackburn's 1942-1958 diaries and day planners, which are stored in the Pennsylvania Academy of the Fine Arts archives. Marie would index the additional journals from 1959-1979 and pursue avenues where they can be used. She will compile his lectures entitling them "Model Stand Chats" and create a biographical essay to accompany his lessons for publication. Marie would curate a 2020 CVA Gallery exhibit which would showcase Morris Blackburn's and several of his star students' paintings.

Professor Maber joined the full time Brookdale faculty in 2001. She earned a Bachelor's degree in Fine Arts from University of Pennsylvania and a Master's degree in Art History from Temple University.

TRANSITIONAL FACULTY SABBATICAL

CANDIDATE: Olga Malpica Proctor
DEPARTMENT: Mathematics
LENGTH OF TRANSITIONAL SABBATICAL: Academic Year 2019-2020

The purpose of Oly's transitional sabbatical is to move MATH 151 – Intermediate Algebra to an OER textbook-based course and create course materials which complement the new textbook. MATH 151 is a general education course that serves as a gateway for students entering STEM courses and acts as a prerequisite for courses in other disciplines. She will utilize her research on OER to create a MATH 151 workbook based on current OER material. Oly hopes to produce an affordable MATH 151 bundle which would include this workbook and an online homework code. Students will have the option of downloading the textbook and accessing it online, thus bypassing the expense of buying the hardcopy book.

Professor Malpica Proctor joined the full time Brookdale faculty in 2003. She earned a Bachelor's degree in Mathematics Education from the Instituto Universitario Pedagógico de Caracas in Venezuela and Master's degree in Mathematics from University of Arizona.

ADMINISTRATOR SABBATICAL

CANDIDATE: Anne LaPorta
DEPARTMENT: Career & Leadership Development
LENGTH OF SABBATICAL: July 1, 2019 to December 31, 2019

The purpose of Anne's sabbatical is to advance her career and leadership goals by completing a Master of Arts degree in Strategic Leadership from Saint Bonaventure University. The Strategic Leadership program offers a multi-disciplinary approach to develop leadership mindset and skills needed to make a sustainable impact. Anne's goal is to focus on students by using career assessments, technology, and online resources to create an improved and innovative career readiness program to reach students starting in the first semester. She will explore pathways and resources that will connect and retain students to give them successful academic and career outcomes significant to Brookdale's mission. The First Year Seminar is not only a vital tool for students, but helps to retain and provide students with guided career pathways.

Ms. LaPorta was hired full time at Brookdale in 2009. She earned a Bachelor's degree in English from Seton Hall University and is a certified Meyers Briggs Practitioner.

EDUCATIONAL LEAVES

CANDIDATE: Cynthia Bradbury
DEPARTMENT: Office of Humanities Institute
LENGTH OF SABBATICAL: January 1, 2020 to June 30, 2020

The purpose of Cynthia's sabbatical is to complete her Management and Marketing Bachelor of Science degree from New Jersey City University to enhance her professional and personal fulfillment. After completing her degree, she will have the management skills and understandings to enable her to obtain an administrative position. The College would benefit by having a well-rounded employee whose talents and new ideas will be useful to many areas within Brookdale.

Ms. Bradbury was hired full time at Brookdale in 2009. She earned an Associate's degree in Business from Brookdale Community College.

CANDIDATE: Michael Conklin
DEPARTMENT: Music
LENGTH OF SABBATICAL: September 1, 2019 to December 31, 2019

The purpose of Michael's sabbatical is to complete his doctorate in Jazz History and Cultural Studies from Drew University. His dissertation is titled "Runnin' Wild: Harlem, the Interwar Years and the Music that Transformed a Nation." The impetus for the pursuit of his doctoral degree stemmed from his years of experience with students at Brookdale. As the generation gap widens, most students lack the foundation in American cultural history. His research focus on jazz will provide him with a vehicle by which to educate students on the strength of unity which can arise from diversity.

Mr. Conklin was hired full time at Brookdale as an Educational Lab and Studio Assistant in 1999. He earned a Bachelor's degree in Psychology from Rowan University, and Bachelor's degree in Music and Master's degree in Jazz History and Research from Rutgers University.

**1.51 Acceptance of Gifts
Background**

Board Policy 2.0000 provides that the President may accept unconditional gifts for the College and that acceptance of such gifts shall be reported to the Board of Trustees each month.

The College continues to receive a variety of useful and welcome gifts from many sources. These are generally donated by private individuals, business firms, students, and staff whose continued interest and support are evinced in these actions.

The following gift has been accepted and acknowledged for Brookdale Community College by the President:

DATE	DONOR	ITEM
February 15, 2019	General Motors Corporation	Donation of 2016 Chevy Malibu vehicle and 2017 Cadillac ATS vehicle
February 26, 2019	General Motors Corporation	Donation of a 2017 Chevy Colorado vehicle

March 26, 2019: Laura Qaissaunee, Director of Grants & Institutional Development

4.2 *Purchases in Excess of \$35,300 and New Jersey "Pay-to-Play" bids, and Pursuant to the New Jersey "Pay to Play" Process, in Excess of \$17,500*

Enclosed is a resolution with an attached list indicating proposed Public Contracts for Brookdale Community College in excess of \$35,300. These proposed contracts have been bid in accordance with "County College Contracts Law," N.J.S. Chapter 64A-Title 18A, and Board of Trustees' Policy No. 4.2000, are under State contract or are legal exceptions to the Public Contracts Law.

Also listed are bids and proposals over \$17,500 that met the New Jersey State "Pay-to-Play" Law, N.J.S.A. 19:44a-20.1 et seq., Chapters 51 and 271.

This report was reviewed by the President and the Finance & Facilities Committee at a meeting held March 19, 2019.

March 26, 2019: Interim Vice President Finance & Operations, Joey Stoner

RESOLUTION

WHEREAS, County College Contracts Law, Chapter 64A, title 18A, requires Board approval for any purchase in excess of \$35,300, or purchases with a combined total in excess of \$35,300; and

WHEREAS, the New Jersey State “Pay-to-Play” Law, N.J.S.A. 19.44a-20.1 et seq, Chapters 51 and 271, requires Board of Trustee approval for any purchase over \$17,500, that is not awarded pursuant to a “fair and open” process; and

WHEREAS, the Interim Vice President, Finance & Operations has determined and certified in writing that the value of the acquisition will exceed \$17,500; and

WHEREAS, the vendor has completed all the required certifications and disclosures; and

BE IT FURTHER RESOLVED that the Business Disclosure Entity Certification and the Determination of Value be placed on file in the Purchasing Office with this resolution; and

WHEREAS, the Board of Trustees has reviewed the purchases on the list attached hereto and made a part hereof; and

WHEREAS the College certifies the availability of funds to cover the maximum dollar value of the pending contract as set forth in this resolution;

NOW THEREFORE BE IT RESOLVED by the Board of Trustees of Brookdale Community College that Purchases as indicated on the attached list have been reviewed and the same are hereby approved.

Agenda for Purchases in Excess of \$35,300

March 26, 2019

Board Item No.	Vendor/Contractor	Category / Description	Basis of Award	Amount of Purchase
Auxiliary				
1	Culinary Ventures Vending Coca-Cola Inc.	Vending Beverage, RFP No. 02-16 / This is the 5th year of a 5 year contract for pouring rights and vending beverage services.	RFP	Guarantee Revenue \$92,000.00
2	Culinary Ventures Vending	Vending Snack, RFP No. 10-15 / This is the 5th year of a 5 year contract for vending snack services.	RFP	Guarantee Revenue \$60,000.00
Capital				
3	AIS; Metalworks, dba Great Openings; Trendway; KI Furniture	Mobile Walls and Furniture for Testing Center / Exempt 18A:64A.25.9 (State Contract) and Exempt 18A:64A-25.10. (Joint purchases by county colleges, municipalities or counties; authority). These contracts are for the supply, delivery and installation of mobile walls and furniture for the new Testing Center to be re-located in the Bankier Library. These contracts are funded by Chapter 12, ASBCC, and Operating Budgets.	Exempt	\$ 161,972.79
4	Concord Products	Mobile Walls / Exempt 18A:64A.25.9 (State Contract). This State Contract is for the supply, delivery and installation of mobile walls in MAC 109 to create 3 separate counselor offices. This contract is funded by Chapter 12.	Exempt	\$ 28,083.08
Grant				
5	Virtuit Systems	Dell Servers / Exempt 18A:64A.25.9 (State Contract). This State Contract is for the purchase of 2 Dell Servers to host and manage a virtual lab environment for the Cybersecurity Education training program. There are currently approximately 400 labs available to populate the environment. This contract is funded by the United States Department of Education Fund for the Improvement of Post Secondary Education (FIPSE) Grant.	Exempt	\$ 24,180.00

6	Holt Anatomical, Inc.	Somso Scientific Models, Bid No. 19-16 / Notice was sent to 9 vendors, received 3 replies. This contract is for the supply and delivery of 50 various scientific models for the Biology Labs and is funded by the ELF Grant.	Bid	\$	47,354.00
Operating					
7	Konica Minolta Business Solutions USA, Inc.	Maintenance, Supplies, Print Management for Copiers and Printers / Exempt 18A:64A-25.10 (Joint purchases by county colleges, municipalities or counties; authority). This is the 2nd year of the contract with an option for renewal up to 5 years for the maintenance, supplies and print management services for the copiers and printers. This contract is funded by the Printing Services Budget. FY19 \$114,328.80.	Exempt	\$	114,328.80
8	Urner Barry	Bulk Mailing Services, Bid No. 18-17 / This is the 2nd year of a 2 year contract for bulk mailing services and is funded by the operating budget. FY19 YTD \$7,700.	Bid	\$	17,500.00 *
9	Parchment Inc.	eTranscript Services, RFP No. 06-15 / This is a one year extension of the contract for transcript ordering and processing services and is funded by Student Fees.	RFP		REVENUE \$3/Transcript Request
10	Assessment Technologies Institute, LLC	Nursing Comprehensive Assessment & Review Program and Student Exams / Exempt 18A:64A-25.5.a. (19)(Providing goods or services for the use, support or maintenance of proprietary computer hardware, software peripherals and system development for the hardware). This contract is for an on-line comprehensive assessment and tutorial review programs for nursing students. This contract is funded by Student Lab Fees. FY19 YTD \$118,000.	Exempt	\$	149,000.00 *
11	Tenet Partners; Splendor	Student Recruitment Advertising / Exempt 18:64A-25.5.a.(20) (Recruitment and advertising). These contracts are for recruitment advertising and the development of the Brookdale brand platform, brand standards/guidelines for correct usage and logo placement, and templates for external communications. The deliverables will ensure a unified look and feel, and strengthen the effectiveness of the marketing strategy. These contracts are funded by the Institutional Marketing Budget. FY19 YTD \$197,234.	Exempt	\$	55,000.00 *

12	Aspire Technology Partners, LLC	Cisco Unified Communication (Phone System) Upgrade / Exempt 18A:64A.25.9 (State Contract). This State Contract will provide software upgrades to the College's phone system, which typically occurs every 5 years. This is necessary to ensure support and stability to the platform and leverage any enhancements. These enhancements will include the ability to simplify various components of the Unified Communication platforms to better leverage the video conferencing capabilities of the solution by integrating tools designed in partnership with higher education. This contract is funded by the IT Budget.	Exempt	\$	42,000.00
13	Nelnet Business Solutions, Inc.	Student Payment Gateway Services, RFP No. 05-19 / Notice was sent to 13 vendors, received 2 replies. This is a one year contract with an option for a 2nd year renewal for student payment gateway services to include electronic payment processing, on-line student payments, electronic statements, and payment plan management. This contract is funded by Student Fees.	RFP		Revenue \$105,000
14	Cengage Learning, Inc. (ed2go)	Continuing Education Online Training, RFP No. 06-19 / Notice was sent to 16 vendors, received 2 replies. This is a one year contract with an option for a 2nd year renewal for continuing education online training services and is funded by CPS revenue generating programs. FY19 YTD \$8,000.	RFP	\$	33,000.00 *
15	F.W. Webb, Grant Supply Division	Plumbing Supplies / Exempt 18A:64A-25.10 (Joint purchases by county colleges, municipalities or counties; authority). This is a one year contract for the supply and delivery of plumbing supplies through the Monmouth County Purchasing Co-op Contract and is funded by the Facilities Budget. FY19 TYD \$14,000.	Exempt	\$	30,000.00 *
16	Cooper Freidman Electric Supply Co.	Electrical Supplies / Exempt 18A:64A-25.10 (Joint purchases by county colleges, municipalities or counties; authority). This is a one year contract for the supply and delivery of electrical supplies through the Monmouth County Purchasing Co-op Contract and is funded by the Facilities Budget. FY19 YTD \$7,000.	Exempt	\$	25,000.00 *
17	Automated Building Controls, Inc.	Building Automation and Control System Service and Maintenance, Bid No. 18-30 / This is the 2nd year of a 2 year contract for building automation and control system service and maintenance, and is funded by the Facilities Budget. FY19 YTD \$71,896.	Bid	\$	213,460.00 *

18	TEC Elevator Inc.	Elevator Services, Bid No. 18-23 / This is the 2nd year of a 2 year contract for elevator services and repairs and is funded by the Facilities budget. FY19 YTD \$12,000.	Bid	\$	43,460.00	*
19	Mazza Recycling Services Ltd.	Trash Disposal & Recycling, Bid No. 17-42 / This is the 3rd year of a 3 year contract for trash disposal and recycling at Lincroft, Freehold, Wall and Hazlet. This contract is funded by the Facilities Budget. FY19 YTD \$43,000.	Bid	\$	85,000.00	*
20	Hilsen Pest Control, LLC	Pest Control Services, Bid No. 18-20 / This is the 2nd year of a 2 year contract for pest control services and is funded by the Facilities budget. FY19 YTD \$1,000.	Bid	\$	7,500.00	*
21	Griffith-Allied Trucking, LLC	Unleaded and Diesel Fuel / Exempt 18A:64A.25.9 (State Contract). This State Contract is for the supply and delivery of unleaded and diesel fuel and is funded by the Facilities Budget. FY19 YTD \$19,400.	Exempt	\$	35,000.00	*

* Estimated expense based on historical data

Unless otherwise exempt, bids were publicly advertised according to law.



BOARD OF TRUSTEES

General Data Board

Admission Practices

Human Resources

Finance & Facilities

Policy & Information

4.1 *Financial Reporting*

**For the 7 months ending January 31, 2019
Presented March 26, 2019**

March 26, 2019: Vice President Finance & Operations, Joey Stoner

Brookdale Community College
Analysis and Forecast of the Operating, Auxiliary, & Capital Funds
Positions at 6/30/19

	FY19 Budget	1/31/19	Increase/ (Decrease)	FY19 Projected
Operating				
Revenues:				
Tuition	\$ 38,394,347	\$ 34,959,620	\$ (504,727)	\$ 37,889,620
State	10,325,921	6,038,004	-	10,325,921
County	20,027,019	11,682,428	-	20,027,019
Fees	11,413,689	9,399,702	(407,938)	11,005,751
Continuing & Prof. Serv.	3,350,000	2,280,010	(100,000)	3,250,000
Other Income	774,000	326,750	(55,000)	719,000
Total revenue	\$ 84,284,976	\$ 64,686,514	\$ (1,067,665)	\$ 83,217,311
Expenditures:				
Learning Division	\$ 32,507,158	\$ 16,199,112	\$ (190,296)	\$ 32,316,862
Benefits	16,216,589	7,838,487	(383,524)	15,833,065
Finance & Operations	9,096,008	4,747,546	(118,750)	8,977,258
Student Success Division	5,945,192	3,246,500	(102,500)	5,842,692
General Expenses	5,208,120	2,328,713	(333,390)	4,874,730
Continuing & Prof. Serv.	3,160,740	1,630,842	(25,000)	3,135,740
Utilities	2,523,503	1,336,157	-	2,523,503
Human Resources & Safety	2,257,406	1,281,651	(102,822)	2,154,584
Advancement Division	957,624	544,761	(122,500)	835,124
Planning & Inst. Effectiveness	402,400	259,176	-	402,400
President & BOT	504,826	289,695	24,980	529,806
Total expenditures	\$ 78,779,566	\$ 39,702,640	\$ (1,353,802)	\$ 77,425,764
Other cash requirements				
Debt Principal	\$ 1,699,997	\$ -	\$ -	\$ 1,699,997
Interest Expense	1,467,443	-	-	1,467,443
TIP/TECH	2,337,970	1,343,099	-	2,337,970
Total other	\$ 5,505,410	\$ 1,343,099	\$ -	\$ 5,505,410
Excess revenue/expenditures				\$ 286,137
Auxiliary				
Receipts		\$ 816,006	\$ 1,141,494	\$ 1,957,500
Disbursements		854,642	933,739	1,788,381
Profit/(Loss) Auxiliary		\$ (38,636)	\$ 207,755	\$ 169,119
Excess revenue/expenditures				\$ 169,119
Capital				
Revenues:				
State Chapter 12	\$ 9,641,512	\$ 634,595	\$ (6,786,747)	\$ 2,854,765
County	9,641,512	634,595	(6,786,747)	2,854,765
HETI	47,104	-	(47,104)	-
ELF	683,376	-	(630,711)	52,665
Fees-TIP	253,976	-	-	253,976
Other Capital Fees	350,000	-	-	350,000
Total revenue	\$ 20,617,480	\$ 1,269,190	\$ (14,251,309)	\$ 6,366,171
Expenditures:				
State Chapter 12	\$ 9,641,512	\$ 634,595	\$ (6,786,747)	\$ 2,854,765
County Chapter 12	9,641,512	634,595	(6,786,747)	2,854,765
HETI	47,104	-	(47,104)	-
ELF	683,376	-	(630,711)	52,665
Fees-TIP	253,976	-	-	253,976
Other Capital Fees	350,000	-	-	350,000
Total expenditures	\$ 20,617,480	\$ 1,269,190	\$ (14,251,309)	\$ 6,366,171
Excess revenue/expenditures				\$ -
Total excess revenue/expenditures all funds				\$ 455,256

Brookdale Community College
Cash Balance Analysis
As of February 28, 2019

	FY16	FY17	FY18	FY19
July	\$ 8,690,966.52	\$ 3,924,507.00	\$ 8,467,104.38	\$ 7,558,721.38
August	12,975,549.79	5,257,967.16	10,794,724.59	13,791,437.47
September	9,877,698.58	14,230,855.98	8,116,282.16	17,135,494.98
October	17,120,989.56	10,034,966.35	12,704,404.96	14,911,885.92
November	13,016,350.05	5,881,692.09	12,851,711.00	13,655,458.27
December	11,686,611.54	5,813,306.39	9,253,180.00	10,237,929.92
January	15,380,777.32	10,936,117.45	13,533,588.30	17,083,793.40
February	15,038,852.73	12,352,432.38	12,149,359.50	21,789,728.85
March	17,305,625.98	7,804,144.44	10,721,561.17	
April	14,070,405.87	7,677,357.19	12,993,416.87	
May	10,565,164.81	7,240,211.55	12,510,624.36	
June	5,051,778.69	5,718,427.39	10,477,369.61	

Note: Cash balances include capital, auxiliary and ASBCC funds combined.
Cash increased \$9,640,369.35 from prior year.



BROOKDALE COMMUNITY COLLEGE PROJECTS

A. CONSTRUCTION PROJECTS - CHAPTER 12 FUNDS

1) FIRE ALARM PANEL REPLACEMENT PROJECT

Due to the age of eight existing fire alarm panels on the Lincroft campus and the difficulty in finding parts to maintain these panels, a contract to replace the panels was awarded to Fire Securities Technology, Inc. in the amount of \$115,000 by the BOT at their October 23, 2018 meeting. Presently construction is approximately 98% complete with full completion anticipated by the end of the month. Following completion of the panel replacements, we recommend the College pursue the second phase of improvements to the Fire Alarm Systems which includes upgrading the networking of all the panels.

2) SEWER EJECTOR PUMPS/LINCROFT CAMPUS

A contract for the replacement of sewer ejector pumps at the MAS and ATC buildings was awarded to Longo Electrical-Mechanical, Inc. in the amount of \$84,700.00 by the BOT at their May 15, 2018 meeting. The project is substantially complete, and the new pumps are up and running at both locations. Unfortunately, one of the two pumps at the MAS building failed which required replacement by the contractor at his expense on January 21, 2019. Minor punchlist items are scheduled to be completed during the upcoming Spring break next week.

3) MISCELLANEOUS ROOF REPAIRS

At the BOT of June 26, 2108, a contract to prepare bid documents for roof repairs at the Student Life Center, Library, Main Academic Buildings North and South and the Auto Tech Building was awarded to FVHD Architects and Planners, PC in the amount of \$39,750. The project was advertised, and bids were received on October 19, 2018. Contracts in the amount of \$406,340 and \$302,500 were awarded to Roof Integrity and MTB respectively at the BOT meeting of October 23, 2018. Roof Integrity has substantially completed their work (95% complete) and is expected to be completed by the end of March. The MTB contract is approximately 85% complete with substantial completion expected by the end of April.

4) CVA & LAH CHILLER REPLACEMENTS

At the BOT meeting of June 26, 2018, our office was authorized to proceed with our proposal to provide engineering design and construction administration services for the replacement of antiquated chillers and upgrades to the controls at the Center for Visual Arts and Larrison Hall for a not to exceed fee of \$87,000. The project was advertised on October 2, 2018 with eight bids received on November 1, 2018. At their special meeting of November 12, 2018, the BOT awarded a contract to Preferred Mechanical, Inc. in the amount of \$1,225,000. Demolition and removal of the existing chillers has been completed and the new chillers are expected to be delivered on March 18, 2019. Currently piping modifications and control upgrades are underway. The project is expected to be substantially completed by the end of March. Following completion of this project, we recommend the College solicit bids for roof repairs at both buildings.



5) LED LIGHTING UPGRADES

Based on the recommendations of the Local Government Energy Audit (LGEA) reports prepared for the buildings at the Lincroft Campus and satellite campuses, the College decided to pursue energy saving measures by replacing the existing light bulbs with LED bulbs. Accordingly, plans and specifications were completed and the project was advertised with five bids being received on January 18, 2019. The BOT awarded a contract to Wildan Energy Solutions, Edison, NJ in the amount of \$1,175,880 at their January 29, 2019 meeting. A preconstruction meeting was held on 2/20/19. Installation of new light bulbs is scheduled to begin in non-academic areas early next month with the academic areas scheduled over the summer. The project is scheduled to be completed by the end of August 2019. The LGEA Reports indicate potential annual savings of more than \$300,000 from this project.

6) TENNIS & BASKETBALL COURTS/LINCROFT CAMPUS

Our office has completed field investigations to rehabilitate the existing eight tennis courts and two basketball courts at the Lincroft Campus. Concept plans and preliminary construction cost estimates have been completed for three options of repair ranging from repairing cracks and resurfacing the courts; crack repair, mill/pave top course asphalt and resurfacing; and full reconstruction of the courts. We were recently advised the College has decided to pursue option one for rehabilitating the tennis and basketball courts which calls for repairing the surface cracks and resurfacing the courts along with new nets and posts and basketball stanchions. Bids were received on February 14, 2019 and the BOT awarded a contract to Halecon, Inc. on February 26, 2019 in the amount of \$135,500. Construction is scheduled to begin this spring.

B. DESIGN/STUDIES/REPORTS

1) FREEHOLD CAMPUS FOUNDATION SEEPAGE PROBLEM

Our office was requested to investigate an ongoing basement seepage problem. We have completed a site inspection along with videotaping of the interior and exterior drainage piping. Videotaping required extensive cleaning of the pipes which had numerous clogs throughout the system. The videotaping identified five locations where the piping had separated. A contract in the amount of \$11,075 was awarded to Root 24 to make the repairs. Presently all five locations have been repaired. Unfortunately, recent heavy rain events have shown the seepage problem has not been fully solved. At the direction of the F&F Committee, our office completed a feasibility and cost analysis of installing an exterior cutoff drain around the perimeter of the building. Our preliminary cost estimate for this project is approximately \$200,000 based on the depth and width of excavation, utility conflicts and the need to pump the collected water up into the existing stormwater management system. We await guidance on how to proceed.



2) ATHLETIC FIELDS/LINCROFT CAMPUS

Our office met with President Stout and Athletic Director Amundson along with other College representatives on November 27, 2018 to discuss the condition, location and orientation of the existing baseball field, softball field and the two soccer/lacrosse fields. It was agreed that keeping the fields in their current location and orientation was in the best interest to the College. It was also agreed that installing artificial turf on the main soccer field along with the infields of both the baseball and softball fields would be prudent allowing for extended use and reduced maintenance. Our office completed a preliminary review and cost estimates for installing an artificial turf field on the main soccer field and rehabilitating the balance of the fields with new sod and irrigation systems. Unfortunately, due to the proximity of the main soccer field to the Swimming River Reservoir, NJDEP required buffers will dramatically impact the feasibility and cost of installing an artificial turf field at that location. We reviewed our findings and preliminary cost estimates with College staff on January 4, 2019 and we await guidance on how to proceed.

3) NEW ACADEMIC BUILDING-WALL CAMPUS

Unfortunately, noise complaints from adjacent residents persist following the remediation modifications to the roof mounted chiller completed by the College this past summer. Recent noise readings indicate the roof top chiller (running at a simulated full load) exceeds the Wall Township noise ordinance. The architect (Spiezle Design Group) has recommended the installation of a sound barrier wall mounted on the roof parapet immediately in front of the chiller. A preliminary cost estimate to implement this work is approximately \$100,000. In addition, following a heavy rain event in August, the building experienced water seepage problems at the interface of the walls with the building slab in a few locations.

Regarding noise, it was decided that Spiezle would secure the services of an acoustical engineering firm to evaluate the current problem, assess the measures taken to date and provide a recommendation and cost estimate for additional noise attenuating measures. To that end, Spiezle awarded a contract to Acentech, Inc. last month for a fee of \$9,500. A simulated noise test is scheduled for March 11, 2019. Acentech is scheduled to complete their investigation and submit a report by the end of the month after which a meeting will be scheduled with Spiezle to discuss cost sharing, design and construction administration responsibilities along with the schedule to install the improvements.

Regarding water infiltration, Spiezle performed a detailed inspection of the building on February 1, 2019, the findings of which were discussed with Benjamin Harvey (contractor) on March 1, 2019. The contractor agreed to make the necessary repairs to the building within 60 days. Regarding site grading, both Spiezle and Benjamin Harvey contend the grading is per the contract requirements. However, they indicated that should the College seek to revise the grading they would be willing to discuss a cost sharing arrangement.

Also, during hot humid spells this past summer, condensation problems were experienced in some areas of the building. Based on discussions with Spiezle's HVAC subcontractor (Vanderweil), minor adjustments to the settings on the HVAC equipment were made and operational suggestions were recommended which should resolve the problem. Performance of the HVAC equipment will be monitored over the upcoming cooling season and Vanderweil has agreed to further assist the College if warranted.

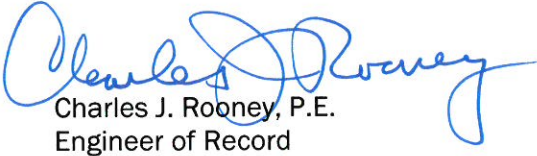
Lastly, both Spiezle and the contractor have been apprised of the recent fire sprinkler head rupture. Spiezle is currently investigating the possible cause of the problem and we expect feedback from them shortly.



4) ATEC RETAINING WALL

During heavy rain events this past summer, an existing stepped timber retaining wall adjacent to the ATEC building, experienced significant damage and erosion. Our office field inspected the wall on October 16, 2018 and recommends rehabilitating the wall with new underdrains and pervious fill material along with replacement of some timbers. In addition, we recommended the installation stormwater management improvements to divert storm water from cascading over the wall. Preliminary project costs are estimated at \$120,000. It is my understanding an insurance claim regarding this occurrence has been denied.

We are currently working with the College to prepare an RFP to hire an engineering firm to further evaluate the cause of the problem and prepare technical plans and specifications to repair the wall and address the cause of the erosion problem.


Charles J. Rooney, P.E.
Engineer of Record

1.8000 Adoption, review, and amendment of the Mission, Vision, Values, and Strategic Priorities of Brookdale Community College

I. Title of Policy

Adoption, review, and amendment of the Mission, Vision, Values, and Strategic Priorities of Brookdale Community College

II. Objective of Policy

To establish a process for the adoption, review, and amendment of the Mission, Vision, Values, and Strategic Priorities of Brookdale Community College.

III. Authority

N.J.S.A. 18A:64A-1 et seq; Board of Trustee Bylaw 1.2050.

IV. Policy Statement

A. Mission, Vision, and Values of Brookdale Community College

1. The Board of Trustees ("The Board") acknowledges that the College's Mission Statement shall be as follows: *Brookdale Community College empowers a diverse community by providing open access to high-quality and cost-effective educational and lifelong learning options with clear paths to personal, educational, and economic success.*
2. The Board of Trustees acknowledges that the College's Vision Statement shall be as follows: *Brookdale, the County College of Monmouth, is a dynamic community college system committed to student success, lifelong learning, economic development and the common good of society. Brookdale plays a transformative role in our community, providing educational, cultural and professional programs and offerings to enable, empower and inspire all community members to fulfill their aspirations to the best of their ability.*
3. The following values guide the Brookdale community in the fulfillment of our Mission; each being of equal weight and importance:
 - a. **Educational excellence** through engagement, assessment and innovation
 - b. **Economic empowerment** through access, opportunity, and entrepreneurial partnerships
 - c. **Institutional integrity** through academic freedom, stewardship and accountability
 - d. **Diversity** through inclusivity, human equity and individual perspective
4. The Board shall annually review and endorse the Mission, Vision, and Values statements of the College. If the Board determines that there is a need to revise or amend the Mission, Vision, and/or Values statements, the President shall be directed to conduct a College-wide review and present recommended changes to the Board.

B. Strategic Priorities

1. The Board shall develop its Strategic Priorities during their annual Spring Retreat.
2. The Board in collaboration with the President shall develop specific goals for the President, in alignment with the Strategic Priorities, by the May Board of Trustee's Public Business Meeting.
3. The President shall work with the Senior Executive Leadership Team to ensure that the College's annual goals are aligned with the Board's Strategic Priorities.

V. Responsibility for Implementation

Board of Trustees.

3.9009 Involuntary Administrative Leave

I. Title of Policy

Involuntary Administrative Leave

II. Objective of Policy

To authorize the President to place a College employee on involuntary administrative leave pending the outcome of an investigation into accusations of misconduct and to further authorize the President to develop, with the assistance of College Counsel and the Office of Human Resources, and implement College Regulations to carry out said objective and to impose appropriate discipline.

III. Authority

N.J.S.A. 18A: 64A-12

IV. Policy Statement

The Board of Trustees authorizes the President (or designee) to place a College employee on involuntary administrative leave, with or without pay, in circumstances following an allegation of misconduct requiring an investigation and review of related facts, including but not limited to allegations that said College employee: (1) violated the law; (2) violated College Policy or Regulation; (3) acted in a manner contrary to the College's Mission; (4) acted in a manner that could place the College's resources in danger and (5) acted in a manner that could negatively affect the reputation and good name of the College.

V. Responsibility for Implementation

President.

Brookdale Community College College Policy

4.7000 Risk Management

I. Title of Policy

Risk Management

II. Objective of Policy

The purpose of the Risk Management Policy of Brookdale Community College is to establish and maintain a framework for the systematic management of risk.

The objectives of the strategy are to:

- promote a risk management framework to be embedded within the culture and business processes
- manage risk in accordance with best practice
- anticipate and respond to changes in social, environmental and legislative requirements
- inform policy, strategic and operational decisions
- promote practical measures for the control of risk to an acceptable level
- promote stakeholder confidence in good governance of the College.

III. Authority

New Jersey Statutes 18A:64A-12

IV. Policy Statement

The Board of Trustees authorizes the President to establish a Risk Management Program. The program shall be a proactive plan where risk, and risk management, is considered in decision-making at all levels of the College. In financial terms, it is vital to the College's ability to pursue its goals, commence and operate programs, and to perform duties in an efficient and professional manner.

The President is responsible for establishing a Risk Management Fund that shall be used only to cover self-insured losses, loss control costs and administrative expenses.

V. Responsibility for Implementation

President

Approved: 7/26/79

Revised: 10/24/96

BROOKDALE COMMUNITY COLLEGE COLLEGE POLICY

2.0001 Naming Rights

I.Title of Policy

Naming Rights

II. Objective of Policy

Brookdale Community College (“College”) and the Brookdale Community College Foundation (“Foundation”) seek private funds to enhance the College’s ability to meet the higher education needs of the College community at the level of excellence that would otherwise be difficult given limited public funding and restraints on increasing student tuition and fees.

The College seeks to generate private financial support through the Foundation by providing opportunities for naming rights in the form of 1) philanthropic support and 2) sponsorships. An updated Naming Rights Policy will insure that the reputation and integrity of the College are maintained and that a fair, equitable and transparent process is in place. A revised and updated Naming Rights Policy provides a framework for seizing new opportunities to generate philanthropic and sponsorship financial support through the Foundation and provide significant financial support for College programs, projects and initiatives including but not limited to scholarships, professional staff and faculty development, College Innovation Grants, and deferred maintenance.

The College seeks to ensure that all College buildings, facilities, grounds, equipment, awards, programs or other assets are named in a manner consistent with the vision, mission and values of the College.

III. Authority

New Jersey Statute: County Colleges, 18A:64A

IV. Policy Statement

The College Board of Trustees, the President, and the Foundation shall formulate, adopt and follow defined, transparent and consistent processes/guidelines in the naming of buildings, facilities, grounds, equipment, awards, programs or other assets. These processes/guidelines will define the scope of permissible naming areas and shall also include but not be limited to processes and guidelines regarding: philanthropic donations and corporate sponsorships; time-limited sponsorships; “de-naming” procedures and other procedures and protocols that shall be consistent and compatible

with the College Promotion, Advertising and Sponsorship Regulation (2.8000R) and the College Acceptance of Gifts and Grants Regulation (2.000R) and any other policy or regulation that might pertain thereto.

V. Responsibility for Implementation

President and Board of Trustees

Proposed: 2/21/13

Approved: 2/21/13

Replaces previous 2.0001 Naming of Buildings (effective 2/13)

4.3 *Acceptance of Brookdale Community College's FY18 Radio Station WBJB-FM Audit*

Pursuant to the requirements of the grantor, Corporation for Public Broadcasting (CPB), an audit was performed on the financial accounts of the College's Radio Station, WBJB-FM, for fiscal year ending June 30, 2018. The Board of Trustees authorized O'Connor & Drew, PC to perform the required audit for fiscal year ending June 30, 2018, at its April 24, 2018 meeting.

An audit of the College's radio station for the year ended June 30, 2018, are herewith transmitted to the Board of Trustees for its review and acceptance.

This report was reviewed by the President and the Audit Committee of the Board of Trustees at a meeting held March 11, 2019.

March 26, 2019: Interim Vice President, Joey Stoner

WBJB-FM RADIO
(a Public Radio Station Operated by
Brookdale Community College)

FINANCIAL STATEMENTS AND
MANAGEMENT'S DISCUSSION AND ANALYSIS

JUNE 30, 2018

WBJB-FM RADIO
(a Public Radio Station Operated by Brookdale Community College)

**Financial Statements and Management's
Discussion and Analysis**

June 30, 2018

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INDEPENDENT AUDITORS' REPORT

To the Board of Trustees of
Brookdale Community College
Lincroft, New Jersey

Report on Financial Statements

We have audited the accompanying financial statements of WBJB-FM Radio (a public radio station operated by Brookdale Community College) ("WBJB-FM Radio"), which comprise the statements of net position as of June 30, 2018 and 2017, the related statements of revenues, expenses and changes in net position and cash flows for the years then ended, and the related notes to the financial statements, which collectively comprise the WBJB-FM Radio'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.

Auditors' 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. Those standards require that we plan and perform the audits 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 auditors consider 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 opinion.

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of WBJB-FM Radio as of June 30, 2018 and 2017, and the respective changes in net position and cash flows thereof for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Emphasis of a Matter

As more fully discussed in Note 1, the financial statements of WBJB-FM Radio are intended to present the net position, revenues, expenses and changes in net position and cash flows that are attributable to the transactions of one department of Brookdale Community College. They do not purport to, and do not, present fairly the financial position of Brookdale Community College as of June 30, 2018 and 2017, and the changes in its financial position and its cash flows for each of the years then ended in conformity with accounting principles generally accepted in the United States of America. Our opinion is not modified with respect to this matter.

Other Matters

Accounting principles generally accepted in the United States of America require that Management's Discussion and Analysis on pages 3 to 5 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 Reporting Required by *Government Auditing Standards*

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

**Certified Public Accountants
Braintree, Massachusetts**

DATE

DRAFT

WBJB-FM RADIO
A PUBLIC RADIO STATION OPERATED BY
BROOKDALE COMMUNITY COLLEGE
Management's Discussion and Analysis (Unaudited)
For the years ended June 30, 2018, 2017, and 2016

Introduction and Reporting Entity

The following Management's Discussion and Analysis is an overview of the financial condition and operations of WBJB-FM Radio (the "Station") for fiscal years ended June 30, 2018, 2017, and 2016. This discussion is supplemental to, and should be read with, the financial statements and related footnotes that follow this section.

WBJB-FM Radio is a public radio station operated by Brookdale Community College ("College"). The Station first broadcasted on January 13, 1975. The radio station currently reaches approximately 20,000 listeners on a weekly basis, featuring informational top of the hour National Public Radio ("NPR") newscasts and local features which include traffic, news, weather, community bulletin boards, public service announcements, and pertinent College information – all of which is integrated into the Adult, Album Alternative musical format, publicly providing informative, educational and artistic programming. As of March 2010, the Station broadcasts three multicast HD channels: 90.5 The NIGHT, FM Flashback, and student-run Brookdale Student Radio, along with an online only stream, Altrok Radio.

General Financial Information

The Station's basic financial statements include the statements of net assets, statements of revenues, expenses and changes in net assets, and statements of cash flows. The financial statements are prepared in accordance with the accounting principles established by the Governmental Accounting Standards Board ("GASB").

Summary of Assets and Liabilities

Assets and liabilities for the fiscal years ended June 30, were as follows:

	2018	2017	2016	Change 2017-2018
Assets				
Current assets	\$ 195,690	\$ 209,601	\$ 189,474	\$ (13,911)
Net capital assets	4,010	7,764	11,518	(3,754)
Total assets	199,700	217,365	200,992	(17,665)
Current liabilities	\$ 38,516	\$ 46,083	\$ 41,937	\$ (7,567)

The decrease in current liabilities of \$7,567 was due to a decrease in unearned revenue. The decrease in current assets of \$13,911 was due to the following:

- A decrease of \$9,850 in the due from the Brookdale Community College account.
- A decrease of \$630 in the due from customers account.
- A decrease of \$3,431 in various prepaid expenses.

Net capital assets decreased by \$3,754, due to depreciation of \$3,754.

WBJB-FM RADIO
A PUBLIC RADIO STATION OPERATED BY
BROOKDALE COMMUNITY COLLEGE
Management's Discussion and Analysis (Unaudited) - Continued
For the years ended June 30, 2018, 2017, and 2016

Summary of Revenues, Expenses, and Changes in Net Position

The Station receives its revenue from three major sources: College Support and Appropriation, Service Revenue (membership and underwriting), and Corporation for Public Broadcasting Grants.

	2018	2017	2016	Change 2018-2017
Operating revenues:				
CPB Grant	\$ 96,134	\$ 87,141	\$ 73,062	\$ 8,993
Underwriting revenue	53,409	62,412	46,899	(9,003)
Contributions	100,603	96,432	89,366	4,171
Contributions in-kind	68,826	66,822	64,875	2,004
Institutional & administrative College support	41,149	40,758	41,145	391
Total operating revenues	<u>360,121</u>	<u>353,565</u>	<u>315,347</u>	<u>6,556</u>
Operating expenses:				
Programming & production	399,478	381,426	371,735	18,052
Broadcasting	184,128	186,995	176,707	(2,867)
Program information	9,549	2,729	3,190	6,820
Management & general	116,620	120,958	124,911	(4,338)
Fundraising & membership development	31,020	34,828	25,042	(3,808)
Depreciation	3,754	3,754	9,399	-
Total operating expenses	<u>744,549</u>	<u>730,690</u>	<u>710,984</u>	<u>13,859</u>
Operating loss	<u>(384,428)</u>	<u>(377,125)</u>	<u>(395,637)</u>	<u>(7,303)</u>
Nonoperating revenue				
General College appropriation	374,330	389,352	365,497	(15,022)
Net increase (decrease) in net position	<u>(10,098)</u>	<u>12,227</u>	<u>(30,140)</u>	<u>(22,325)</u>
Net Position				
Net position as of beginning of year	<u>171,282</u>	<u>159,055</u>	<u>189,195</u>	<u>12,227</u>
Net position as of end of year	<u>\$ 161,184</u>	<u>\$ 171,282</u>	<u>\$ 159,055</u>	<u>\$ (10,098)</u>

WBJB-FM RADIO
A PUBLIC RADIO STATION OPERATED BY
BROOKDALE COMMUNITY COLLEGE
Management's Discussion and Analysis (Unaudited) - Continued
For the years ended June 30, 2018, 2017, and 2016

Results of Operations

In year 2018, total operating revenues increased by \$6,556 or 1.8% over year 2017 total operating revenues. CPB grant revenue increased by \$8,993. Other service revenue decreased by \$2,347.

Operating expenses increased by \$13,859 or 1.9%. The operating loss increased by \$7,303.

As a public radio station and National Public Radio (NPR) member station, 90.5 the Night's mission is to broadcast local news, music and information in the interest of its community of local listeners. Similar to many public radio stations around the country, 90.5 the Night holds two on-air membership campaigns per year for the purpose of generating member donations to help support programming and operations.

90.5 the Night's member dollars and a community service grant, awarded by CPB, affords the station the opportunity to continue to bring a unique mix of music and local news to the Jersey Shore area.

DRAFT

WBJB-FM RADIO
A PUBLIC RADIO STATION OPERATED BY
BROOKDALE COMMUNITY COLLEGE

Statements of Net Position
As of June 30, 2018 and 2017

	<u>2018</u>	<u>2017</u>
ASSETS		
Current assets:		
Due from Brookdale Community College	\$ 192,302	202,152
Accounts receivable	—	630
Prepaid expenses	<u>3,388</u>	<u>6,819</u>
Total current assets	<u>195,690</u>	<u>209,601</u>
Noncurrent asset:		
Capital assets, net	<u>4,010</u>	<u>7,764</u>
Total Assets	<u>199,700</u>	<u>217,365</u>
LIABILITY		
Current liability:		
Unearned revenue	<u>38,516</u>	<u>46,083</u>
NET POSITION		
Net investment in capital assets (note 2)	4,010	7,764
Unrestricted	<u>157,174</u>	<u>163,518</u>
Total net assets	<u>161,184</u>	<u>171,282</u>
Total Liabilities and Net Position	<u>\$ 199,700</u>	<u>217,365</u>

See accompanying notes to the financial statements.

WBJB-FM RADIO
A PUBLIC RADIO STATION OPERATED BY
BROOKDALE COMMUNITY COLLEGE
Statements of Revenues, Expenses, and Changes in Net Position
For the years ended June 30, 2018 and 2017

	<u>2018</u>	<u>2017</u>
Operating revenues:		
CPB Grant	\$ 96,134	87,141
Underwriting	53,409	62,412
Contributions	100,603	96,432
Contributions in-kind	68,826	66,822
Institutional and administrative College support	<u>41,149</u>	<u>40,758</u>
Total operating revenues	<u>360,121</u>	<u>353,565</u>
Operating expenses:		
Programming and production	399,478	381,426
Broadcasting	184,128	186,995
Program information	9,549	2,729
Management and general	116,620	120,958
Membership development	31,020	34,828
Depreciation	<u>3,754</u>	<u>3,754</u>
Total operating expenses	<u>744,549</u>	<u>730,690</u>
Operating loss	(384,428)	(377,125)
Nonoperating revenues:		
General College appropriation	<u>374,330</u>	<u>389,352</u>
Increase (decrease) in net position	(10,098)	12,227
Net position:		
Net position as of beginning of year	<u>171,282</u>	<u>159,055</u>
Net position as of end of year	<u>\$ 161,184</u>	<u>171,282</u>

See accompanying notes to the financial statements.

WBJB-FM RADIO
A PUBLIC RADIO STATION OPERATED BY
BROOKDALE COMMUNITY COLLEGE
 Statements of Cash Flows
 For the years ended June 30, 2018 and 2017

	<u>2017</u>	<u>2017</u>
Cash flows from operating activities:		
Payments to suppliers	\$ (175,796)	(201,964)
Payments for employee salaries and benefits	(527,716)	(518,949)
Underwriting	53,409	61,147
Contributions	99,973	96,432
Institutional and administrative College support	41,149	40,758
CPB Grant	134,651	133,224
	<u>(374,330)</u>	<u>(389,352)</u>
Net cash used in operating activities		
Cash flows from noncapital financing activities:		
General College appropriation	374,330	389,352
	<u>—</u>	<u>—</u>
Net change in cash and equivalents		
Cash and equivalents as of beginning of year	<u>—</u>	<u>—</u>
Cash and equivalents as of end of year	\$ <u>—</u>	<u>—</u>
Reconciliation of operating loss to net cash used in operating activities:		
Operating loss	\$ (384,428)	(377,125)
Adjustment to reconcile operating loss to net cash used in operating activities:		
Depreciation	3,754	3,754
Change in assets and liabilities:		
Prepaid expenses	3,431	(1,356)
Accounts receivable	630	1,265
Unearned revenue	(7,567)	4,146
Due from Brookdale Community College	9,850	(20,036)
	<u>(374,330)</u>	<u>(389,352)</u>
Net cash used in operating activities		
Supplemental Information:		
Contributions in-kind	\$ <u>68,826</u>	<u>66,822</u>

See accompanying notes to the financial statements.

WBJB-FM RADIO
A PUBLIC RADIO STATION OPERATED BY
BROOKDALE COMMUNITY COLLEGE

Notes to the Financial Statements
For the years ended June 30, 2018 and 2017

(1) Organization and Summary of Significant Accounting Policies

Organization

WBJB-FM Radio (the “Station”) is a department of Brookdale Community College (the “College”). The College does not routinely produce separate financial statements for its departments; however, for purposes of complying with the Corporation for Public Broadcasting’s financial reporting guidelines, the accompanying financial information is presented as if the Station is a separate entity. In order to obtain the accounting information necessary to produce the accompanying financial statements, common expense items of the College were allocated to the Station.

Summary of Significant Accounting Policies

Basis of Presentation

The accounting policies of the Station conform to accounting principles generally accepted in the United States of America as applicable to colleges and universities. In addition to complying with all applicable Governmental Accounting Standards Board (“GASB”) pronouncements, the Station’s financial statements comply with the guidance provided by the Financial Accounting Standards Board (“FASB”) Statements and Interpretations, Accounting Principles Board Opinions, and the Committee on Accounting Procedure issued on or before November 30, 1989. GASB pronouncements take precedence when there is a conflict or contradiction between pronouncements. The College has elected not to apply FASB pronouncements issued after November 30, 1989.

Net Position

The College classifies its resources into three net position categories:

- ***Net Investment in Capital Assets*** – Capital assets, net of accumulated depreciation.
- ***Unrestricted*** – All other categories of net position. Unrestricted net position may be designated by actions of the Station’s Board of Trustees.
- ***Restricted:***

Nonexpendable- Net position subject to externally-imposed stipulations that must be maintained permanently by the Station

Expendable- Net position whose use by the Station is subject to externally-imposed stipulations that can be fulfilled by actions of the Station pursuant to the stipulations or that expire by the passage of time.

The Station did not have any restricted net position as of June 30, 2018 or 2017.

Equipment

Equipment is recorded at cost or, in the case of donated equipment, at estimated fair value at date of receipt. Depreciation is recorded on a straight-line basis over the estimated useful lives of the respective assets, which range from 5 to 10 years.

WBJB-FM RADIO
A PUBLIC RADIO STATION OPERATED BY
BROOKDALE COMMUNITY COLLEGE

Notes to the Financial Statements
For the years ended June 30, 2018 and 2017

(1) Organization and Summary of Significant Accounting Policies (continued)

Summary of Significant Accounting Policies (continued)

Cash and Equivalents

Cash and equivalents include all highly liquid investments with maturities of three months or less.

Accounts Receivable

The adequacy of the allowance for doubtful accounts is reviewed on an ongoing basis by the Station's management and adjusted as required. The policy for determining past due or delinquency status of accounts receivable is based upon how recently payments have been received. Management believes all amounts are collectable and, as a result, has not reflected an allowance for doubtful accounts for fiscal years 2018 and 2017.

Use of Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make 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 and the reported amounts of support and revenue and expenses during the reporting period. Actual results could differ from these estimates.

Financial Dependency

The Station receives appropriations and support from the College, and is economically dependent on these amounts to carry on its operations.

Unearned Revenue

Amounts received from grants which have not yet been earned under the terms of the agreements are recorded as unearned grant revenue in the accompanying statements of net position. Unearned revenue will be recorded as revenue as the services are provided.

Service Revenue

Service revenue is recognized once the services have been provided.

Classification of Revenues

The Station has classified its revenues as either operating or nonoperating revenues in accordance with the guidelines established by GASB Statement No. 34.

Income Taxes

The College is exempt from income taxes under Section 115 of the Internal Revenue Code, as amended. As a department of the College, the Station is also exempt from income taxes.

WBJB-FM RADIO
A PUBLIC RADIO STATION OPERATED BY
BROOKDALE COMMUNITY COLLEGE

Notes to the Financial Statements
For the years ended June 30, 2018 and 2017

(2) Capital Assets

Capital asset activity for the years ended June 30, 2018 and 2017 was as follows:

	Balance June 30, 2017	Additions	Balance June 30, 2018
Depreciable Assets:			
Equipment	\$ 689,749	\$ -	\$ 689,749
Less accumulated depreciation:			
Equipment	(681,985)	(3,754)	(685,739)
	<u>\$ 7,764</u>	<u>\$ (3,754)</u>	<u>\$ 4,010</u>

(3) Fringe Benefits

Fringe benefits for the Station employees are included in the College appropriation for the years ended June 30, 2018 and 2017.

(4) Contributions

Contributions represent the valuation of the rental costs associated with the commercial FM radio facilities similar to those operated by WBJB-FM and installed on the Crown Castle Transmission Facility located on Brookdale Community College's Lincroft campus. Contributions were \$68,826 and \$66,822 for the fiscal years ended June 30, 2018 and 2017.

(5) Operating Expenses

The Station's operating expenses, on a natural classification basis, are composed of the following for the years ended June 30:

	2018	2017
Compensation and benefits	\$ 527,716	\$ 518,949
Supplies and services	213,079	207,987
Depreciation	<u>3,754</u>	<u>3,754</u>
	<u>\$ 744,549</u>	<u>\$ 730,690</u>

(6) Contingencies

All funds expended by the Station in connection with government grants are subject to review or audit by governmental agencies. In the opinion on management, any liability resulting from a review or audit would not have a significant impact on the financial statements of the Station.

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

Independent Auditors' Report on Internal Control Over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with *Government Auditing Standards*

To the Board of Trustees of
WBJB-FM Radio
A Public Radio Station Operated by Brookdale Community College
Lincroft, New Jersey

We have audited, in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of WBJB-FM Radio (a public radio station operated by Brookdale Community College) ("WBJB-FM Radio"), which comprise the statement of net position as of June 30, 2018 and 2017, and the related statement of revenues and expenses and changes in net position, and cash flows for the years then ended, and the related notes to the financial statements, which collectively comprise the Station's basic financial statements and have issued our report thereon dated **DATE**.

Internal Control Over Financial Reporting

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

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

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Station'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 audits 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 Foundation'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 Foundation's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Certified Public Accountants
Braintree, Massachusetts

DATE

4.4 *Acceptance of Brookdale Community College's FY18 Financial Statement Audit*

Pursuant to the requirements of the Higher Education Reorganization Act of 1994, the Board of Trustees authorized the appointment of external auditors, O'Connor & Drew, PC to perform the required audit for fiscal year ending June 30, 2018, at its April 24, 2018 meeting.

An audit of financial accounts has been completed, and the results of the College's FY18 Financial Statement audit are herewith transmitted to the Board of Trustees for its review and acceptance.

This report was reviewed by the President and the Audit Committee of the Board of Trustees at a meeting held March 11, 2019.

March 26, 2019: Interim Vice President, Joey Stoner

March 3, 2019

Mr. Joey Stoner
Brookdale Community College
765 Newman Springs Road
Lincroft, NJ 07738-1543

Dear Mr. Stoner:

Please find enclosed 20 copies of the management letter of Brookdale Community College as of June 30, 2018.

Very truly yours,

David A. DiIulis

DAD/tem
Enclosures

**BROOKDALE COMMUNITY
COLLEGE**
(a Component Unit of the County of Monmouth)

MANAGEMENT LETTER

JUNE 30, 2018

BROOKDALE COMMUNITY COLLEGE
(a Component Unit of the County of Monmouth)

Management Letter

June 30, 2018

C O N T E N T S

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Conclusion	6

To the Honorable President and
Members of the Board of Trustees of
Brookdale Community College
Lincroft, New Jersey

A valuable part of our service consists of communicating to the Board of Trustees of Brookdale Community College (the “College”) any recommendations for improvements in the process of internal control.

Internal control is broadly defined as a process, affected by the Board of Trustees, management and staff, designed to provide reasonable assurance regarding the achievement of objectives in the following categories:

- Effectiveness and efficiency of operations
- Reliability of financial reporting
- Compliance with applicable laws and regulations

We review internal controls with respect to our assessment of the reliability of financial data and our assessment of the College’s compliance with applicable laws and regulations. Internal controls with respect to effectiveness and efficiency of operations are not critical to our financial statement audit. However, these areas are important to management as they address the College’s basic business objectives, including performance and operating goals and safeguarding of resources.

Because internal controls serve many important purposes, there are increasing calls for better internal control systems. Internal controls are looked upon more and more as a solution to a variety of potential problems.

Although everyone at the College has responsibility for internal controls, the President is ultimately responsible and should assume “ownership” of the system. More than any other individual, the President sets the "tone at the top" that affects integrity and ethics and other factors of a positive control environment.

Management is accountable to the Board of Trustees, which provides governance, guidance and oversight. Effective board members are objective, capable and inquisitive with knowledge of the College’s activities and environment.

Certified Public Accountants
Braintree, Massachusetts

Fiscal Staffing

During the audit, we performed procedures over the College's grant programs. In the past, the Department of Finance and Operations had a full-time staff member to coordinate and oversee the accounting of the College's grants. In the summer of 2017, this staff member retired but remained employed on a part-time hourly basis. The responsibilities of this former full-time position have been spread between the part time employee, Interim Director of Finance & Operations and Staff Accountant.

Recommendation

Based on the magnitude of the College's grant programs and the complexity of these grants, we recommend that the College look into the feasibility of hiring a full-time employee to oversee this area.

Management's Response

Management is in the process of reorganizing the Finance department. This reorganization includes filling vacant positions which will address this need.

Financial Aid Awarding

While preparing for the fiscal year-end close and finalizing audit schedules, Management discovered that the College over-awarded Federal Supplemental Educational Opportunity Grant (SEOG) funds. These grants are a form of financial aid awarded to students that demonstrate a low expected family contribution to pay for the cost of their education.

During the fiscal year ended June 30, 2018, the College determined it had an allocation of \$337,498 in SEOG funding from the Department of Education. This amount represented the current year allocation and a carryforward from the prior year. Under the SEOG program, an institution must match 25% of Federal funds received unless it obtains a Title III waiver from the Department of Education. During the year ended June 30, 2018, the College received this waiver. Historically, the College has not matched SEOG funding and did not budget for matching this funding during this fiscal year.

The Department of Finance & Operations on an annual basis prepares a calculation to determine how much in SEOG funding is available to award. This information is then communicated to the Office of Financial Aid which then awards this amount to students.

Management determined that the calculation prepared by the Department of Finance & Operations contained an error which overstated the amount of SEOG funding available to be awarded. In total, the College awarded \$449,448 in SEOG funds to students. This amount exceeded the funding received from the Department of Education by \$111,901.

Since this money was not reimbursed to the College by the Department of Education, it was funded from institutional funds.

Recommendation

We recommend the College implement additional level of review in any calculations that are used to determine the total amount of aid that can be awarded students. Such review could mitigate oversight from occurring.

Management's Response

Finance has implemented operational changes to prevent future occurrence of this nature. The process now includes three levels of confirmation in the award distribution instead of one and a reconciliation after the fall and spring semester. The Manager of Accounts Receivable has also been trained in the award process and the FISAP reporting requirements regarding SEOG funds.

Prior Year Comments

Internal Control Findings

Internal Control Handbook

Fixed Assets

Status

Issue Resolved

Issue Resolved

Compliance Findings

Ineligible Student Received Financial Aid

Financial Aid Credit Balances

Incorrect Student Award Letter

Status

Issue Resolved

Issue Resolved

Issue Resolved

CONCLUSION

We would like to thank all the management and staff who assisted during the course of our fieldwork. The staff was very helpful and exhibited a genuine effort and pride in their work. If we can be of any assistance in the implementation of any of the above-mentioned recommendations, please do not hesitate to call our office.

DRAFT

BROOKDALE COMMUNITY COLLEGE

(A Component Unit of the County of Monmouth)

FINANCIAL STATEMENTS AND MANAGEMENT'S DISCUSSION AND ANALYSIS

JUNE 30, 2018

BROOKDALE COMMUNITY COLLEGE
(A Component Unit of the County of Monmouth)

**Financial Statements and
Management's Discussion and Analysis**

June 30, 2018

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BROOKDALE COMMUNITY COLLEGE
(A Component Unity of the County of Monmouth)

**Financial Statements and
Management's Discussion and Analysis**

June 30, 2018

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INDEPENDENT AUDITORS' REPORT

To the Honorable President and
Members of the Board of Trustees of
Brookdale Community College
Lincroft, New Jersey

Report on Financial Statements

We have audited the accompanying financial statements of Brookdale Community College (a component unit of the County of Monmouth) (the "College"), which comprise the statement of net position as of June 30, 2018, the related statements of revenues, expenses and changes in net position and cash flows for the year then ended, and the related notes to the financial statements. We have also audited the financial statements of the Brookdale Community College Foundation as of June 30, 2018 and the related statements of revenues, expenses, and changes in net position and cash flows for the year then ended. Our responsibility is to express an opinion on the financial statements based on our audit.

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.

Auditors' Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. 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 auditors consider 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 opinion.

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the net position of the College as of June 30, 2018 and the changes in net position and its cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Emphasis of a Matter

As discussed in Note 10 to the financial statements, GASB Statement No. 75, *Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions*, is effective for fiscal year 2018. Our opinion is not modified with respect to that matter.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that management's discussion and analysis and the required supplementary information 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.

Supplemental Information

Our audits were conducted for the purpose of forming an opinion on the financial statements of the College, taken as a whole. The Schedule of Expenditures of Federal Awards and the Schedule of Expenditures of State of New Jersey Awards as listed in the table of contents be presented for purposes of additional analysis as required by Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*; and State of New Jersey OMB Circular 15-08, *Single Audit Policy for Recipients of Federal Grants, State Grants and State Aid* is not a required part of the basic financial statements. Both schedules have been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, is fairly stated, in all material respects, in relation to the basic financial statements taken as a whole.

Other Reporting Required by *Government Auditing Standards*

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

Certified Public Accountants
Braintree, Massachusetts

DATE

DRAFT

MANAGEMENT'S DISCUSSION AND ANALYSIS

BROOKDALE COMMUNITY COLLEGE
(A Component Unit of the County of Monmouth)
Management's Discussion and Analysis
For the fiscal years ended June 30, 2018 and 2017

Management's Discussion and Analysis ("MD&A") presents the financial performance of Brookdale Community College (the "College") during the fiscal year ended June 30, 2018. This MD&A will provide various financial analyses comparing fiscal year 2018 to fiscal year 2017.

Enrollment

The College enrollment is comprised of credit and noncredit full-time equated students ("FTEs"). A full-time equated student represents a student or combination of students taking 30 credits.

	<u>2018</u>	<u>2017</u>	<u>Change</u> <u>2017-2018</u>
Credit FTEs	8,929	9,236	(307)
Noncredit FTEs	<u>488</u>	<u>561</u>	<u>(73)</u>
Total FTEs	<u><u>9,417</u></u>	<u><u>9,797</u></u>	<u><u>(380)</u></u>

Full-time equated enrollment for credit and noncredit enrollment in fiscal year 2018 was 9,417, compared to fiscal year 2017 FTE enrollment of 9,797. This represents a 3.9 percent decrease.

- Credit enrollment decreased from 9,236 FTEs in fiscal year 2017 to 8,929 FTEs in fiscal year 2018, which represents a 3.3 percent decrease.
- Noncredit enrollment decreased from 561 FTEs in fiscal year 2017 to 488 FTEs in fiscal year 2018, which represents a 13.0 percent decrease.
- Credit enrollment decreases followed a national trend across the higher education sector.

General Financial Information

The College's basic financial statements include a statement of net position, a statement of revenues, expenses, and changes in net position, and a statement of cash flows. The financial statements are prepared in accordance with the accounting principles established by the Governmental Accounting Standards Board ("GASB").

BROOKDALE COMMUNITY COLLEGE
(A Component Unit of the County of Monmouth)
Management's Discussion and Analysis - Continued
For the fiscal years ended June 30, 2018 and 2017

Financial Highlights

Condensed Schedule of Net Position

The following represents assets, liabilities and net position of the College as of June 30, 2018 and 2017:

	<u>2018</u>	<u>2017</u>	<u>Change 2017-2018</u>
Current assets	\$ 15,731,642	14,551,340	1,180,302
Noncurrent assets:			
Capital assets	<u>160,095,135</u>	<u>162,711,079</u>	<u>(2,615,944)</u>
Total assets	<u>\$ 175,826,777</u>	<u>177,262,419</u>	<u>(1,435,642)</u>
Deferred outflow of resources	<u>\$ 14,447,374</u>	<u>20,342,437</u>	<u>(5,895,063)</u>
Current liabilities	\$ 13,401,945	14,198,962	(797,017)
Noncurrent liabilities	<u>80,375,544</u>	<u>98,783,421</u>	<u>(18,407,877)</u>
Total liabilities	<u>\$ 93,777,489</u>	<u>112,982,383</u>	<u>(19,204,894)</u>
Deferred inflows of resources	<u>\$ 16,210,117</u>	<u>6,385,305</u>	<u>9,824,812</u>
Net position:			
Net investment in capital assets	\$ 122,888,708	123,808,316	(919,608)
Restricted	708,533	1,193,330	(484,797)
Unrestricted	<u>(43,310,695)</u>	<u>(46,764,478)</u>	<u>3,453,783</u>
Total net position	<u>\$ 80,286,546</u>	<u>78,237,168</u>	<u>2,049,378</u>

The increase in current assets of \$1,180,302 is due to the following:

- An increase in cash and equivalents of \$4,750,813.
- A decrease in accounts receivable of \$2,351,528 due to a decrease in State and County receivables.
- A decrease in deposits held by trustee of \$484,797 mainly due to assets held by trustees under the Equipment Leasing Fund ("ELF") and the Higher Education Technology Improvement ("HETI") agreements with New Jersey Educational Facilities Authority being expended on technology projects.
- A decrease in inventory of \$623,643 due to the sale and liquidation of the bookstore inventory according to the "Bookstore Operating Agreement Between Brookdale Community College and Follett Higher Education Group, Inc." dated May 24, 2018.
- A decrease in prepaid expenses of \$110,543.

Net capital assets decreased by \$2,615,944, due to capital asset additions net of retirements of \$3,752,625 less net change in accumulated depreciation of \$6,368,568.

BROOKDALE COMMUNITY COLLEGE
(A Component Unit of the County of Monmouth)
Management's Discussion and Analysis - Continued
For the fiscal years ended June 30, 2018 and 2017

Financial Highlights – Continued

Condensed Schedule of Net Position – Continued

Deferred outflows of resources decreased \$5,895,063 due to a decrease in net pension liability of \$5,723,232 and deferred loss on bond refinancing of \$171,831.

The decrease in current liabilities of \$797,017 is due to the following:

- Accounts payable and accrued expenses decreased \$308,143.
- Unearned student tuition and fees decreased \$441,526.
- Unearned grant revenue decreased \$18,089.
- Current portion of long-term debt decreased \$29,259.

Non-current liabilities decreased \$18,407,877 due to the following:

- Long-term debt decreased \$1,838,908. The College made bond principal payments totaling \$1,729,256 and amortized bond premium of \$138,910.
- Net pension liability decreased \$16,568,969 representing the net pension liability allocated to Brookdale Community College in the State of New Jersey Public Employees' Retirement System and State of New Jersey Police and Firemen's Retirement System audit reports.

Capital Asset Activity

Capital asset activity for the fiscal year ended June 30, 2018 was as follows:

	<u>2017</u>	<u>Additions</u>	<u>Retirements</u>	<u>Reclassifications</u>
Land	\$ 5,882,462	-	-	-
Construction in progress	16,810,468	-	-	(16,810,468)
Buildings and improvements	240,028,553	3,500,357	-	16,810,468
Furniture and equipment	13,120,242	317,178	(64,910)	-
Total	<u>275,841,725</u>	<u>3,817,535</u>	<u>(64,910)</u>	<u>-</u>
Less accumulated depreciation	<u>(113,130,647)</u>	<u>(6,419,320)</u>	<u>50,752</u>	<u>-</u>
Capital assets, net	<u>\$ 162,711,078</u>	<u>(2,601,785)</u>	<u>(14,158)</u>	<u>-</u>

As a best practice, the College contracts with a third-party firm to conduct an independent physical inventory of all College assets every 5 years, and as such conducted a physical inventory during 2016.

BROOKDALE COMMUNITY COLLEGE
(A Component Unit of the County of Monmouth)
Management's Discussion and Analysis - Continued
For the fiscal years ended June 30, 2018 and 2017

Summary of Revenues, Expenses, and Changes in Net Position

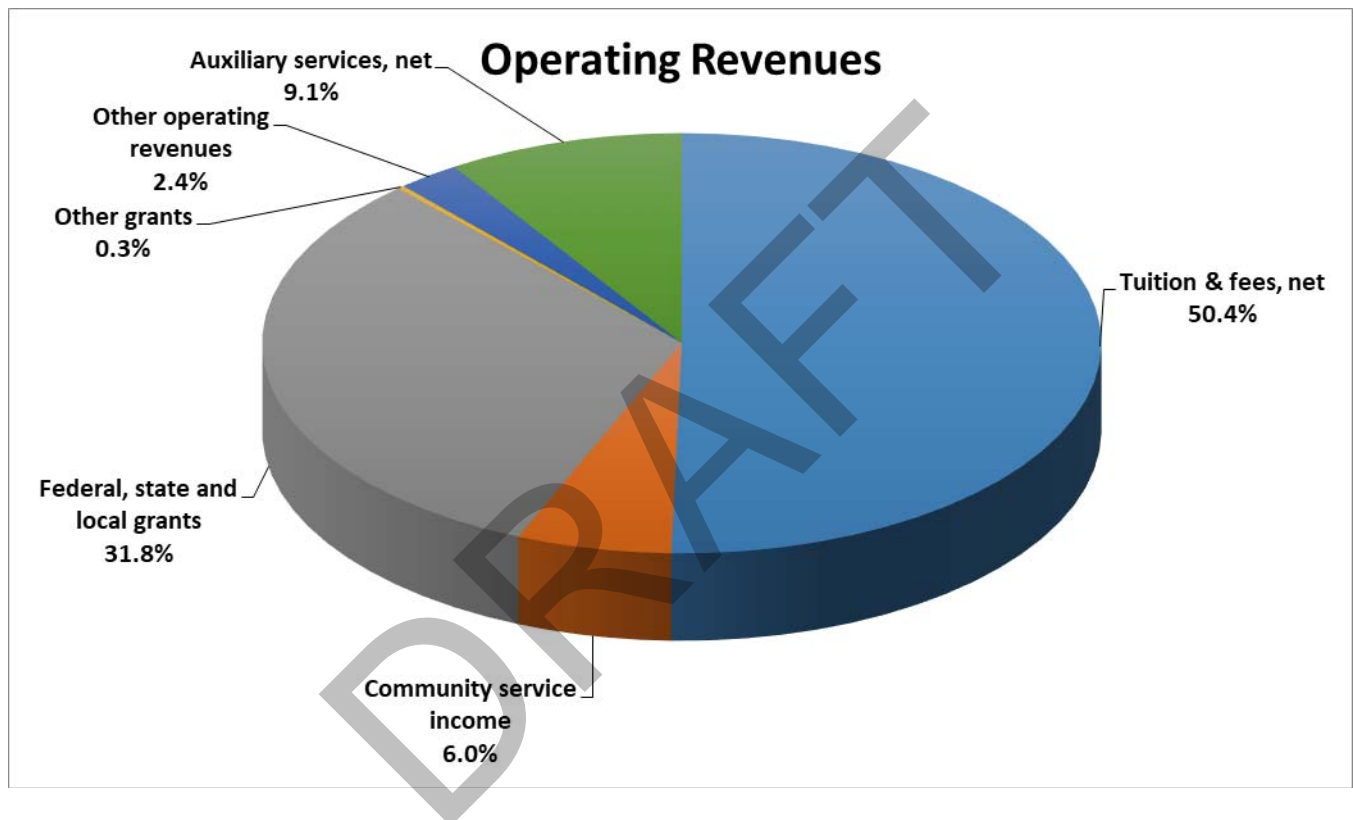
The College receives revenue from three main sources: student tuition and fees, state aid, and county support. The balance of revenue is from miscellaneous sources, which include Continuing Professional Services, grants and Auxiliary services (bookstore, dining & events).

	<u>2018</u>	<u>2017</u>	<u>Change 2017-2018</u>
Operating revenues:			
Tuition, net	\$ 21,259,259	22,732,966	(1,473,707)
Fees	4,547,313	5,918,816	(1,371,503)
Chargebacks to other counties	265,960	256,750	9,210
Community service income	3,084,201	3,007,892	76,309
Federal, state and local grants	16,831,794	15,039,477	1,792,317
Other grants	149,842	158,642	(8,800)
Other operating revenues	1,251,857	754,635	497,222
Auxiliary services, net	4,728,486	5,273,405	(544,919)
Total operating revenues	52,118,712	53,142,583	(1,023,871)
Operating expenses	101,932,636	104,163,737	2,231,101
Operating loss	(49,813,924)	(51,021,154)	1,207,230
Nonoperating revenues (expenses):			
State appropriations	10,325,921	10,414,993	(89,072)
Local appropriations	20,027,019	20,027,019	-
Pell Grants	14,233,433	13,210,632	1,022,801
Other nonoperating revenues	6,059,385	3,692,306	2,367,079
Other nonoperating expenses	(352,889)	(104,515)	(248,374)
Interest expense	(1,570,672)	(1,650,441)	79,769
Net nonoperating revenues	48,722,197	45,589,994	3,132,203
Loss before other revenues	(1,091,727)	(5,431,160)	4,339,433
Other revenues:			
Capital appropriations	3,141,105	14,630,542	(11,489,437)
Increase in net position	2,049,378	9,199,382	(7,150,004)
Net position as of beginning of year	78,237,168	69,037,786	9,199,382
Net position as of end of year	\$ 80,286,546	78,237,168	2,049,378

BROOKDALE COMMUNITY COLLEGE
(A Component Unit of the County of Monmouth)
Management's Discussion and Analysis - Continued
For the fiscal years ended June 30, 2018 and 2017

Revenues

The College charged \$135.00 and \$129.75 per student credit hour ("SCH") to a maximum of \$2,025.00 and \$1,946.25 per term in fiscal years 2018 and 2017, respectively. In addition, the College charged a General Service Fee of 25% and 24% of tuition, or \$33.75 and \$31.14 per student credit hour to a maximum of \$506.25 and \$467.10, respectively during the same periods. Those fees helped fund technology enhancements, student life and activities, capital improvements and debt service obligations.



Net tuition, fee, and chargeback revenue decreased \$2,836,000. A 4.7% increase in tuition and fee rates were offset by a 3.3% decline in FTE enrollment resulting in a decrease in revenue of \$1,464,497. In addition, scholarship allowances increased \$1,420,362.

The College's Auxiliary Services revenue, (Bookstore, Event Management and Dining Services) decreased \$156,135, a direct correlation to the decrease in enrollment.

Nonoperating revenues

State aid decreased by \$89,072 due to a reallocation of funding to the 19 community colleges based on audited FY17 enrollment data.

Total County aid of \$20,027,019 remained unchanged from 2017 to 2018.

BROOKDALE COMMUNITY COLLEGE
(A Component Unit of the County of Monmouth)
Management's Discussion and Analysis - Continued
For the fiscal years ended June 30, 2018 and 2017

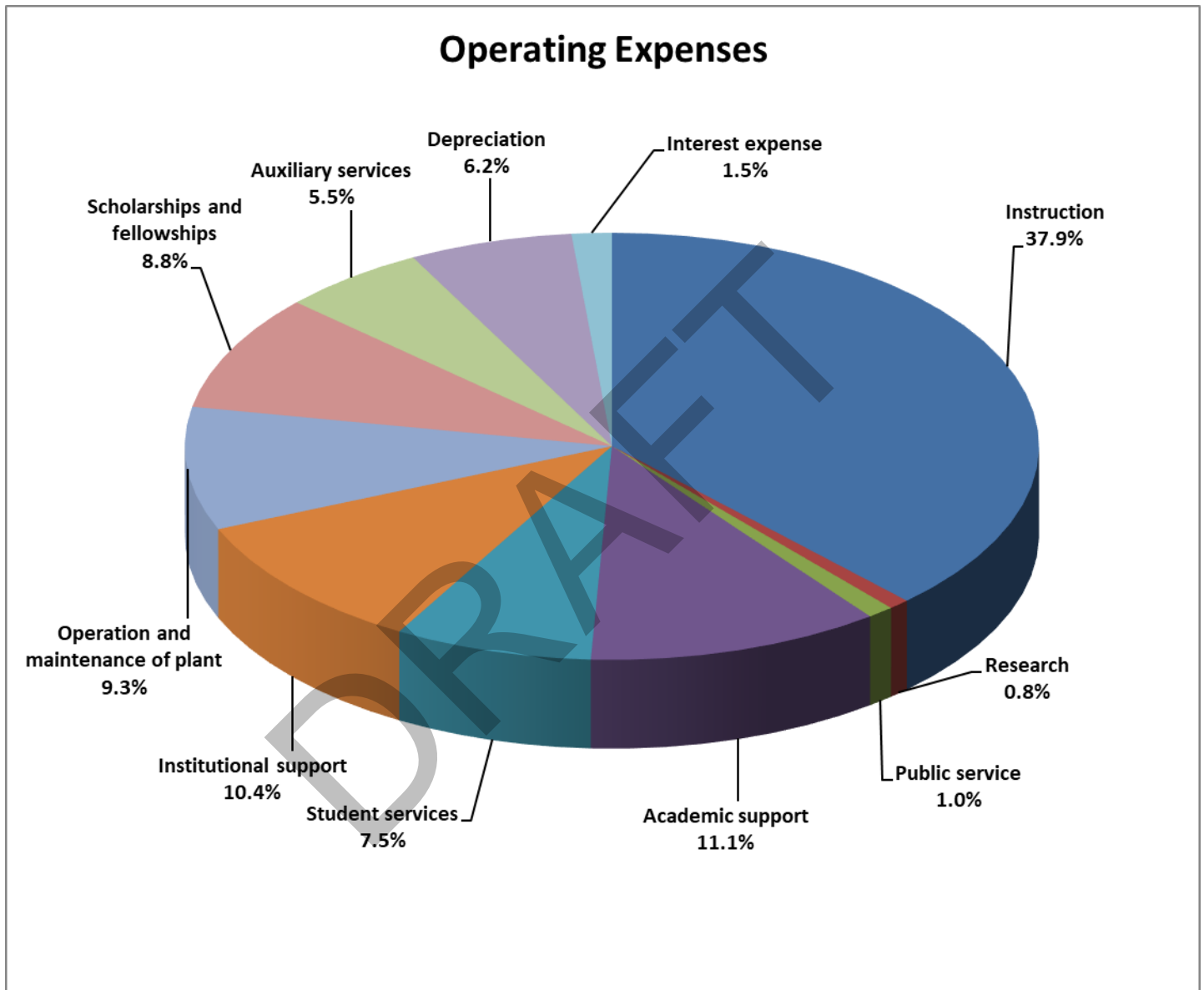
Expenses

Operating expenses are those expenses paid by the College to acquire or produce goods and services to fulfill its mission. Naturally, the majority of expenses were integral to the College's core mission – student success. The College had total operating and interest expense of \$103,503,308 in FY18 compared to \$105,814,178 in FY17. The operating expenses of the College by functional classification for the years ended June 2018 and 2017 were:

	<u>2018</u>	<u>2017</u>	<u>Change 2017-2018</u>
Operating expenses:			
Instruction	\$ 39,203,721	\$ 41,493,143	\$ 2,289,422
Research	822,961	1,039,731	216,770
Public service	1,041,138	775,640	(265,498)
Academic support	11,498,779	11,351,283	(147,496)
Student services	7,761,263	7,881,811	120,548
Institutional support	10,717,361	11,855,075	1,137,714
Operation and maintenance of plant	9,635,343	9,445,969	(189,374)
Scholarships and fellowships	9,121,701	8,092,859	(1,028,842)
Auxiliary services	5,711,049	5,867,184	156,135
Depreciation	6,419,320	6,361,042	(58,278)
	<hr/>	<hr/>	<hr/>
Total operating expenses	101,932,636	104,163,737	2,231,101
	<hr/>	<hr/>	<hr/>
Interest expense	1,570,672	1,650,441	79,769
	<hr/>	<hr/>	<hr/>
Total operating and interest expenses	<u>\$ 103,503,308</u>	<u>\$ 105,814,178</u>	<u>\$ 2,310,870</u>

BROOKDALE COMMUNITY COLLEGE
(A Component Unit of the County of Monmouth)
Management's Discussion and Analysis - Continued
For the fiscal years ended June 30, 2018 and 2017

Expenses – Continued



Operating and interest expense in fiscal year 2018 decreased \$2,310,870 from fiscal year 2017. The decrease is the result of the College's continued focus on expenditures reduction in an effort to minimize reliance on self-funding the annual budget. The most significant contributor to the decrease in operating expenses was personnel costs attributable to attrition. Decisions not to fill or to delay hiring for open positions created by retirements and resignations resulted in lower salaries expense offset by increases to the cost of health care and other benefit obligations.

BROOKDALE COMMUNITY COLLEGE
(A Component Unit of the County of Monmouth)
Management's Discussion and Analysis - Continued
For the fiscal years ended June 30, 2018 and 2017

Summary of Net Position

The following table provides a summary of the net position of the College as of June 30, 2018 compared to June 30, 2017:

	<u>2018</u>	<u>2017</u>	<u>Change 2017-2018</u>
Net position:			
Unrestricted	\$ 3,321,162	\$ 888,305	\$ 2,432,857
Restricted	708,533	1,193,330	(484,797)
Impact of GASB 68	(46,631,857)	(47,652,783)	1,020,926
	<u>(42,602,162)</u>	<u>(45,571,148)</u>	<u>2,968,986</u>
Net investment in capital assets	<u>122,888,708</u>	<u>123,808,316</u>	<u>(919,608)</u>
Total net position	<u><u>\$ 80,286,546</u></u>	<u><u>\$ 78,237,168</u></u>	<u><u>\$ 2,049,378</u></u>

BROOKDALE COMMUNITY COLLEGE
(A Component Unit of the County of Monmouth)

Statement of Net Position

As of June 30, 2018

BROOKDALE COMMUNITY COLLEGE
(A Component Unit of the County of Monmouth)
Statement of Net Position
As of June 30, 2018

Assets	Brookdale Community College	Brookdale Community College Foundation
Current assets:		
Cash and equivalents (notes 2 and 3)	\$ 10,484,880	760,378
Accounts receivable, net of allowance of \$1,173,908 (note 4)	4,123,373	102,223
Deposits held by trustees (note 3)	708,533	—
Prepaid expenses	414,856	4,736
Total current assets	15,731,642	867,337
Noncurrent assets:		
Endowment investments (note 3)	—	5,725,671
Capital assets, net of accumulated depreciation of \$119,499,215 (note 6)	160,095,135	—
Total noncurrent assets	160,095,135	5,725,671
Total assets	175,826,777	6,593,008
Deferred Outflows of Resources		
Related to pensions	11,439,206	—
Deferred loss on bond refinancing (note 7)	3,008,168	—
	14,447,374	—
Liabilities		
Current liabilities:		
Accounts payable and accrued expenses (notes 5 and 9)	9,172,803	28,634
Unearned student tuition and fees	2,427,658	—
Unearned grant revenue	101,486	—
Long-term debt, current portion (note 7)	1,699,997	—
Total current liabilities	13,401,944	28,634
Noncurrent liabilities:		
Long-term debt, net of current portion (note 7)	38,514,598	—
Net pension liability	41,860,946	—
Total noncurrent liabilities	80,375,544	—
Total liabilities	93,777,488	28,634
Deferred Inflows of Resources		
Related to pensions	16,210,117	—
Net Position		
Net investment in capital assets	122,888,708	—
Restricted:		
Nonexpendable:		
Scholarships	—	1,238,562
Library	—	994,975
Expendable:		
Capital	708,533	—
Scholarships	—	3,146,554
Unrestricted (note 8)	(43,310,695)	1,184,283
Total net position	\$ 80,286,546	6,564,374

See accompanying notes to financial statements.

BROOKDALE COMMUNITY COLLEGE
(A Component Unit of the County of Monmouth)
Statements of Revenues, Expenses, and Changes in Net Position
For the fiscal year ended June 30, 2018

	Brookdale Community College	Brookdale Community College Foundation
Operating revenues:		
Student revenues:		
Tuition, net of scholarship allowances of \$17,368,919	\$ 21,259,259	—
Chargebacks to other counties	265,960	—
	<u>21,525,219</u>	<u>—</u>
Auxiliary services, net of scholarships of \$992,893	4,728,486	—
Fees	4,547,313	—
Net student revenues	30,801,018	—
Community service income	3,084,201	—
Federal grants	12,031,281	—
State grants	4,053,302	—
Local grants	747,211	—
Other grants	149,842	—
Special events	—	296,712
Other operating revenues	1,251,857	—
Total operating revenues	<u>52,118,712</u>	<u>296,712</u>
Operating expenses:		
Instruction	39,203,721	—
Research	822,961	—
Public service	1,041,138	—
Academic support	11,498,779	—
Student services	7,761,263	—
Institutional support	10,717,361	236,815
Operation and maintenance of plant	9,635,343	—
Scholarships and fellowships	9,121,701	826,205
Auxiliary services	5,711,049	—
Depreciation	6,419,320	—
Total operating expenses	<u>101,932,636</u>	<u>1,063,020</u>
Operating loss	<u>(49,813,924)</u>	<u>(766,308)</u>
Nonoperating revenues (expenses):		
State appropriations	10,325,921	—
Local appropriations	20,027,019	—
Pell Grants	14,233,433	—
Contributions	—	571,427
Investment income	—	381,222
Other nonoperating revenues	6,059,385	—
Other nonoperating expenses	(352,889)	—
Interest expense	(1,570,672)	—
On-behalf payments - other post-employment benefits:		
Revenues	10,089,697	—
Expenses	(10,089,697)	—
On-behalf payments - alternate benefit program:		
Revenues	2,010,258	—
Expenses	(2,010,258)	—
On-behalf payments - police & firemen's retirement system:		
Revenues	73,321	—
Expenses	(73,321)	—
Net nonoperating revenues	<u>48,722,197</u>	<u>952,649</u>
Increase (decrease) in net position	<u>(1,091,727)</u>	<u>186,341</u>
Other Revenues		
Capital appropriations	3,141,105	—
Increase in net position	2,049,378	186,341
Net position as of beginning of year	78,237,168	6,378,033
Net position as of end of year	<u>\$ 80,286,546</u>	<u>6,564,374</u>

See accompanying notes to financial statements.

BROOKDALE COMMUNITY COLLEGE
(A Component Unit of the County of Monmouth)
Statement of Cash Flows
For the fiscal year ended June 30, 2018

	Brookdale Community College
Cash flows from operating activities:	
Student tuition and fees (including chargebacks to other counties)	\$ 25,721,043
Noncredit revenue	3,014,058
Grants and contracts	16,423,849
Grant payments	(31,215,069)
Payments to suppliers	(5,863,635)
Payments to employees	(45,658,455)
Payments for scholarships and fellowships	(8,128,808)
Auxiliary services:	
Bookstore and dining services receipts	4,306,531
Bookstore and dining services payments	(3,985,937)
Other auxiliary services payments	(1,714,583)
Other operating receipts	1,251,856
Net cash used in operating activities	(45,849,150)
Cash flows from noncapital financing activities:	
State appropriations	10,325,921
Local appropriations	20,027,019
Pell Grants	14,400,380
Contributions	5,706,496
Net cash provided by noncapital financing activities	50,459,816
Cash flows from capital financing activities:	
Payments on capital debt	(1,696,336)
Capital appropriations	6,602,633
Interest paid on capital debt	(1,602,371)
Purchases of capital assets	(3,648,576)
Net cash used in capital financing activities	(344,650)
Cash flows from investing activities:	
Net increase in cash and equivalents	4,266,016
Cash and equivalents as of beginning of year	6,927,397
Cash and equivalents as of end of year	\$ 11,193,413
Reconciliation of operating loss to net cash used in operating activities:	
Operating loss	\$ (49,813,924)
Adjustments to reconcile operating loss to net cash used in operating activities:	
Depreciation expense	6,419,320
Bad debt expense	135,948
Net pension expense	(1,020,926)
Changes in assets and liabilities:	
Grants and other receivables	(1,412,895)
Inventories	623,643
Prepaid expenses	110,543
Accounts payable and accrued expenses	(431,244)
Unearned student tuition and fees	(441,526)
Unearned grant revenue	(18,089)
Net cash used in operating activities	\$ (45,849,150)

See accompanying notes to financial statements.

BROOKDALE COMMUNITY COLLEGE
(A Component Unit of the County of Monmouth)
Notes to Financial Statements
June 30, 2018

(1) Organization

Brookdale Community College (the “College”) was established in 1967 as a unit of the New Jersey Master Plan for Higher Education and became part of a statewide network of 19 county colleges. The College offers pre-baccalaureate preparation (A.S. and A.A. degrees) as well as programs and certificates which are designed to prepare students for employment (A.A.S. degrees). The College also maintains a comprehensive Continuing and Professional Studies operation which provides lifelong learning opportunities to the citizens and businesses of the County of Monmouth (the “County”). The College opened its doors to students on September 29, 1969.

The work of the College is centered on the main campus in Lincroft, New Jersey, on the site of the former Brookdale Farm. The main campus is spread across more than 200 acres of woodlands and rolling hills and includes 27 buildings comprised of classrooms, library, theatre/auditorium, student center, bookstore, sports arena, dining facilities, administrative offices, maintenance shop, and the Monmouth Museum.

The College also operates the Brookdale at Freehold Campus and Brookdale at Wall Campus, as well as three Higher Education Centers located throughout the County in Neptune, Long Branch, and Hazlet. Offerings at these sites include GED preparation, Adult Basic Education, English as a Second Language, and a variety of credit courses. Additionally, the College has developed unique partnerships with four-year institutions to offer Brookdale students the ability to earn associate, bachelor and master’s degrees at Brookdale locations.

(2) Summary of Significant Accounting Policies

Component Unit

The College organized Brookdale Community College Foundation (the “Foundation”), a legally separate component unit, in 1973, under the laws of the State of New Jersey, for the sole benefit of the College, faculty, and students. The purpose of the Foundation is to receive, hold, invest, administer, encourage, and solicit contributions from the general public for the benefit of the College. The Foundation’s efforts benefit the College in the undertaking of projects which foster and promote educational philosophy, mission and goals of the College; in providing funds for the development of curriculum and education media; and in the creation of scholarships. The financial statements of the Foundation are presented discretely in the College’s financial statements because of the nature and significance of its relationship with the College, including its ongoing financial support of the College. Copies of the Foundation’s financial statements can be obtained by writing to Brookdale Community College Foundation, Lincroft, New Jersey.

Deferred Outflows and Deferred Inflows of Resources

The Statement of Net Position reports separate sections for deferred inflows of resources and deferred outflows 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, reports after Total Liabilities, represents an increase of net position that applies to a future period(s) and will be recognized as an inflow of resources (revenue) at that time.

BROOKDALE COMMUNITY COLLEGE
(A Component Unit of the County of Monmouth)
Notes to Financial Statements (continued)
June 30, 2018

(2) Summary of Significant Accounting Policies (continued)

Deferred Outflows and Deferred Inflows of Resources (continued)

Transactions are classified as deferred outflows of resources and deferred inflow 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 – The difference between expected (actuarial) and actual experience, changes in actuarial assumptions, net difference between projected (actuarial) and actual earnings on pension plan investments, changes in the College’s proportion of expenses and liabilities to the pension as a whole, differences between the College’s pension contribution and its proportionate share of contributions, and the College’s pension contributions subsequent to the pension valuation measurement date.

Deferred Loss on Bond Refinancing – In a transaction involving current refundings or advance refundings resulting in defeasance of debt, any difference between the reacquisition price and the net carrying amount of the old debt is deferred and amortized to interest expense over a period of time that is the shorter of the remaining life of the old debt or the life of the new debt.

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 Police and Fire Retirement System (“PFRS”) and additions to/deductions from PERS’s and PFRS’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.

New Government Accounting Pronouncements

GASB Statement 83 – *Certain Asset Retirement Obligations* (“AROs”) is effective for periods beginning after June 15, 2018. An ARO is a legally enforceable liability associated with the retirement of a tangible capital asset. This Statement establishes criteria for determining the timing and pattern of recognition of a liability and a corresponding deferred outflow of resources for AROs and requires that recognition occur when the liability is both incurred and reasonably estimable. Management has not completed its review of the requirements of this standard and its applicability.

GASB Statement 84 – *Fiduciary Activities* is effective for periods beginning after December 15, 2018. The objective of this Statement is to establish criteria for identifying fiduciary activities. Activity meeting the established criteria would then be presented in a statement of fiduciary net position and a statement of changes in fiduciary net position. Pension and other employee benefit trust funds, investment trust funds, private-purpose trust funds and custodial funds would be reported, as applicable, according to this Statement. Information of component units of a primary government would be combined and shown in the aggregate with the fiduciary funds of the primary government. Under this Statement, a liability could be recognized to the beneficiaries in a fiduciary fund if the government has been compelled to disburse fiduciary resources. Management has not completed its review of the requirements of this standard and its applicability.

BROOKDALE COMMUNITY COLLEGE
(A Component Unit of the County of Monmouth)
Notes to Financial Statements (continued)
June 30, 2018

(2) Summary of Significant Accounting Policies (continued)

New Government Accounting Pronouncements (continued)

GASB Statement 87 – *Leases* is effective for periods beginning after December 15, 2019. Implementation of this standard will require lessees to recognize on their statement of net position the rights and obligations resulting from leases categorized as operating leases as assets, liabilities, or deferred inflows / outflows of resources. It provides for an election on leases with terms of less than twelve months to be excluded from this Standard. Management has not completed its review of the requirements of this standard and its applicability.

GASB Statement 88 – *Certain Disclosures Related to Debt, Including Direct Borrowings and Placements* is effective for years beginning after June 15, 2018. Implementation of this standard will require additional disclosures in the notes to financial statements, including unused lines of credit; assets pledged as collateral for the debt; and terms specified in debt agreements related to significant events of default with finance-related consequences, significant termination events with finance-related consequences, and significant subjective acceleration clauses. Management has not completed its review of the requirements of this standard and its applicability.

GASB Statement 89 – *Accounting for Interest Costs Incurred before the End of a Construction Period* is effective for reporting periods beginning after December 15, 2019. The objectives of this Statement are (1) to enhance the relevance and comparability of information about capital assets and the cost of borrowing for a reporting period and (2) to simplify accounting for interest cost incurred before the end of a construction period. Management has not completed its review of the requirements of this standard and its applicability.

Basis of Accounting and Measurement Focus

The accompanying financial statements have been prepared on the accrual basis of accounting using the economic resources measurement focus in accordance with *Government Auditing Standards*. The College reports its financial statements as a business-type activity, as defined by GASB Statement 35. Business-type activities are those that are financed in whole or in part by fees charged to external parties for goods or services.

BROOKDALE COMMUNITY COLLEGE
(A Component Unit of the County of Monmouth)
Notes to Financial Statements (continued)
June 30, 2018

(2) Summary of Significant Accounting Policies (continued)

Net Position

The College classifies its resources into three net position categories:

- *Net investment in capital assets:* Capital assets, net of accumulated depreciation, and outstanding principal balances of debt attributable to the acquisition, construction, or improvement of those assets.
- *Restricted:*
 - Nonexpendable* – Net position subject to externally-imposed stipulations that must be maintained permanently by the College.
 - Expendable* – Net position whose use by the College is subject to externally-imposed stipulations that can be fulfilled by actions of the College pursuant to the stipulations or that expire by the passage of time.
- *Unrestricted* – Net position not subject to externally-imposed stipulations that may be designated for specific purposes by action of management or the Board of Trustees or may otherwise be limited by contractual agreements with outside parties. Substantially all unrestricted net position are designated for academic programs and initiatives and capital programs.

When an expense is incurred that can be paid using either restricted or unrestricted resources, the College's policy is to first apply the expense towards restricted resources and then towards unrestricted resources.

Other

Other significant accounting policies followed in the preparation of the accompanying financial statements are outlined below:

- (a) Cash and equivalents consist of cash on deposit with banks and money market funds with original maturities of three months or less when purchased.
- (b) Investments are stated at fair value, which is based upon quoted market prices, and consist of certificates of deposit, equities, bonds and notes, and mutual funds. Interest, dividends and change in the fair value of investments consisting of both realized and unrealized gains or losses, are reported as investment income on the statements of revenues, expenses and changes in net position.

BROOKDALE COMMUNITY COLLEGE
(A Component Unit of the County of Monmouth)
Notes to Financial Statements (continued)
June 30, 2018

(2) Summary of Significant Accounting Policies (continued)

Other (continued)

- (c) Capital assets are recorded at historical cost and include land, buildings and building improvements and furniture and equipment over \$5,000. The costs of normal maintenance and repairs that do not add value to the asset are not capitalized. Major outlays for capital assets are capitalized as the projects are constructed and transferred to the appropriate asset category upon completion. Capital assets are depreciated using the straight-line method over the following estimated useful lives:

	<u>Useful Lives</u>
Buildings and building improvements	10 - 45 years
Furniture and equipment	5 - 10 years

- (d) The County is generally responsible for the issuance of certain bonds and notes for the College's capital expenditures which are financed by County bond ordinances; unexpended bond ordinances are available for capital expenditures in subsequent years. The County is also responsible for the payment of interest on this issued debt and the retirement of such obligations. Accordingly, this debt is reported in the financial statements of the County and is not included in the accompanying financial statements of the College. However, The Monmouth County Improvement Authority has issued Lease Revenue Bonds for which the College is responsible for future debt service payments (see Note 7).
- (e) Student tuition and fees and auxiliary services are presented net of scholarships applied to student accounts, while other payments made directly to students are presented as scholarship expense and are recognized in the period incurred. Student tuition and fees collected for courses that are held subsequent to fiscal year-end are recorded as unearned student tuition and fees in the accompanying statements of net position.
- (f) Grants receivable represent amounts awarded to, but not yet received by the College. Revenues are recognized as the grants are expended. Amounts received from grants which have not yet been earned under the terms of the agreements are recorded as unearned grant revenue in the accompanying statement of net position.
- (g) Revenue from State of New Jersey and the County appropriations is recognized in the fiscal years during which the State of New Jersey and the County appropriate the funds to the College.
- (h) Accounts receivable are reported at net realizable value. Accounts are written off when they are determined to be uncollectible based upon management's assessment of individual accounts. The allowance for doubtful accounts is estimated based on the College's historical losses and periodic review of individual accounts.
- (i) Auxiliary services expenses include direct and indirect administration and general costs related to their operations.

BROOKDALE COMMUNITY COLLEGE
(A Component Unit of the County of Monmouth)
Notes to Financial Statements (continued)
June 30, 2018

(2) Summary of Significant Accounting Policies (continued)

Other (continued)

- (j) Chargebacks to other counties represent the amount the College charges the counties in which out-of-county students reside for their portion of the College's operating expenses, as provided by the criteria and procedures specified in the Statement of Auditing and Accounting Standards for County Colleges recommended by the Council of County Colleges and for use by the Department of Treasury pursuant to New Jersey Statutes Annotated ("N.J.S.A.") 18A:64A-22 and 29.
- (k) The College receives appropriations from the State of New Jersey and the County. The College is economically dependent on these appropriations to carry on its operations. The College is considered as a component unit of the County.
- (l) Grants and contributions are recorded as unrestricted revenue or restricted net position depending on the absence or existence of any donor restrictions. Unconditional grants and contributions are recognized as revenue when the related promise to give is disclosed.
- (m) Donor-restricted grants and contributions whose restrictions are satisfied in the same period as funds are recognized are reported as unrestricted support in the statements of revenues, expenses and changes in net position.
- (n) The College's policy defines operating activities in the statements of revenues, expenses, and changes in net position as those that serve the College's principal purpose and generally result from exchange transactions such as payments received for services and payments made for the purchase of goods and services. Examples include (1) student tuition and fees, net of scholarship allowances, (2) sales and services of auxiliary services and (3) most federal, state, and local grants and contracts. Nonoperating revenues include activities that have the characteristics of nonexchange transactions, such as operating appropriations from the State of New Jersey and the County, contributions and investment income. Interest expense is reported as a nonoperating expense.
- (o) The College is exempt from federal income taxes under Internal Revenue Code Section 115. The Foundation is an organization described under Section 501(c)(3) of the Internal Revenue Code ("Code") and therefore is exempt from federal income taxes under 501(a) of the Code.
- (p) The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from these estimates. Significant estimates and assumptions are required as part of estimating an allowance for doubtful accounts, depreciation and determining the net pension and OPEB liabilities.

BROOKDALE COMMUNITY COLLEGE
(A Component Unit of the County of Monmouth)
Notes to Financial Statements (continued)
June 30, 2018

(3) Cash and Equivalents and Investments

Cash and Equivalents

Custodial Credit Risk

Custodial credit risk is the risk that, in the event of a bank failure, the College's deposits may not be returned. 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"). GUDPA is a supplemental insurance program set forth by the New Jersey Legislature to protect the deposits of local government agencies.

As of June 30, 2018, the College's and Foundation's combined bank balances of \$12,524,669 were insured, collateralized or uninsured as follows:

	Brookdale Community College	Brookdale Community College Foundation
Insured	\$ 250,000	\$ 250,000
Collateralized under GUDPA	11,414,549	-
Uninsured	11,486	598,634
	<u>\$ 11,676,035</u>	<u>\$ 848,634</u>

Deposits Held by Trustees

Deposits held by trustees represent assets held by trustees under the terms of various agreements with the New Jersey Educational Facilities Authority ("NJEFA"). Deposits held by trustees are carried in the financial statements at fair value and consist entirely of cash and equivalents. As of June 30, 2018, the College's deposits held by trustees are \$708,533.

Investments

Custodial Credit Risk

For an investment, custodial credit risk is the risk that, in the event of the failure of the counterparty, the College will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. Investment securities are exposed to custodial credit risk if the securities are uninsured, are not registered in the name of the College, or are held by either the counterparty or the counterparty's trust department or agent but not in the College's name. The Foundation's investments for the fiscal year ended June 30, 2018 are \$5,725,671, in certificates of deposit, mutual funds, bonds and notes, and equities at various financial institutions.

BROOKDALE COMMUNITY COLLEGE
(A Component Unit of the County of Monmouth)
Notes to Financial Statements (continued)
June 30, 2018

(3) Cash and Equivalents and Investments (continued)

Investments *(continued)*

Interest Rate Risk

Interest rate risk is the risk that changes in interest rates will adversely affect the fair value of an investment. While the College does not have a formal policy that limits investment maturities as a means of managing its exposure to fair value losses arising from increasing interest rates, to mitigate this risk, most investments purchased have a maturity date of no more than one year. The Foundation monitors the investment maturities of bond investments as a means of managing its exposure to fair value losses arising from increasing interest rates.

Credit Risk

Credit risk is the risk that an issuer or counterparty to an investment will not fulfill its obligations. N.J.S.A. does not limit the investment types that County Colleges may purchase, and the College has no investment policy that limits its investment choices. The Foundation's investment policy establishes guidelines for permissible investments, which include certificates of deposits, mutual funds, equities and bonds.

Foreign Currency Credit Risk

As of June 30, 2018, the Foundation's exposure to foreign current risk is as follows:

<u>Investment</u>	<u>Currency</u>	<u>Maturity</u>	<u>Fair Value</u>	<u>Rating</u>
Ontario Province	Canadian dollar	2/12/2021	\$ 20,526	A+
BP Capital Markets	Pound Sterling	5/4/2026	6,696	A-
Medtronic Global Holdings	European euro	4/1/2017	6,817	A
			<u>\$ 34,039</u>	

BROOKDALE COMMUNITY COLLEGE
(A Component Unit of the County of Monmouth)
Notes to Financial Statements (continued)
June 30, 2018

(3) Cash and Equivalents and Investments (continued)

Investments (continued)

Concentration of Credit Risk

The College and the Foundation do not place a limit on the amount that may be invested in any one issuer. The risk categories for the bond fund holdings held by the Foundation as of June 30, 2018, are as follows:

<u>Investment rating*</u>	
AAA	\$ 364,876
AA+	131,407
AA	49,123
AA-	57,732
A+	70,027
A	66,018
A-	336,552
BBB+	205,402
BBB	132,679
BBB-	46,891
BB+	48,257
	<u>\$ 1,508,964</u>

*These ratings are determined by Standard & Poor's, a division of McGraw-Hill Companies, Inc. All ratings represent the opinions of the research provider and are disclaimed as not representations or guarantees of performance.

The Foundation investments as of June 30, 2018 are stated at fair value and consist of the following:

Investment Maturities (in years)

<u>Investment Type</u>	<u>Market Value</u>	<u>Less than 1</u>	<u>1-5 years</u>	<u>6-10 years</u>	<u>More</u>
Corporate bonds	\$ 991,934	56,119	526,998	228,283	180,534
Government bonds	369,299	13,012	253,079	-	103,208
Municipal bonds	113,692	-	59,020	14,598	40,074
Foreign bonds	34,039	-	9,900	24,139	-
	<u>1,508,964</u>	<u>69,131</u>	<u>848,997</u>	<u>267,020</u>	<u>323,816</u>

Other investments

Mutual funds	9,849
Preferred stock	132,203
Equities	<u>4,074,655</u>
	<u>\$ 5,725,671</u>

BROOKDALE COMMUNITY COLLEGE
(A Component Unit of the County of Monmouth)
Notes to Financial Statements (continued)
June 30, 2018

(3) Cash and Equivalents and Investments (continued)

Investments (continued)

Foundation investment income for the year ended June 30, 2018 is as follows:

Dividends and investment income	\$ 120,038
Realized gain on investments	66,957
Unrealized gain on investments	213,429
Investment management fees	<u>(19,202)</u>
Total investment income	<u>\$ 381,222</u>

Fair Value Hierarchy

The fair value hierarchy categorizes inputs to valuation techniques used to measure fair value into three levels. Level 1 inputs are quoted market prices for identical assets or liabilities in active markets that a government can access at the measurement date. Level 2 inputs are inputs, other than quoted prices included within Level 1 that are observable for an asset or liability, directly or indirectly. Level 3 inputs are unobservable inputs. The highest priority is assigned to Level 1 inputs and the lowest to Level 3 inputs. If the fair value is measured using inputs from more than one level of the hierarchy, the measurement is considered to be based on the lowest priority input level that is significant to the entire measurement. Valuation techniques used should maximize the use of the observable inputs and minimize the use of unobservable inputs.

Following is a description of the valuation methodologies used for assets measured at fair value. There have been no changes in the methodologies used at June 30, 2018.

Common stocks, preferred stocks, equities, corporate bonds, municipal bonds, foreign bonds and U.S Government securities: Valued at the closing price recorded on the active market on which the individual securities are traded.

Mutual Funds: Valued at the net asset value of the shares held by the Foundation at year end.

The preceding methods described may produce a fair value calculation that may not be indicative of net realizable value or reflective of future fair values. Furthermore, although the Foundation believes its valuation methods are appropriate and consistent with other market participants, the use of different methodologies or assumptions to determine the fair value of certain financial instruments could result in a different fair value measurement at the reporting date.

At June 30, 2018, all investments of the Foundation are categorized in Level 1 of the fair value hierarchy. As of June 30, 2018, the College holds no investments.

BROOKDALE COMMUNITY COLLEGE
(A Component Unit of the County of Monmouth)
Notes to Financial Statements (continued)
June 30, 2018

(4) Accounts Receivable

Accounts receivable consisted of the following as of June 30, 2018:

	Brookdale Community College	Brookdale Community College Foundation
Federal, state and local grants receivable	\$ 1,864,690	\$ -
Student accounts receivable	2,321,977	-
Community development receivables	226,906	-
Other receivables	883,708	102,223
	<u>5,297,281</u>	<u>102,223</u>
Less allowance for doubtful accounts	1,173,908	-
	<u>\$ 4,123,373</u>	<u>\$ 102,223</u>

(5) Accounts Payable and Accrued Expenses

Accounts payable and accrued expenses consisted of the following as of June 30, 2018:

	Brookdale Community College	Brookdale Community College Foundation
Vendors	\$ 495,562	\$ -
Construction	927,196	-
Payroll	2,979,642	-
Pension contribution	1,898,631	-
Compensated absences - vacation	2,129,628	-
State of New Jersey unemployment	428,404	-
Other	313,740	28,634
	<u>\$ 9,172,803</u>	<u>\$ 28,634</u>

BROOKDALE COMMUNITY COLLEGE
(A Component Unit of the County of Monmouth)
Notes to Financial Statements (continued)
June 30, 2018

(6) Capital Assets

Capital assets consisted of the following as of June 30, 2018:

	Balance June 30, 2017	Additions	Retirements	Reclassifications	Balance June 30, 2018
Depreciable assets:					
Buildings and building improvements	\$ 240,028,553	3,500,357	-	16,810,468	260,339,378
Equipment	13,120,242	317,178	(64,910)	-	13,372,510
	<u>253,148,795</u>	<u>3,817,535</u>	<u>(64,910)</u>	<u>16,810,468</u>	<u>273,711,888</u>
Less accumulated depreciation:					
Buildings and building improvements	(103,706,077)	(5,385,798)	-	-	(109,091,875)
Equipment	(9,424,570)	(1,033,522)	50,752	-	(10,407,340)
	<u>(113,130,647)</u>	<u>(6,419,320)</u>	<u>50,752</u>	<u>-</u>	<u>(119,499,215)</u>
Depreciable assets, net	140,018,148	(2,601,785)	(14,158)	16,810,468	154,212,673
Construction in progress	16,810,468	-	-	(16,810,468)	-
Nondepreciable asset - land	5,882,462	-	-	-	5,882,462
Capital Assets, Net	<u>\$ 162,711,078</u>	<u>(2,601,785)</u>	<u>(14,158)</u>	<u>-</u>	<u>160,095,135</u>

(7) Long-Term Debt

Long-term debt consisted of the following as of June 30, 2018:

	Brookdale Community College			
	June 30, 2017	Increase	Decrease	June 30, 2018
A. Lease revenue bonds - Series 2008 issue:				
Serial bonds (interest rates from 3.25% to 6% due on various dates through fiscal year 2019)	\$ 1,210,000	\$ -	\$ (590,000)	\$ 620,000
B. Lease revenue bonds - Series 2009 issue:				
Serial bonds (interest rates from 2.0% to 5.125%; due on various dates through fiscal year 2023)	2,890,000	-	(435,000)	2,455,000
Term bonds (interest rate from 3.5% to 4.0%; due in fiscal years 2025 to 2032)	5,695,000	-	-	5,695,000
C. Lease revenue bonds - Series 2012 issue:				
Serial bonds (interest rates from 2.0% to 5.0%; due on various dates through fiscal year 2026)	5,455,000	-	(460,000)	4,995,000
D. Equipment leasing fund (interest rate of 5% due on various dates through fiscal year 2019)	226,068	-	(144,257)	81,811
E. Lease revenue bonds - Series 2015 issue:				
Serial bonds (interest rates from 3.0% to 5.0%; due on various dates through fiscal year 2036)	19,325,000	-	(100,000)	19,225,000
Term bonds (interest rate 3.5%; due through fiscal year 2039)	5,005,000	-	-	5,005,000
F. Bond premium	2,276,694	-	(138,910)	2,137,784
	<u>\$ 42,082,762</u>	<u>\$ -</u>	<u>\$ (1,868,167)</u>	<u>\$ 40,214,595</u>
Less current portion				<u>(1,699,997)</u>
				<u>\$ 38,514,598</u>

BROOKDALE COMMUNITY COLLEGE
(A Component Unit of the County of Monmouth)
Notes to Financial Statements (continued)
June 30, 2018

(7) Long-Term Debt (continued)

- A. The lease revenue bonds – Series 2008 were issued by The Monmouth County Improvement Authority (“MCIA”) pursuant to an agreement with the College for the purpose of funding for the Big Four Projects, which was comprised of renovations to the Collins Arena, Fitness Center, AutoTech facility, and the Freehold campus. The agreement with MCIA requires the pledging of certain revenues to meet the sinking fund requirements of the issue. The College’s mortgage obligation to MCIA is collateralized by certain land, buildings and building improvements, and equipment.

On September 2, 2015, the MCIA pursuant to an agreement with the College issued lease revenue Bond Series 2015. As a result, the Series 2008 is considered partially defeased and the liability in the amount of \$22,820,000 for this bond has been decreased to \$1,775,000. A payment of \$590,000 was made during the fiscal year. The final bond principal payment of \$620,000 is due on August 1, 2018.

- B. The lease revenue bonds – Series 2009 were issued by MCIA pursuant to an agreement with the College for the purpose of refinancing the funding for construction of a multi-purpose student life center on the Lincroft campus of the College. The agreement with MCIA requires the pledging of certain revenues to meet the sinking fund requirements of the issue. The College’s mortgage obligation to MCIA is collateralized by certain land, buildings and building improvements, and equipment.

Except for extraordinary optional redemption as described in the debt agreement, the Series 2009 bonds are not subject to redemption prior to August 1, 2019 and are redeemable thereafter at par plus accrued interest.

Bond principal payments are due August 1 of each year starting in the year 2010 and ending in the year 2029. A bond principal payment of \$435,000 was made on August 1, 2017. A bond principal payment of \$460,000 is due on August 1, 2018; subsequent bond principal payments incrementally increase thereafter to a maximum of \$730,000 on August 1, 2031.

- C. The lease revenue bonds – Series 2012 were issued MCIA pursuant to an agreement with the College for the purpose of providing funds to MCIA to fund an escrow, the proceeds of which were used for the purpose of refunding all of MCIA’s outstanding Lease Revenue Bonds - Series 2003 and paying certain costs in connection with the issuance of the bonds. As a result, the Series 2003 was considered to be defeased and the liability has been removed from the financial statements. The agreement with MCIA requires the pledging of certain rental revenues to meet the sinking fund requirements of the issue. The College’s mortgage obligation to MCIA is collateralized by certain land, buildings and building improvements.

Except for extraordinary optional redemption as described in the debt agreement, the Series 2012 bonds are not subject to redemption prior to August 1, 2022 and are redeemable thereafter at par plus accrued interest.

Bond principal payments are due August 1 of each year starting in the year 2012 and ending in the year 2026. A bond principal payment of \$460,000 was made on August 1, 2017. A bond principal payment of \$480,000 is due on August 1, 2018; subsequent bond principal payments incrementally increase thereafter to a maximum of \$635,000 on August 1, 2026.

BROOKDALE COMMUNITY COLLEGE
(A Component Unit of the County of Monmouth)
Notes to Financial Statements (continued)
June 30, 2018

(7) Long-Term Debt (continued)

- D. In fiscal year 2015, New Jersey Educational Facilities Authority ("NJEFA") leased certain equipment to the College. The State's Equipment Leasing Fund provides funds to support the purchase of scientific, engineering, technical, computer, communications, and instructional equipment for public and private institutions of higher education. The equipment was purchased with the proceeds of a NJEFA bond issuance. The total amount of equipment to be financed is \$2,724,217. The College's basic rent as set forth in the loan schedule is equal to approximately 22% of the debt service on the bonds, consisting of principal of \$609,466 and interest of \$101,124.

The bonds issued by the NJEFA are tax exempt and require annual and semiannual principal and interest payments, respectively, which commenced on November 1, 2014 for interest and May 1, 2015 for principal. Final payment to include principal, interest, and other expenses is due on May 1, 2020. A bond principal payment of \$144,256 was made on May 1, 2018. A bond principal payment of \$39,997 is due on May 1, 2019. At the completion of the lease term in fiscal year 2020, title to the equipment will be transferred to the College.

- E. The lease revenue bonds – Series 2015 were issued by MCIA pursuant to an agreement with the College for the purpose of providing funds to MCIA to fund an escrow, the proceeds of which are to be used for the purpose of refunding all but \$1,775,000 MCIA's presently outstanding Lease Revenue Bonds – Series 2008 and pay certain costs in connection with the issuance of the bonds. As a result, the Series 2008 is considered partially defeased and the liability in the amount of \$22,820,000 has been reduced to \$1,775,000. The purpose of the original bond was for the Big Four Projects, which was comprised of renovations to the Collins Arena, Fitness Center, Autotech and the Freehold campus. The agreement with MCIA requires the pledging of certain revenues to meet the sinking fund requirements of the issue. The College's mortgage obligation to MCIA is collateralized by certain land, buildings and building improvements, and equipment.

Except for extraordinary optional redemption as described in the debt agreement, the Series 2015 bonds are not subject to redemption prior to August 1, 2025 and are redeemable thereafter at par plus accrued interest.

Bond principal payments are due August 1 of each year starting in fiscal year 2017 and ending in the year 2039. A bond principal payment of \$100,000 was made on August 1, 2017. A bond principal payment of \$100,000 is due on August 1, 2018; subsequent bond principal payments incrementally increase thereafter to a maximum of \$1,730,000 in August 1, 2038.

BROOKDALE COMMUNITY COLLEGE
(A Component Unit of the County of Monmouth)
Notes to Financial Statements (continued)
June 30, 2018

(7) Long-Term Debt (continued)

The following is a schedule, by year, of future minimum payments under long-term debt as of June 30, 2018:

<u>Year Ending June 30</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2019	\$ 1,699,997	\$ 1,467,443	\$ 3,167,440
2020	1,766,814	1,396,917	3,163,731
2021	1,795,000	1,328,375	3,123,375
2022	1,860,000	1,250,580	3,110,580
2023	1,940,000	1,165,042	3,105,042
2024-2028	10,330,000	4,516,434	14,846,434
2029-2033	7,070,000	2,340,683	9,410,683
2034-2038	9,885,000	882,688	10,767,688
2039	1,730,000	5,046	1,735,046
	<u>\$ 38,076,811</u>	<u>\$ 14,353,208</u>	<u>\$ 52,430,019</u>

Interest expense for fiscal year 2018 was \$1,570,672.

In connection with the refinancing of the Lease Revenue Bonds - Series 2003 with the Lease Revenue Bonds - Series 2012, the premium on the bond refinancing was \$764,690 and deferred loss on the bond refinancing was \$415,734. Bond premium and deferred loss on the bond refinancing are amortized over 15 years (the life of the bond). As of June 30, 2018, the balance of the bond premium is \$452,443 and the deferred loss is \$245,947. The premium on the bond is included in long-term debt on the statement of net position. Deferred loss on the bond refinancing is included in deferred outflows of resources on the statements of net position. The amount of premium charged as a reduction of interest expense for fiscal year 2018 was \$50,979.

In connection with the refinancing of the Lease Revenue Bonds - Series 2008 with the Lease Revenue Bonds - Series 2015, the premium on the bond refinancing was \$1,934,479 and deferred loss on the bond refinancing was \$3,170,549. Bond premium and deferred loss on the bond refinancing are amortized over 22 years (the life of the bond). As of June 30, 2018, the balance of the bond premium is \$1,685,341 and the deferred loss is \$2,762,221. The premium on the bond is included in long-term debt on the statement of net position. Deferred loss on the bond refinancing is included in deferred outflows of resources on the statement of net position. For fiscal year 2018 the amount of premium charged as a reduction of interest expense was \$87,931 for and the amount of deferred loss charged as a reduction of interest expense was \$144,116.

BROOKDALE COMMUNITY COLLEGE
(A Component Unit of the County of Monmouth)
Notes to Financial Statements (continued)
June 30, 2018

(8) Designations of Unrestricted Net Position

As of June 30, 2018, the College had designated portions of its unrestricted net position as follows:

Designated:	
Auxiliary services	\$ 59,128
Risk management	(78,525)
Appropriation to succeeding fiscal years' budgets	<u>3,340,559</u>
	3,321,162
Impact of pension adjustments	<u>(46,631,857)</u>
	<u>\$ (43,310,695)</u>

(9) Retirement Plans

Plan Descriptions

The College participates in four major retirement plans for its employees – the State of New Jersey Public Employees' Retirement System ("PERS"), Police and Firemen's Retirement System ("PFRS"), Defined Contribution Retirement Program ("DCRP") and Alternate Benefit Program ("ABP"). ABP presently makes contributions to Teachers Insurance and Annuity Association – College Retirement Equities Fund ("TIAA/CREF"), VOYA Financial, AXA Equitable Life Insurance, MASS Mutual, Metlife, VALIC and Prudential Retirement. ABP alternatives are administered by a separate Board of Trustees. PERS and PFRS are cost-sharing, multiple-employer defined benefit pension plans administered by the State of New Jersey. Generally, all employees, except certain part-time employees, participate in one of these plans. The State of New Jersey Division of Pension and Benefits issues a publicly available financial report that includes financial statements and required supplementary information.

PERS and PFRS Information

PERS was established under the provisions of N.J.S.A. 43:15A to provide coverage, including post-retirement health care, to substantially all full-time employees of the State of New Jersey or public agency, provided the employee is not a member of another State of New Jersey-administered retirement system. PFRS was established under the provisions of N.J.S.A. 43:16A to provide coverage to substantially all full-time county and municipal police or firemen and State of New Jersey firemen appointed after June 30, 1994.

PERS Benefits Provided

The following represents the membership tiers for PERS:

Tier Definitions

- 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

BROOKDALE COMMUNITY COLLEGE
(A Component Unit of the County of Monmouth)
Notes to Financial Statements (continued)
June 30, 2018

(9) Retirement Plans (continued)

PERS Benefits Provided (continued)

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 or more years 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.

PFRS Benefits Provided

The following represents the membership tiers for PFRS:

Tier Definitions

- 1 Members who were enrolled prior to May 22, 2010
- 2 Members who were eligible to enroll on or after May 22, 2010 and prior to June 28, 2011
- 3 Members who were eligible to enroll on or after June 28, 2011

Service retirement benefits are available at age 55 and are generally determined to be 2% of final compensation for each year of creditable service, as defined, up to 30 years plus 1 % for each year of service in excess of 30 years. Members may seek special retirement after achieving 25 years of creditable service, in which benefits would equal 65% (tiers 1 and 2 members) and 60% (tier 3 members) of final compensation plus 1 % for each year of creditable service over 25 years, but not to exceed 30 years. Members may elect deferred retirement benefits after achieving ten years of service, in which case benefits would begin at age 55 equal to 2% of final compensation for each year of service.

PERS Funding Policy

PERS members are required to contribute 7.34% of their annual covered salary for the years ended June 30, 2018. The College is required to contribute at an actuarially determined rate for the year ended June 30, 2018. During the year ended June 30, 2018, the College's annual contributions to PERS was \$1,565,705. The contribution requirements of the plan members and the College are established and may be amended by the State of New Jersey.

PFRS Funding Policy

PFRS members are required to contribute 10% of their annual covered salary for the years ended June 30, 2018. The College contribution is based upon annual actuarially determined percentages of total compensation of all active members. The College's annual contribution approximates the actuarially determined pension cost for the year and is included in the accompanying financial statements. During fiscal year ended June 30, 2018, the College's contribution to PFRS was \$332,926. The contribution requirements of the plan members and the College are established and may be amended by the State of New Jersey.

BROOKDALE COMMUNITY COLLEGE
(A Component Unit of the County of Monmouth)
Notes to Financial Statements (continued)
June 30, 2018

(9) Retirement Plans (continued)

DCRP Information

In September 2010, the State of New Jersey mandated that employees otherwise eligible to enroll in PERS, who do not work the minimum required number of hours per week for PERS, but who earn salary of at least \$5,000 annually, are now being enrolled in a defined contribution retirement program ("DCRP"). DCRP members are required to contribute 5.5% of their annual base salary and the College is required to contribute 3%. The contribution requirements of the plan are established and may be amended by the State of New Jersey.

Alternate Benefit Program Information

ABP is organized under Section 410(a) of the Internal Revenue Code and provides the choice of seven investment carriers all of which are privately operated defined contribution retirement plans. The College assumes no liability for ABP members other than payment of contributions. ABP provides retirement and death benefits for or on behalf of these full-time professional employees and faculty members electing to participate in this optional retirement program. Participation eligibility as well as contributory and noncontributory requirements are established by the State of New Jersey Retirement and Social Security Law. 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. Individually owned annuity contracts that provide for full ownership of retirement and survivor benefits are purchased at the time of vesting.

Participating College employees are required to contribute 5% and may contribute voluntary additional contributions of salary up to the maximum federal statutory limit, on a pre-tax basis. Employer contributions, some of which are reimbursed by the State of New Jersey, are 8% of base salary.

During the year ended June 30, 2018, ABP contributions, based upon participating employee salaries of \$25,128,226, were \$1,335,148 from employees and \$1,798,882 from the College. The State of New Jersey reimbursed the College \$2,010,258 for qualified employees and this amount is included in the accompanying financial statements as on-behalf payments.

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

A special funding situation exists for the Local employers of the Police and Fire Retirement System of New Jersey. The State of New Jersey, as a nonemployer, is required to pay the additional costs incurred by Local employers. The amount recognized by the College as its proportionate share of the net pension liability, the related state support, and the total portion of the net pension liability that was associated with the College as of the June 30, 2017 measurement date are as follows:

	<u>Measurement Date 2017</u>
College's Proportionate Share of Net Pension Liability	\$ -
State of New Jersey's Proportionate Share of Net Pension Liability Associated with the College	<u>599,408</u>
	<u>\$ 599,408</u>

BROOKDALE COMMUNITY COLLEGE
(A Component Unit of the County of Monmouth)
Notes to Financial Statements (continued)
June 30, 2018

(9) Retirement Plans (continued)

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

The following information is related to the PERS and PFRS are cost sharing multiple-employer defined benefit pension plans.

As of June 30, 2018, the College reported a liability of \$41,860,946 for its proportionate share of the net pension liability. The net pension liability 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 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, actuarial determined.

The College's proportion of the net pension liability was based on its share of the State of New Jersey's collective pension amounts allocated on the basis of actual fringe benefits charges assessed to the College for the fiscal year 2018. The State of New Jersey's proportionate share was based on actual employer contributions to the PERS and PFRS for fiscal year 2018 related to total contributions of all participating employers for the fiscal year. At June 30, 2018, the College's proportion was 0.075% for PERS and 0.025% for PFRS.

For the year ended June 30, 2018, the College's recognized pension expense of \$485,867 for PERS and \$404,733 for PFRS, respectively. At June 30, 2018, the College reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	2018					
	Deferred Outflows of Resources			Deferred Inflows of Resources		
	<u>PERS</u>	<u>PFRS</u>	<u>Total</u>	<u>PERS</u>	<u>PFRS</u>	<u>Total</u>
Differences Between Expected and Actual Experience	\$ 859,672	\$ 34,717	\$ 894,389	\$ -	\$ 31,409	\$ 31,409
Changes of Assumptions	7,355,404	659,894	8,015,298	7,328,438	876,412	8,204,850
Net Difference Between Projected and Actual Earnings on Pension Plan Investments	248,605	102,118	350,723	-	-	-
Changes in Proportion and Differences Between College's Contributions and Proportionate Share of Contributions	-	280,165	280,165	7,507,416	466,442	7,973,858
College's Contributions Subsequent to the Measurement Date	1,565,705	332,926	1,898,631	-	-	-
	<u>\$ 10,029,386</u>	<u>\$ 1,409,820</u>	<u>\$ 11,439,206</u>	<u>\$ 14,835,854</u>	<u>\$ 1,374,263</u>	<u>\$ 16,210,117</u>

BROOKDALE COMMUNITY COLLEGE
(A Component Unit of the County of Monmouth)
Notes to Financial Statements (continued)
June 30, 2018

(9) Retirement Plans (continued)

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

As of June 30, 2018, \$1,898,631 reported as deferred outflows of resources related to pensions resulting from College contributions subsequent to the measurement date will be recognized as a reduction of the net position liability in the fiscal year ending June 30, 2018. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

<u>Year Ending June 30,</u>	<u>PERS</u>	<u>PFRS</u>	<u>Total</u>
2018	\$ (4,824,236)	174,307	(4,649,929)
2019	(7,279,889)	472,078	(6,807,811)
2020	(4,411,240)	95	(4,411,145)
2021	5,866,961	(654,242)	5,212,719
2022	4,276,231	(289,607)	3,986,624
	<u>\$ (6,372,173)</u>	<u>(297,369)</u>	<u>(6,669,542)</u>

Actuarial Assumptions

The total pension liability was determined using the following actuarial assumptions applied to all periods included in the measurement:

	<u>PERS</u>	<u>PFRS</u>
Inflation	2.25%	2.25%
Salary Increases:		
Through 2026	1.65% - 4.15% Based on Age	2.10% - 8.98% Based on Age
Thereafter	2.65% - 5.15% Based on Age	3.10% - 9.98% Based on Age
Investment Rate of Return	7.00%	7.00%
Mortality Rate Table	RP-2000	RP-2000
Period of Actuarial Experience		
Study upon which Actuarial Assumptions were Based	July 1, 2011 - June 30, 2014	July 1, 2010 - June 30, 2013

Adjustments for mortality improvements are based on Society of Actuaries Scale AA.

BROOKDALE COMMUNITY COLLEGE
(A Component Unit of the County of Monmouth)
Notes to Financial Statements (continued)
June 30, 2018

(9) Retirement Plans (continued)

Actuarial Assumptions (continued)

The Long-term expected rate of return on pension plan investments was determined using a building block method in which best-estimate ranges of expected future real rate 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 percentages and by adding expected inflation. Best estimates of real rates of return for each major asset class included in the pension plans' target asset allocation as of the June 30, 2017 measurement date (see the discussion of the pension plans investment policy) are summarized in the following tables:

<u>Asset Class</u>	<u>PERS</u>		<u>PERS</u>	
	<u>Target Allocation</u>	<u>Long-Term Expected Real Rate of Return</u>	<u>Target Allocation</u>	<u>Long-Term Expected Real Rate of Return</u>
Absolute return/risk mitigation	5.00%	5.51%	5.00%	5.51
Cash equivalents	5.50%	1.00%	5.50%	1.00%
U.S. Treasuries	3.00%	1.87%	3.00%	1.87%
Investment grade credit	10.00%	3.78%	10.00%	3.78%
Public high yield	2.50%	6.82%	2.50%	6.82%
Global diversified credit	5.00%	7.10%	5.00%	7.10%
Credit oriented hedge funds	1.00%	6.60%	1.00%	6.60%
Debt related private equity	2.00%	10.63%	2.00%	10.63%
Debt related real estate	1.00%	6.61%	1.00%	6.61%
Private real estate	2.50%	11.83%	2.50%	11.83%
Equity related real estate	6.25%	9.23%	6.25%	9.23%
U.S equity	30.00%	8.19%	30.00%	8.19%
Non- U.S. developed markets equity	11.50%	9.00%	11.50%	9.00%
Emerging markets equity	6.50%	11.64%	6.50%	11.64%
Buyouts/venture capital	8.25%	13.08%	8.25%	13.08%
	<u>100.00%</u>		<u>100.00%</u>	

Discount Rate

The discount rate used to measure the total pension liabilities of the PERS plan is 5.00% and for PFRS plan is 6.14%. The projections of cash flows used to determine the discount rate assumed that employee contributions will be made at the current contribution rate, contributions from employers will be made at contractually required rates (actuarial determined), and contributions from the State will be made at current statutorily required rates. Based on those assumptions, the pension plans' fiduciary net position was projected to be available to make all projected future benefit payments of current active and inactive employees. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

BROOKDALE COMMUNITY COLLEGE
(A Component Unit of the County of Monmouth)
Notes to Financial Statements (continued)
June 30, 2018

(9) Retirement Plans (continued)

Discount Rate (continued)

The following represents the College's proportionate share of the net pension liability calculated using a discount rate of 5.00% for PERS plan and 6.14% for PFRS plan 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:

		PERS		
		1% Decrease <u>4.00%</u>	Current Discount Rate <u>5.00%</u>	1% Increase <u>6.00%</u>
College's Proportionate Share of the Net Pension Liability		<u>\$ 45,292,501</u>	<u>\$ 36,509,491</u>	<u>\$ 29,192,155</u>
		PFRS (Non-Special Funding Situation)		
		1% Decrease <u>5.14%</u>	Current Discount Rate <u>6.14%</u>	1% Increase <u>7.14%</u>
College's Proportionate Share of the Net Pension Liability		<u>\$ 6,641,338</u>	<u>\$ 5,351,455</u>	<u>\$ 3,462,114</u>
		PFRS (Special Funding Situation)		
		1% Decrease <u>5.14%</u>	Current Discount Rate <u>6.14%</u>	1% Increase <u>7.14%</u>
School District's Proportionate Share of the Net Pension Liability		\$ -	\$ -	\$ -
State's Proportionate Share of the Net Pension Liability		<u>743,886</u>	<u>599,408</u>	<u>387,786</u>
		<u>\$ 743,885.80</u>	<u>\$ 599,408.00</u>	<u>\$ 387,785.91</u>

Pension Plan Fiduciary Net Position

Detailed information about each pension plan's fiduciary net position is available in the separately issued New Jersey Division of Pension and Benefits financial report. Information on where to obtain the report is indicated above.

BROOKDALE COMMUNITY COLLEGE
(A Component Unit of the County of Monmouth)
Notes to Financial Statements (continued)
June 30, 2018

(10) Other Post-Employment Benefits

General Information about the OPEB Plan

The College is in a “special funding situation”, as described in GASB Statement No. 75, *Accounting and Financial Reporting for the Postemployment Benefits Other Than Pensions* (“GASB Statement 75”), in that OPEB contributions and expenses are legally required to be made by and are the sole responsibility of the State of New Jersey, not the College.

The State of New Jersey reports a liability as a result of its statutory requirements to pay other postemployment (health) benefits for State Health Benefit Local Education Retired Employees Plan. In accordance with GASB Statement 75, the State Health Benefit Local Education Retired Employees Plan is classified as a single employer defined benefit other post employment benefit (“OPEB”) plan with a special funding situation that is not administered through a trust that meets the criteria in paragraph 4 of GASB Statement 75. The State Health Benefit Local Education Retired Employees Plan provides medical, prescription drug, and Medicare Part B reimbursement to retirees and their covered dependents of local education employers.

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

The total non-employer OPEB liability does not include certain other postemployment benefit obligations that are provided by the local education employers. The reporting of these benefits are the responsibility of the individual local education employers.

Basis of Presentation

The schedule presents the State of New Jersey's obligation under NJSA 52:14-17.32f. The Schedule does not purport to be a complete presentation of the financial position or changes in financial position of the State Health Benefit Local Education Retired Employees Plan or the State of New Jersey. The accompanying Schedule was prepared in accordance with U.S. generally accepted accounting principles. Such preparation requires management of the State of New Jersey to make a number of estimates and assumptions relating to the reported amounts. Due to the inherent nature of these estimates, actual results could differ from those estimates.

BROOKDALE COMMUNITY COLLEGE
(A Component Unit of the County of Monmouth)
Notes to Financial Statements (continued)
June 30, 2018

(10) Other Post-Employment Benefits (continued)

Actuarial Assumptions

The total non-employer OPEB liability as of June 30, 2017 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. The actuarial assumptions vary for each plan member depending on the pension plan the member is enrolled in. The actuarial valuation used the following actuarial assumptions, applied to all periods in the measurement

Inflation rate	2.50%	
	PERS	PFRS
Salary increases:	2.15 - 4.15%	2.10 - 8.98%
Through 2026	based on age	based on age
Thereafter	3.15 - 5.15%	3.15 - 5.15%
	based on age	based on age

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. Post retirement 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.

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

Plan Membership

At June 30, 2016, the Program membership consisted of the following:

	<u>June 30, 2016</u>
Active Plan Members	223,747
Inactive Plan Members or Beneficiaries	
Currently Receiving Benefits	142,331
	<u>366,078</u>

BROOKDALE COMMUNITY COLLEGE
(A Component Unit of the County of Monmouth)
Notes to Financial Statements (continued)
June 30, 2018

(10) Other Post-Employment Benefits (continued)

OPEB Liabilities, Expense and Deferred Outflows of Resources and Deferred Inflows of Resources

For the fiscal year ended June 30, 2018 the College recognized OPEB expense of \$10,089,697 as determined by the State of New Jersey Division of Pensions and Benefits. This expense and the related offsetting revenue are for benefits provided by the State through a defined benefit OPEB plan that meets the criteria in GASB Statement 75, in which there is a special funding situation.

In accordance with a special funding situation, there is no allocation of the OPEB liability or recognition of the allocation of the proportionate share of the deferred inflows and outflows of resources. At June 30, 2017, the State had deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

Deferred Outflows of Resources Related to OPEB

Contributions made in fiscal year ending June 30, 2018 after June 30, 2017 measurement date	\$ 1,190,373,242
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Deferred Inflows of Resources Related to OPEB

Changes in assumptions	\$ 6,343,769,032
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Amounts reported as deferred outflows of resources and deferred inflows of resources related to OPEB will be recognized in OPEB expense as follows for the state:

<u>Fiscal Year</u> <u>Ended June 30,</u>	<u>Total</u>
2018	\$ (742,830,097)
2019	(742,830,097)
2020	(742,830,097)
2021	(742,830,097)
2022	(742,830,097)
Threereafter	<u>(2,629,618,547)</u>
	<u><u>\$ (6,343,769,032)</u></u>

Health Care Trend Assumptions

For pre-Medicare preferred provider organization ("PPO") medical benefits, this amount initially is 5.9% and decreases to 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 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.

BROOKDALE COMMUNITY COLLEGE
(A Component Unit of the County of Monmouth)
Notes to Financial Statements (continued)
June 30, 2018

(10) Other Post-Employment Benefits (continued)

Discount Rate

The discount rate for June 30, 2017 and 2016 was 3.58%. and 2.58%, 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.

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

The following presents the College's proportionate share of the net OPEB liability, as well as what the College's share of the net OPEB liability would be if it were calculated using a discount rate that is 1-percentage-point lower or 1-percentage-point higher than the current discount rate:

	1.0% Decrease 2.58%	Current Discount Rate 3.58%	1.0% Increase 4.58%
State of New Jersey's Proportionate Share of total OPEB Obligations Associated with the College	\$ 148,822,620	\$ 125,369,482	\$ 106,766,230
State of New Jersey's Total Nonemployer OPEB liability	\$ 63,674,362,200	\$ 53,639,841,858	\$ 45,680,364,953

Sensitivity of the College's Proportionate Share of the Net OPEB Liability to Changes in the Healthcare Cost Trend Rates

The following presents the College's proportionate share of the net OPEB liability, as well as what the College's proportionate share if the net OPEB liability would be if were calculated using healthcare cost trend rates that are 1-percentage-point lower or 1-percentage point higher then the current healthcare cost trend rates:

	1.0% Decrease	Current Healthcare Cost Trend Rates	1.0% Increase
State of New Jersey's Proportionate Share of total OPEB Obligations Associated with the College	\$ 103,104,279.47	\$ 125,369,482	\$ 154,937,409
State of New Jersey's Total Nonemployer OPEB liability	\$ 44,113,584,560	\$ 53,639,841,858	\$ 66,290,599,457

BROOKDALE COMMUNITY COLLEGE
(A Component Unit of the County of Monmouth)
Notes to Financial Statements (continued)
June 30, 2018

(10) Other Post-Employment Benefits (continued)

Changes in the State of New Jersey's Total OPEB Liability

The changes in the State of New Jersey's Total OPEB liability and the College's portion for the fiscal year ended June 30, 2018 (measurement date June 30, 2017) is as follows:

	<u>State OPEB Liability</u>	<u>College Portion of OPEB Liability</u>
Balance at June 30, 2016	\$ 57,831,784,184	\$ 133,006,566
Changes for Year:		
Service cost	2,391,878,884	7,653,957
Interest on the total OPEB liability	1,699,441,736	3,969,249
Changes of assumptions	(7,086,599,129)	(16,463,392)
Contributions from members	45,748,749	106,925
Gross benefit payments by the state	<u>(1,242,412,566)</u>	<u>(2,903,823)</u>
Net changes	<u>(4,191,942,326)</u>	<u>(7,637,084)</u>
Balance at June 30, 2017	<u>\$ 53,639,841,858</u>	<u>\$ 125,369,482</u>

(11) Commitments and Contingencies

Commitments

The College leases the Neptune Higher Education building. Net rental expenses were approximately \$273,000 in fiscal year 2018. Future minimum annual rental commitments, net of sublease rentals, will approximate \$144,891 for the year ending June 30, 2019.

Contingencies

The College is exposed to various risks of loss related to damage and destruction of assets, injuries to employees, damage to the environment or noncompliance with environmental requirements, and natural and other unforeseen disasters. The College has insurance to cover all buildings, contents or related risks in case of loss, and insures its vehicles and equipment for claims and assessments arising from bodily injury, property damages and other perils. Unfavorable judgments, claims or losses incurred by the College are covered by these policies.

(12) Compensated Absences

The College has recorded a liability for compensated absences in the amount of \$2,129,628 as of June 30, 2018, which is included in accounts payable and accrued expenses in the accompanying statements of net position. The liability is based upon employees' accrued vacation leave as of fiscal year-end. No amounts are recorded for accrued sick leave as the College does not make payments for accrued sick leave to employees upon termination.

BROOKDALE COMMUNITY COLLEGE
(A Component Unit of the County of Monmouth)
Notes to Financial Statements (continued)
June 30, 2018

(13) Other Postretirement Benefits

Plan Description - The College contributes to the New Jersey State Health Benefits Program (“SHBP”), a cost-sharing multiple-employer defined benefit postemployment healthcare plan administered by the State of New Jersey, Division of Pension and Benefits. SHBP provides medical, prescription drug, mental health/substance abuse and Medicare Part B reimbursement to retirees and their covered dependents. The State Health Benefits Program Act is found in the N.J.S.A., Title 52, Article 17.25 et.seq. Rules governing the operation and administration of the program are found in Title 17, Chapter 9 of the New Jersey Administrative Code. The State of New Jersey, Division of Pension and Benefits issues a publicly available financial report that includes financial statements and required supplementary information for SHBP.

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

The State’s contribution rate is based on the annual required contribution (“ARC”), an amount actuarially determined in accordance with the parameters of GASB Statement No. 45. The ARC represents a level of funding that, if paid on an ongoing basis, is projected to cover normal cost each year and amortize any unfunded actuarial liabilities (or funding excess) of the plan over a period not to exceed 30 years.

The State is also responsible for the cost attributable to P.L. 1992, c.126, which provides free health benefits to members of PERS and the Alternate Benefit Program who retired from a school district or county college with 25 years of service. Employees who attained 20 years of service on June 28, 2011 and continue to work for a total of 25 years will be eligible for State-paid health benefits. Employees who did not have 20 years of service on June 28, 2011 pay the full premium for retiree health benefits.

(14) Related Party Transactions

The Foundation utilized office space and received certain administrative assistance from the College at no charge during the year ended June 30, 2018. The fair value of this space and these services is estimated at \$159,407 and is included in the Foundation’s statements of revenues, expenses, and changes in net position for the year ended June 30, 2018.

During the fiscal year 2018, certain services and expenses are received and paid between the Foundation and the College. All such expenses are put on account and settled periodically between the two parties. As of June 30, 2018, the Foundation was indebted to the College in the amount of \$28,634, representing student scholarships and operating expenses paid by the College on behalf of the Foundation. This amount is noninterest-bearing and is currently payable.

(15) Litigation

The College is also a party to various legal actions arising in the ordinary course of business. Although it is not possible to predict the outcome of these actions, it is the opinion of management that there is no exposure to such matters that, if decided adversely, would be material to the College’s financial position or are not adequately covered by insurance.

**REQUIRED SUPPLEMENTARY
INFORMATION**

BROOKDALE COMMUNITY COLLEGE
(A Component Unit of the County of Monmouth)
Schedules of Required Supplementary Information
Schedules of Proportionate Share of Net Pension Liability
Public Employee's Retirement System ("PERS")
(Unaudited)

	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>
College's proportion of the net pension liability	0.07%	0.09%	0.09%	0.10%
College's proportionate share of the net pension liability	\$ 36,509,491	\$ 51,541,272	\$ 42,539,037	\$ 39,460,262
College's covered-employee payroll	\$ 10,960,631	\$ 10,660,882	\$ 11,066,065	\$ 12,617,839
College's proportionate share of the net pension liability as a percentage of its covered-employee payroll	333.10%	483.46%	384.41%	312.73%
Plan fiduciary net position as a percentage of the total pension liability	48.10%	40.14%	47.93%	52.08%

Notes:

The GASB pronouncement requiring the presentation of the information on this schedule became effective for years beginning after June 15, 2014 and is intended to provide data for the most recent ten years.

See accompanying notes to the required supplementary information.

BROOKDALE COMMUNITY COLLEGE
(A Component Unit of the County of Monmouth)
Schedules of Required Supplementary Information
Schedules of Proportionate Share of Net Pension Liability
Police and Firemen's Retirement System ("PFRS")
(Unaudited)

	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>
College's proportion of the net pension liability	0.02%	0.03%	0.02%	0.03%
College's proportionate share of the net pension liability	\$ 5,351,455	\$ 6,888,643	\$ 5,487,577	\$ 4,569,789
College's covered-employee payroll	\$ 704,241	\$ 730,814	\$ 710,851	\$ 676,551
College's proportionate share of the net pension liability as a percentage of its covered-employee payroll	759.89%	942.60%	771.97%	675.45%
Plan fiduciary net position as a percentage of the total pension liability	58.60%	51.01%	56.31%	62.14%

Notes:

The GASB pronouncement requiring the presentation of the information on this schedule became effective for years beginning after June 15, 2014 and is intended to provide data for the most recent ten years.

See accompanying notes to the required supplementary information.

BROOKDALE COMMUNITY COLLEGE
(A Component Unit of the County of Monmouth)
Schedules of Required Supplementary Information
Schedules of Proportionate Share of Net Pension Liability
Police and Firemen's Retirement System ("PFRS")(Special Funding)
(Unaudited)

	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>
College's proportion of the net pension liability	0.03%	0.04%	0.03%	0.04%
College's proportionate share of the net pension liability	\$ -	\$ -	\$ -	\$ -
State's proportionate share of the net pension liability associated with the College	<u>599,408</u>	<u>578,475</u>	<u>481,242</u>	<u>492,089</u>
Total	<u>\$ 599,408</u>	<u>\$ 578,475</u>	<u>\$ 481,242</u>	<u>\$ 492,089</u>
College's covered-employee payroll	\$ 704,241	\$ 730,814	\$ 710,851	\$ 676,551
College's proportionate share of the net pension liability as a percentage of its covered-employee payroll	85.11%	79.15%	67.70%	72.73%
Plan fiduciary net position as a percentage of the total pension liability	100.00%	100.00%	100.00%	100.00%

Notes:

The GASB pronouncement requiring the presentation of the information on this schedule became effective for years beginning after June 15, 2014 and is intended to provide data for the most recent ten years.

See accompanying notes to the required supplementary information.

BROOKDALE COMMUNITY COLLEGE
(A Component Unit of the County of Monmouth)
Schedules of Required Supplementary Information
Schedules of Contributions - Pension
Public Employee's Retirement System ("PERS")
(Unaudited)

	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>
Contractually required contributions	\$ 1,565,705	\$ 1,459,999	\$ 1,546,015	\$ 1,629,195
Contributions in relation to the contractually required contribution	<u>(1,565,705)</u>	<u>(1,459,999)</u>	<u>(1,546,015)</u>	<u>(1,629,195)</u>
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
College's covered employee payroll	\$ 10,960,631	\$ 10,660,882	\$ 11,066,065	\$ 12,617,839
Contributions as a percentage of covered-employee payroll	14.28%	13.69%	13.97%	12.91%

Notes:

The GASB pronouncement requiring the presentation of the information on this schedule became effective for years beginning after June 15, 2014 and is intended to provide data for the most recent ten years.

See accompanying notes to the required supplementary information.

BROOKDALE COMMUNITY COLLEGE
(A Component Unit of the County of Monmouth)
Schedules of Required Supplementary Information
Schedules of Contributions - Pension
Police and Firemen's Retirement System ("PFRS")
(Unaudited)

	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>
Contractually required contributions	\$ 332,926	\$ 306,783	\$ 294,023	\$ 267,798
Contributions in relation to the contractually required contribution	<u>(332,926)</u>	<u>(306,783)</u>	<u>(294,023)</u>	<u>(267,798)</u>
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
College's covered employee payroll	\$ 704,241	\$ 730,814	\$ 710,851	\$ 676,551
Contributions as a percentage of covered-employee payroll	47.27%	41.98%	41.36%	39.58%

Notes:

The GASB pronouncement requiring the presentation of the information on this schedule became effective for years beginning after June 15, 2014 and is intended to provide data for the most recent ten years.

See accompanying notes to the required supplementary information.

BROOKDALE COMMUNITY COLLEGE
(A Component Unit of the County of Monmouth)
Schedules of Required Supplementary Information
Schedules of Contributions - Pension
Police and Firemen's Retirement System ("PFRS") (special funding)
(Unaudited)

	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>
Contractually required contributions	\$ 29,973	\$ 22,165	\$ 25,051	\$ 20,433
Contributions in relation to the contractually required contribution	<u>(29,973)</u>	<u>(22,165)</u>	<u>(25,051)</u>	<u>(20,433)</u>
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
College's covered employee payroll	\$ 704,241	\$ 730,814	\$ 710,851	\$ 676,551
Contributions as a percentage of covered-employee payroll	4.26%	3.03%	3.52%	3.02%

Notes:

The GASB pronouncement requiring the presentation of the information on this schedule became effective for years beginning after June 15, 2014 and is intended to provide data for the most recent ten years.

See accompanying notes to the required supplementary information.

BROOKDALE COMMUNITY COLLEGE
(A Component Unit of the County of Monmouth)
Schedules of Required Supplementary Information
Schedule of Changes in the College's Proportionate
Share of Total OPEB Liability
(Unaudited)

For the Fiscal Year Ended June 30,

	<u>2018</u>
Total OPEB Liability	
Service cost	\$ 7,653,957
Interest on the total OPEB liability	3,969,249
Changes of assumptions	(16,463,392)
Contributions from members	106,925
Gross benefit payments by the state	<u>(2,903,823)</u>
Net Change in Total OPEB Liability	(7,637,084)
Total OPEB Liability - Beginning	<u>133,006,566</u>
Total OPEB Liability - Ending	<u><u>\$ 125,369,482</u></u>
College's proportionate share	\$ -
State's proportionate share	<u>\$ 125,369,482</u>
Total OPEB Liability - Ending	<u><u>\$ 125,369,482</u></u>
Covered-Employee Payroll	\$ 11,462,224
Total OPEB Liability as a Percentage of Covered-Employee Payroll:	1093.76%

Notes:

No assets are accumulated in a trust that meets the criteria in paragraph 4 of GASB 75.

The GASB pronouncement requiring the presentation of the information on this schedule became effective for years beginning after June 15, 2017 and is intended to provide data for the most recent ten years.

See accompanying notes to the required supplementary information.

BROOKDALE COMMUNITY COLLEGE
(A Component Unit of the County of Monmouth)
Notes to the Required Supplementary Information
(Unaudited)
June 30, 2018

(1) State of New Jersey Public Employees' Retirement System (PERS) - Pension

Change in Benefit Terms

None

Change in Assumptions

The discount rate was 5.00%, 3.98%, 4.90% and 5.39% for the years ended June 30, 2017, 2016, 2015 and 2014, respectively.

(2) Police and Firemen's Retirement System (PFRS) - Pension

Change in Benefit Terms

None

Change in Assumptions

The discount rate was 6.14%, 5.55%, 5.79% and 6.32% for the years ended June 30, 2017, 2016, 2015 and 2014, respectively.

(3) State Health Benefit Local Education Retired Employees Plan - OPEB

Change in Benefit Terms

None

Changes in Assumptions

The discount rate was 3.58% and 2.58% for the years ended June 30, 2017 and 2016, respectively.

DRAFT

SINGLE AUDIT SECTION

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

To the Honorable President and
Members of the Board of Trustees of
Brookdale Community College
Lincroft, New Jersey

We have audited, in accordance with the 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 Brookdale Community College (a Component Unit of the County of Monmouth) (the “College”) which comprise the statement of net position as of June 30, 2018, the related statement of revenues and expenses, changes in net position and cash flows for the year then ended, and the related notes to the financial statements, which collectively comprise the College’s basic financial statements, and we have issued our report thereon dated **DATE**. We also performed the audit of the Brookdale Community College’s Foundation’s financial statements, as of and for the year ended June 30, 2018.

Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered the College’s internal control over financial reporting (“internal control”) 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 the College’s internal control.

A deficiency in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A *material weakness* is a deficiency, or a 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.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the College's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements, noncompliance with which could have a direct and material effect on the 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 entity'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 entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

**Certified Public Accountants
Braintree, Massachusetts**

DATE

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

To the Honorable President and Members of the Board of Trustees of
Brookdale Community College
Report on Compliance for Each Major Federal and State of New Jersey Program

We have audited Brookdale Community College's compliance with the types of compliance requirements described in the U.S. Office of Management and Budget ("OMB") *Compliance Supplement* and State of New Jersey *State Grant Compliance Supplement* that could have a direct and material effect on each of Brookdale Community College's major Federal and State of New Jersey programs for the year ended June 30, 2018. Brookdale Community College's major Federal and State of New Jersey programs are identified in the summary of auditors' results section of the accompanying schedule of findings and questioned costs.

Management's Responsibility

Brookdale Community College's management is responsible for compliance with the requirements of laws, regulations, contracts, and grants applicable to its Federal and State of New Jersey programs.

Auditors' Responsibility

Our responsibility is to express an opinion on compliance for each of Brookdale Community College's major Federal and State of New Jersey 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* (the "Uniform Guidance"); and State of New Jersey OMB Circular 15-08, *Single Audit Policy for Recipients of Federal Grants, State Grants and State Aid*. Those standards, Uniform Guidance and New Jersey OMB Circular 15-08 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 of New Jersey program occurred. An audit includes examining, on a test basis, evidence about Brookdale Community 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 of New Jersey program. However, our audit does not provide a legal determination of Brookdale Community College's compliance.

Opinion on Compliance on Each Major Federal and State of New Jersey Program

In our opinion, Brookdale Community 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 of New Jersey programs for the year ended June 30, 2018.

Report on Internal Control Over Compliance

Management of Brookdale Community College is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements referred to on the previous page. In planning and performing our audit of compliance, we considered Brookdale Community College's internal control over compliance with the types of requirements that could have a direct and material effect on each major Federal and State of New Jersey 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 and State of New Jersey program and to test and report on internal control over compliance in accordance with Federal Uniform Guidance and State of New Jersey OMB Circular 15-08, 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 Brookdale Community 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 of New Jersey program on a timely basis. A *material weakness in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a Federal or State of New Jersey 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 of New Jersey 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. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

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 Uniform Guidance and State of New Jersey OMB Circular 15-08. Accordingly, this report is not suitable for any other purpose.

Schedule of Expenditures of Federal Awards and Schedule of Expenditures of State New Jersey Awards

We have audited the financial statements of the College, as of and for the year ended June 30, 2018. We issued our report thereon dated **DATE** which contained an unmodified opinion on those financial statements. Our audit was conducted for the purpose of forming an opinion on the financial statements as a whole. The accompanying Schedule of Expenditures of Federal Awards and Schedule of State of New Jersey Awards is presented for purposes of additional analysis as required by the Uniform Guidance and the State of New Jersey. Such information is the responsibility of management and was derived from, and relates directly to, the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the 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 Schedule of Expenditures of Federal Awards and Schedule of Expenditures of State of New Jersey Awards are fairly stated in all material respects in relation to the basic financial statements as a whole.

**Certified Public Accountants
Braintree, Massachusetts**

DATE

BROOKDALE COMMUNITY COLLEGE
(A Component Unit of the County of Monmouth)
Schedule of Expenditures of Federal Awards

Year ended June 30, 2018

Federal grantor/ pass-through grantor/ program or cluster title	CFDA Number	Pass-Through Entity	Pass-Through Entity Award Identifier	Current year expenditures	Through to Subrecipients
STUDENT FINANCIAL ASSISTANCE CLUSTER					
U.S. Department of Education:					
Direct Awards					
Federal Direct Student Loan	84.268	N/A	N/A	\$ 9,121,850	\$ —
Federal Supplemental Educational Opportunity Grant (including administrative cost allowance of \$16,883)	84.007	N/A	N/A	410,083	—
Federal Pell Grant Program	84.063	N/A	N/A	14,233,433	—
Federal Work-Study Program (including administrative cos allowance of \$8,093)	84.033	N/A	N/A	169,955	—
Federal Work-Study Program (Job Location and Development)	84.033	N/A	N/A	23,227	—
Total Student Financial Assistance Cluster				<u>23,958,548</u>	<u>—</u>
RESEARCH AND DEVELOPMENT CLUSTER					
National Science Foundation:					
Direct Awards					
Education and Human Resources	47.076	N/A	N/A	179,911	—
Pass Through Awards					
Education and Human Resources	47.076	Rider University	NOYCE-1621	15,494	—
Education and Human Resources	47.076	Stevens Institute of Technology	2102423-02	29,801	—
				<u>45,295</u>	<u>—</u>
Total Research and Development Cluster				<u>225,206</u>	<u>—</u>
NON-CLUSTER					
National Security Agency:					
Direct Awards					
GenCyber Grants Program	12.903	N/A	N/A	8,180	—
GenCyber Grants Program	12.903	N/A	N/A	33,837	—
				<u>42,017</u>	<u>—</u>
U.S. Dept of Labor:					
Pass Through Awards					
Trade Adjustment Assistance Community College and Career Training Grants	17.282	Bergen Community College	PO7478	368,783	—
National Aeronautics and Space Administration:					
Pass Through Awards					
Education	43.008	Rutgers University	5515	12,071	—
U.S. Small Business Administration:					
Direct Awards					
Small Business Administration and Seminar	59.000	N/A	N/A	11,635	—
Pass Through Awards					
Small Business Development Centers	59.037	Rutgers University	5591	52,749	—
Small Business Development Centers	59.037	Rutgers University	5865	89,188	—
Small Business Development Centers	59.037	Rutgers University	5825	27,700	—
				<u>169,637</u>	<u>—</u>
U.S. Department of Education:					
Direct Awards					
Federal Title III Program Grant	84.031	N/A	N/A	51,203	—
Department of Education Office of Career, Technical and Adult Education					
Pass Through Awards					
Adult Education- Basic Grants to States	84.002	New Jersey Department of Labor & Workforce Development	None	541,932	191,924
Career & Technical Education - Basic Grants to the States	84.048	New Jersey Department of Education	25 7111	540,899	—
Career & Technical Education - Basic Grants to the States	84.048A	New Jersey Department of Education	17-BE53-G06	342,784	—
				<u>1,425,615</u>	<u>191,924</u>
Total expenditures of federal awards				<u>\$ 26,264,715</u>	<u>\$ 191,924</u>

See accompanying notes to schedules of expenditures of Federal and State of New Jersey awards.

BROOKDALE COMMUNITY COLLEGE
(A Component Unit of the County of Monmouth)
Schedule of Expenditures of State of New Jersey Awards
Year ended June 30, 2018

State of New Jersey grantor/program or cluster title	Grant number/ State of New Jersey account number	Award amount	Grant period	Current year expenditures	Total Grant Expenditures To Date
Student Financial Assistance Cluster:					
N.J. Commission of Higher Education:					
Educational Opportunity Fund Article III - FY 17	100-074-2401-001	\$ 244,932	06/01/17-07/31/18	\$ 253,134	\$ 253,134
Educational Opportunity Fund Article III - Summer	100-074-2401-001	15,862	06/01/17-08/31/18	19,925	19,925
Tuition Aid Grant	100-074-2405-007	2,412,080	07/01/17-06/30/18	2,933,873	2,933,873
NJ Stars	100-074-2405-313	424,444	07/01/17-06/30/18	391,390	391,390
Total Student Financial Assistance Cluster				3,598,322	3,598,322
NON-CLUSTER:					
N.J. Commission of Higher Education:					
Educational Opportunity Fund – Article IV					
Educational Opportunity Fund Summer	100-074-2401-002	21,833	07/01/17-08/31/18	23,302	21,442
Educational Opportunity Fund Regular	100-074-2401-002	206,568	06/01/17-08/31/18	211,732	242,720
				235,034	264,162
N.J. Department of Children and Families					
Displaced Homemaker	2011-15863028-01	128,575	07/01/17-06/30/18	150,000	150,000
N.J. Educational Facilities Authority:					
Higher Education Equipment Leasing Fund	100-082-2155-036	2,724,303	01/01/14 - Completion	157,194	2,040,841
Higher Education Technology Infrastructure Fund	100-082-2155-059	1,160,562	01/01/14 - Completion	9,600	1,125,225
				166,794	3,166,066
N.J. Office of the Secretary of Higher Education:					
N.J. Council of County Colleges					
College Readiness IV	Unavailable	77,510	07/01/17-06/30/18	69,945	69,945
N.J. Department of Treasury Higher Education Administration:					
Operational Costs – County Colleges	100-082-2155-015	10,378,691	07/01/17-06/30/18	10,325,921	10,325,921
Alternate Benefit Program	100-082-2155-017	2,066,580	07/01/17-06/30/18	2,010,258	2,010,258
P.L. 1971, Chapter 12 Debt Service	100-082-2155-016	2,601,746	07/01/17-06/30/18	1,729,256	1,729,256
Building Our Future Bond Act- Wall	586-074-2400-024	12,000,000	03/01/14 - Completion	159,857	12,000,000
Building Our Future Bond Act - MAS Science Lab	586-074-2400-074	1,200,000	03/01/17 - Completion	565,023	1,078,297
				14,790,315	27,143,732
Total expenditures of State of New Jersey awards				\$ 19,010,410	\$ 34,392,227

See accompanying notes to schedules of expenditures of Federal and State of New Jersey awards.

BROOKDALE COMMUNITY COLLEGE
(A Component Unit of the County of Monmouth)
Notes to Schedules of Expenditures of Federal and State of New Jersey Awards
June 30, 2018

(1) General

The accompanying Schedules of Expenditures of Federal and State of New Jersey Awards includes the Federal award activity of Brookdale Community College (the "College") under programs of the Federal Government for the year ended June 30, 2018. The information on this schedule is prepared in accordance with the requirements of Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Because the schedule presents only a selected portion of the operations of the College, it is not intended to and does not present the financial position, changes in net position or cash flows of the College.

(2) Summary of Significant Accounting Policies

Expenditures reported on the Schedule are reported on the accrual basis of accounting. Such expenditures are recognized following the cost principles contained in the Uniform Guidance.

(3) Indirect Cost Rate

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

(4) Federal Student Loan Programs

The College disbursed \$9,121,850 of loans under the Federal Direct Student Loans program, which include Stafford Subsidized and Unsubsidized Loans and Parent Plus Loans. It is not practical to determine the balances of the loans outstanding to students of the College under the program as of June 30, 2018. The College is only responsible for the performance of certain administrative duties and, accordingly, these loans are not included in the College's financial statements.

BROOKDALE COMMUNITY COLLEGE
(A Component Unit of the County of Monmouth)
Schedule of Findings and Questioned Costs
For the Year Ended June 30, 2018

Section I - Summary of Auditors' Results:

Financial Statements

Type of auditors' report issued: Unmodified

Internal control over financial reporting:

- Material weaknesses identified? ☐ yes ☒ no
- Significant deficiencies identified that are not considered to be material weaknesses? ☐ yes ☒ no

Noncompliance material to the financial statements noted? ☐ yes ☒ no

Federal Awards

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

Internal control over major programs:

- Material weaknesses identified? ☐ yes ☒ no
- Significant deficiencies identified that are not considered to be material weaknesses? ☐ yes ☒ no

Any audit findings disclosed that are required to be reported in accordance with the Uniform Guidance? ☐ yes ☒ no

Identification of Major Programs

Name of Federal Program or Cluster	CFDA Number
Student Financial Assistance Cluster	
Federal Supplemental Educational Opportunity Grant Program	84.007
Federal Work-Study Program	84.033
Federal Pell Grant Program	84.063
Federal Direct Student Loans (Note 4)	84.268
Career and Technical Education – Basic Grants to States	84.048

Dollar threshold used to distinguish between type A and type B programs: \$750,000

Auditee qualified as a low-risk auditee? ☒ yes ☐ no

BROOKDALE COMMUNITY COLLEGE
(A Component Unit of the County of Monmouth)
Schedule of Findings and Questioned Costs - Continued
For the Year Ended June 30, 2018

Section I - Summary of Auditors' Results – Continued

State of New Jersey

Type of auditors' report issued on compliance
for major programs:

Unmodified

Internal control over major programs:

- Material weaknesses identified? _____ yes x no
- Significant deficiencies identified that are
not considered to be material weaknesses? _____ yes x no

Any audit findings disclosed that are required
to be reported in accordance with State of
New Jersey OMB Circular 15-08 and listed
in Section V of this schedule?

_____ yes x no

Identification of Major Programs:

Name of State Program or Cluster	State of New Jersey Account or Grant Number
Operational Costs – County Colleges	100-082-2155-015

BROOKDALE COMMUNITY COLLEGE
(A Component Unit of the County of Monmouth)
Schedule of Findings and Questioned Costs - Continued
For the Year Ended June 30, 2018

Section II – Financial Statement Findings:

None

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BROOKDALE COMMUNITY COLLEGE
(A Component Unit of the County of Monmouth)
Schedule of Findings and Questioned Costs - Continued
For the Year Ended June 30, 2018

Section III – Federal Award Findings and Questioned Costs:

None

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BROOKDALE COMMUNITY COLLEGE
(A Component Unit of the County of Monmouth)
Findings and Questioned Costs – State of New Jersey Awards
For the Year Ended June 30, 2017

Section IV – State of New Jersey Award Findings and Questioned Costs:

None

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Management's Summary of Prior Year Audit Findings
For the Year Ended June 30, 2018

Section V – Management's Summary of Prior Year Federal Audit Findings

Finding number: 2017-001
Federal agency: U.S. Department of Education
Program: Federal Pell Grant
CFDA #: 84.063
Award year: 2017

Condition

In order to receive a Title IV award, students must adhere to the College's satisfactory academic progress ("SAP") policy. This policy requires students to meet a minimum grade point average and be on pace to complete their educational program within 150% of the published length of time. The Financial Aid office utilizes software to calculate a student's SAP at the end of each academic semester.

If the student does not meet the College's SAP requirement, they are then placed on warning status for the next academic semester. If the student does not meet the College's SAP policy while under warning status, the student is then placed on suspension status. Under suspension status, the student will not be awarded financial aid unless they appeal. If the College's Appeal Committee approves the appeal, the student is placed on Probation status and is eligible to receive Title IV aid.

During the testing of return of Title IV awards, one student who received a Federal Pell Grant was on academic suspension and therefore was ineligible to receive Title IV aid.

Current Year Status

Corrective action was taken in the current year. The auditors' test in this area resulted in no findings.

Management's Summary of Prior Year Audit Findings - Continued
For the Year Ended June 30, 2018

Finding number: 2017-002
Federal agency: U.S. Department of Education
Programs: Federal Pell Grants
Federal Direct Student Loans
Federal Supplemental Educational Opportunity Grant
CFDA #: 84.063, 84.268, 84.007
Award year: 2017

Condition

Whenever Title IV aid, state and private aid is disbursed to a student, their account is reviewed to determine if the disbursement caused a credit balance. Once a credit balance is discovered, the student is issued a refund check. If the credit balance was caused by Title IV aid and the check is not cashed within 240 days the funds must be returned to the Department of Education.

Current Year Status

Corrective action was taken in the current year. The auditors' test in this area resulted in no findings.

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Management's Summary of Prior Year Audit Findings - Continued
For the Year Ended June 30, 2018

Section VI – Management's Summary of Prior Year State of New Jersey Audit Findings

Finding number: 2017-001
State agency: N.J. Commission of Higher Education
Program: Tuition Aid Grant
GMIS Number #: 100-074-2405-007
Award year: 2017

Condition

According to New Jersey Administrative Code - § 9A:9-2.5 Student Notification:

Students shall be notified of grant eligibility through the Student Eligibility Notice issued by the Higher Education Student Assistance Authority. The amount of the grant is subject to change based on the annual level of appropriations and other resources available to the student (see N.J.A.C. 9A:9-2.9). The institution's written notification to the student regarding State financial assistance shall contain a clause indicating the State is not responsible for funding of the grant in the event of fraudulent, inaccurate or misleading information.

During the audit, it was noted that award letters sent to all students that were awarded a Tuition Aid Grant did not contain a clause with the above information.

Current Year Status

Corrective action was taken in the current year. The auditors' test in this area resulted in no findings.

- 4.5 *Resolution Approving the Monmouth County Improvement Authority's issuance of its County Guaranteed Lease Revenue Refunding Bonds, Series 2019 (Monmouth County Guaranteed) (Brookdale Community College Project) (the "Refunding Bonds"). The proceeds of the Refunding Bonds will be used to currently refund the Authority's outstanding Lease Revenue Bonds, Series 2009 (Monmouth County Guaranteed) (Brookdale Community College Project).*

Facts:

Originally issued 2001 to fund the Student Life Center Project, Refunded in 2009

County guaranty with a AAA rating

Refinancing through the MCIA, with County guaranty, results in Debt Service Savings with a net present value of \$582,013, a value equal to 8.06% of the principal amount being refunded

The Series 2019 Refunding Bonds do not extend past the Series 2009 Refunded Bonds final maturity in 2031

RESOLUTION

WHEREAS, The Monmouth County Improvement Authority (the "Authority") issued Lease Revenue Bonds, Series 2009 (Monmouth County Guaranteed) (Brookdale Community College Project) (the "Refunded Bonds"); and

WHEREAS, in an effort to realize debt service savings, the Authority and the College are desirous of refunding at a price of 100%, the outstanding callable Refunded Bonds maturing in the years 2020 through and including 2031; and

WHEREAS, the Authority is requesting positive findings for the issuance of its County Guaranteed Lease Revenue Refunding Bonds, Series 2019 (Monmouth County Guaranteed) (Brookdale Community College Project) (the "Refunding Bonds") in an amount not to exceed \$8,000,000 and the guarantee of such Bonds by the County of Monmouth, State of New Jersey; and

WHEREAS, the Authority's Bonds will, among other things, be secured and paid by the College pursuant to a lease and agreement by and between the College and the Authority (the "Lease"); and

WHEREAS, the Authority presently estimates that the Bonds will be issued in calendar year 2019; and

WHEREAS, in its efforts to achieve lease payment savings for the College, the College now desires to authorize certain actions and approve certain documents necessary in connection with the Refunding Project and the issuance of the Bonds.

NOW THEREFORE BE IT RESOLVED by the Board of Trustees of Brookdale Community College as follows:

1. That the College hereby approves the Refunding Project and the financing of the Bonds through the Authority.
2. That the Authority is authorized to make application to the Local Finance Board for the Refunding Project and the issuance of the Bonds and any such other approvals necessary to undertake the Refunding Project and issue the Bonds.
3. The President or the President's Designee is authorized and directed, in consultation with College Counsel to prepare, negotiate, execute and deliver any and all documents and instruments, including but not limited to, the Lease, the College Lease, the Preliminary Official Statement, the Official Statement, the Continuing Disclosure Agreement and any and all documents necessary in connection with the Refunding Project and the issuance of the Bonds, and to do and cause to be done any and all acts and things necessary or proper for carrying out of the Refunding Project and for the authorization, sale and issuance of the Bonds. The execution by such officers of any such documents with such changes, insertions or omissions that shall be approved by College Counsel shall be conclusive evidence of the approval of such changes, insertions or omissions by such officers and no further ratification or other action by the Board of Trustees of the College shall be required with respect thereto.
4. That a certified copy of this resolution be forwarded to the Authority.
5. That this resolution shall become effective immediately.

BROOKDALE COMMUNITY COLLEGE
Board of Trustees
2019 Committee Appointments

Board Bylaw 1.4010, appointments to Standing Committee

Membership on standing committees of the Board of Trustees, except as otherwise herein expressly provided shall consist of five Trustees, including the Chair of the Committee. The Board Chair is an ex officio member and the Vice Chair serves as an alternate to the Board Chair as an ex-officio voting member for purposes of a quorum.

Committees meeting monthly	<u>Executive Committee (5)</u> Ms. Tracey Abby-White, Chair Ms. Suzanne Brennan, Vice-Chair Dr. Hank Cram Mr. Bret Kaufmann Ms. Marta Rambaud		<u>Finance and Facilities (5)</u> Mr. Bret Kaufmann, Chair Ms. Madeline Ferraro Dr. Les Richens Dr. Hank Cram Ms. Latonya Brennan
Committees meeting 4 times per year	<u>Student Success & Educational Excellence (4)</u> Dr. Hank Cram, Chair Dr. Les Richens Mr. Bret Kaufmann Ms. Victoria Cattelona	<u>Governance (5)</u> Ms. Suzanne Brennan, Chair Ms. Madeline Ferraro Ms. Marta Rambaud Mr. Dan Becht Ms. Latonya Brennan	<u>Audit Committee (4)</u> Ms. Marta Rambaud, Chair Mr. Paul Crupi Mr. Dan Becht Vacant
Committees Meeting on as needed basis	<u>Private Public Partnership – Ad-Hoc</u> Ms. Victoria Cattelona, Chair Ms. Suzanne Brennan		
Liaisons	<u>Liaisons</u> <u>Liaison to New Jersey Council of County Colleges (NJCCC)</u> Mr. Paul Crupi <u>NJCCC Trustees Ambassador</u> Mr. Paul Crupi	<u>Liaison to Brookdale Community College Foundation</u> Vacant	

* The Human Resources Committee – A committee of the whole

BROOKDALE COMMUNITY COLLEGE SCHEDULE OF BOARD OF TRUSTEE MEETINGS FOR 2019 3/14/19 v4

2019 Public Business Meetings (PBM)	Executive	Governance	Student Success & Educational Excellence	Finance & Facilities	Audit	Public Private Partnership	Foundation Board
DATES/LOCATIONS Public Business Meeting 5:30 PM	Shall meet prior to each regular meeting	Shall meet a minimum of four times per year or as	Shall meet a minimum of four times per year or as needed	Shall meet monthly	Shall meet a minimum of four times per year or as requested.	Shall meet a minimum of four times per year or as requested.	4:00 PM in Trustees Conference Room
Tuesday, January 29 Brookdale at Wall, Rms 110 & 112	January 22 5:30 PM	February 19 5 PM	February 21 5 PM	January 22 6 PM	January 15 6 PM	January 7 5 PM	January 17 4 PM
Tuesday, February 26 Brookdale at Long Branch, Rm 200	February 19 5 PM	February 21 6 PM	February 21 5 PM	February 19 5:30 PM			
Tuesday, March 26 Lincroft, SLC, Navesink I & II	March 19 5 PM			March 19 5:30 PM	March 11 6 PM	March 4 4 PM	March 14 3:45 PM
Board Retreat - Friday-Saturday, March 29 (6 PM to 9 PM) & March 30 (9 AM – 12 PM)							
MSCHE Follow up visit – April 2, 2:15 PM – 3:15 PM – SLC, Trustees Conference Room							
Tuesday, April 30 Lincroft, SLC, Navesink I & II	April 23 5 PM	April 17 5:30 PM	April 18 5:30 PM	April 23 5:30 PM	April 16 6 PM		
Wednesday, May 29 Lincroft, SLC, Navesink I & II	May 21 5 PM			May 21 5:30 PM	May 6 5 PM	May 6 5 PM	May 23 4 PM
Tuesday, June 25 Lincroft, SLC, Navesink I & II	June 18 5 PM			June 18 5:30 PM	June 11 6 PM		
Tuesday, July 23 Brookdale at Wall, Rms 110 & 112	July 16 5 PM			July 16 5:30 PM	July 1 5 PM	July 1 5 PM	
Tuesday, August 27 Lincroft, SLC, Navesink I & II	August 20 5 PM			August 20 5:30 PM	August 5 5 PM	August 5 5 PM	
Tuesday, September 24 Lincroft, SLC, Navesink I & II	September 17 5 PM	September 16 5:30 PM	September 19 5:30 PM	September 17 5:30 PM	September 10 6 PM		
Tuesday, October 29 Brookdale at Freehold, 103 & 104	October 22 5 PM			October 22 5:30 PM	October 7 5 PM	October 7 5 PM	
Tuesday, November 19 Lincroft, SLC, Navesink I & II	November 12 5 PM	November 13 5:30 PM	November 14 5:30 PM	November 12 5:30 PM			
Tuesday, December 17 Brookdale at Hazlet, Rms 102 & 103	December 10 5 PM			December 10 5:30 PM	December 3 6 PM	December 2 5 PM	

| Human Resources is a Committee of the whole; v3 – changed Audit March 4 start time; v4 – August meeting location;