

Brookdale Community College
Board of Trustees Public Business Meeting
Tuesday, March 21, 2017 5:30 PM (EDT)
765 Newman Springs Rd. Lincroft New Jersey 07738
Student Life Center - Navesink Rooms

- I. Call to Order, Reading of Statement and Roll Call Chair Guzzo
- II. Pledge of Allegiance Chair Guzzo
- III. Adoption of Agenda Chair Guzzo
- IV. Resolution to Hold a Closed Meeting Chair Guzzo
- V. Motion to Re-Open the Meeting to the Public Chair Guzzo
- VI. Reports from the Board Committees and Liaisons Chair Guzzo
 - A. Executive Committee March 13, 2017 Chair Guzzo
 - 1. Annual Signing of Board of Trustees Code of Ethics
 - 2. Change of Locations for May and June meetings
 - B. Finance & Facilities Committee March 14, 2017 Trustee Kaufmann
 - 1. Monthly Financial Reporting
 - C. NJCCC and BCC Foundation
 - 1. NJCCC Vice Chair Crupi
 - 2. BCC Foundation President Murphy
 - a. Honorary Degree Nominations President Murphy
 - b. Distinguished Alumni Awards at Commencement 2017 President Murphy
 - D. Student's Perspective Trustee Przystawski
 - E. Report from the Engineer of Record Mr. Charles Rooney Capital Project Report submitted in Financial Dashboard
- VII. Approval of Public Business Meeting Minutes February 21, 2017 Chair Guzzo A. Approval of Executive Session Minutes February 21, 2017 Chair Guzzo
- VIII. Review of Consent Agenda Chair Guzzo
 - *Any item may be removed from the consent agenda for discussion by any voting member of the Board of Trustees
 - A. Acceptance of Consent Agenda Chair Guzzo
- IX. Public Comment on Agenda Items Chair Guzzo
- X. President's Report Dr. Murphy
 - A. Faculty Sabbaticals

Page 1 of 171 3/23/2017 9:08:44 AM

- B. MSCHE Update Dr. Nancy Kegelman
- C. Employee Demographics
 Informational item to be reported twice a year.

·

- XI. Consent Agenda Chair Guzzo 5 minutes
 - A. Approval of Human Resources
 - B. Acceptance of Gifts
 - C. Acceptance of Grants

 Career and Technical Education (CTE) and Certificate of Eligibility Educator Preparation Program (CEEP) (Year 1 of 5)
 - D. Approval of Budget Modification to the New Jersey Department of Education, Office of Career Readiness
 - E. Purchases in Excess of \$35,000 and New Jersey "Pay-to-Play" bids, and Pursuant to the New Jersey "Pay to Play" Process, in Excess of \$17,500
 - F. Open Invoice Payment Requests for Vendor, Student and Employee Payments
 - G. Monthly Financial Dashboards
- XII. Approval of Change Order Request
- XIII. Approval of increased scope of work for professional services Holman, Frenia, Allison, P.C.
- XIV. Acceptance of Brookdale Community College's FY16 Financial Statement Audit
- XV. Public Comment Chair Guzzo
- XVI. Old/New Business Chair Guzzo
 - A. Acceptance of Dr. Murphy's resignation as of June 30, 2017 Chair Guzzo
- XVII. Resolution to Hold a Closed Meeting Chair Guzzo
- XVIII. Motion to Re-Open the Meeting to the Public Chair Guzzo
- XIX. Adjournment Chair Guzzo
- XX. Appendix Board Materials

Page 2 of 171 3/23/2017 9:08:44 AM

1.7060

BROOKDALE COMMUNITY COLLEGE

BOARD POLICY

1.7060

I. <u>Title of Policy</u>

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. <u>Authority</u>

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.

Page 3 of 171 3/23/2017 9:08:44 AM

1.7060

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

Page 4 of 171 3/23/2017 9:08:44 AM

1.7060

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.

Page 5 of 171 3/23/2017 9:08:44 AM

"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

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	

Page 6 of 171 3/23/2017 9:08:44 AM

APPROVED BROOKDALE COMMUNITY COLLEGE SCHEDULE OF BOARD OF TRUSTEE MEETINGS FOR 2017

2017 Public Business Meetings	Executive	Governance	Finance & Facilities	Audit	Policy & Education	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 requested.	Shall meet a minimum of four times per year or as requested.	Shall meet a minimum of four times per year or as	Shall meet a minimum of four times per year or as requested.	4:00 PM in Trustees Conference Room
Wednesday, January 18* Lincroft, SLC , Navesink II & III	January 9 5:00 PM		January 10 5:00 PM		January 9 6:00 PM	January 19
Tuesday, February 21 Neptune HEC	February 16 5:00 PM		February 16 6:00 PM	February 16 7:00 PM		
Tuesday, March 21 Lincroft, SLC, Navesink II & III	March 13 5:00 PM	March 13 6:00 PM	March 14 5:00 PM	March 14 6:00 PM		March 23
Tuesday, April 18 Lincroft, SLC, Navesink I & II	April 11 5:00 PM		April 11 6:00 PM		April 13 6:00 PM	
Tuesday, May 16 Lincroft, SLC, Navesink I & II	May 8 5:00 PM	May 8 6:00 PM	May 9 5:00 PM	May 9- May 2 6:00 PM		May 18
Tuesday, June 20 Wall	June 13 5:00 PM		June 13 6:00 PM			June 15
Tuesday, July 18 Lincroft, BAC President's Conference Room Tuesday, August 22						
Lincroft, BAC President's Conference Room Tuesday, September 12 Lincroft, SLC, Navesink I & II	September 5 5:00 PM				September 5 6:00 PM	
Tuesday, October 17 Freehold Campus, 103 & 104	October 9 5:00 PM	October 9 6:00 PM	October 10 5:00 PM	October 10 6:00 PM		
Tuesday, November 14 Reorganization Meeting Lincroft. SLC. Navesink I & II	November 6 5:00 PM		November 7 5:00 PM	November 7 6:00 PM	November 6 6:00 PM	
Tuesday, December 19 Lincroft, SLC, Navesink I & II	December 11 5:00 PM	December 11 6:00 PM	December 12 5:00 PM			

Nominating Committee Appointed in September for October discussion & November vote | Human Resources is a Committee of the whole

V2 – Changes to accommodate ACCT NLS and Discussion at 12/20/16 board meeting; * Change of January Board meeting approved 12/20/16; V3 - Change to May Audit Committee meeting

Board of Trustees Brief Honorary Degree 2017

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 February 28, 2017.

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; Lauren Watson, Alumna; and, Rob Quinones, Administration.

Recommendation:

The President recommends to the Board of Trustees that she be authorized to present to candidates Carol Stillwell and Carlos Rodriquez an honorary associate degree at Commencement 2017.

Carol Stillwell

Carol Stillwell is President of Stillwell Hansen, Inc. a New Jersey-based distributor of quality HVAC, network and equipment protection, and fire detection and suppression systems. The company was founded by her late husband Gordon in April 1969. Carol joined the company in August 1969. Carol Stillwell came of age at this time. A young woman with dreams of entering the field of construction – a profession that was strongly male dominated – Carol remained undaunted and focused. She used whatever opportunities were available to her to build a

Honorary Degrees 2017

Submitted by: Timothy P. Zeiss, Executive Director, Foundation & Alumni Affairs Thursday, March 2, 2017

Page 8 of 171 3/23/2017 9:08:44 AM

Board of Trustees Brief Honorary Degree 2017

career and follow her dream. Rather than accepting being told "no," Carol saw what she could make possible. She worked her way up and made her dream come true. She is now at the helm of an award-winning business in a traditionally male-dominated field. Carol has subsequently been recognized as one of the top women business leaders in New Jersey in 2009, 2010, 2011 and 2012.

She is accomplished business woman, equestrian, and philanthropist who supports a wide variety of local non-profit organizations including The Juvenile Diabetes Association, Meridian, Monmouth Medical Center, The Food Bank, The Community YMCA, The Girl Scouts, the Ashley Lauren Foundation, the Brookdale Community College Foundation and so many more. She was Honored at the Brookdale Foundation Scholarship in 2014 and has served as Co-Chair of the Brookdale Foundation Scholarship Ball since 2015.

Carlos Rodriguez

Rodriguez was appointed as Executive Director of the FoodBank of Monmouth & Ocean Counties in 2012. Recognized as one of the foremost voices in anti-hunger, has nearly 20 years of experience in the field. Prior to his current positon, he worked for the Food Bank for New York City (FBNY) where he served as vice president for agency relations and benefits access; he has also held high-level positions with the Children's Defense Fund of New York and the Community Food Resource Center.

Throughout his career, Rodriguez has worked to improve policies and delivery of services to those in need. He was instrumental in increasing NYC's nearly 1,000 hunger relief programs ability to end hunger by developing programs and providing resources to frontline providers that address the root cause of hunger – poverty. He has worked closely with officials, non-profit leaders, and funders at all levels to identify and implement strategies addressing hunger and poverty. He cites his South Bronx roots as one of his primary inspirations.

Today, the FoodBank distributes more than 10 million meals annually through a network of over 300 feeding programs. But hunger in Monmouth and Ocean Counties is no longer a crisis that can be remedied with emergency food alone. That's why the FoodBank works toward long-term solutions to the chronic problem of food insecurity. Through programs and services like their Culinary Training Program and nutrition education, and outreach programs such as SNAP and free tax assistance, they are working to build food-secure communities.

Honorary Degrees 2017

Submitted by: Timothy P. Zeiss, Executive Director, Foundation & Alumni Affairs

Thursday, March 2, 2017

Page 9 of 171 3/23/2017 9:08:44 AM

Board Brief - 2017 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 12, 2017.

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 29, 2017. 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 2017.

Deborah Josko '85

Deborah earned an A.A.S. degree in Medical Laboratory Technology from Brookdale. Despite working full-time, she went on to earn a B.S. Biology and M.S. Molecular Biology from Georgian Court University and a PhD in Biomedical Informatics from the University of Medicine and Dentistry. She has served as Associate Professor/Director Medical Laboratory Science Program at Rutgers University- School of Health Professionals for more than 20 years.

She has served on and chaired numerous committees on the national and state levels including serving as President of the American Society for Clinical Laboratory Science New Jersey Chapter (2004-2006). She is a published author and is nationally known in the Clinical Laboratory and Clinical Microbiology fields. Among her many awards are Outstanding Adjunct Instructor Award in Science at Brookdale; Court of Honor- Distinguished Alumnus Award at Georgian Court University; Distinguished Author Award and Outstanding Educator of the Year Award from the American Society for Clinical Laboratory Science; and inducted into the Master Educator Guild at Rutgers University. She is certified by the American Society for Clinical Pathology as a Medical Laboratory Technician, Microbiologists and Specialist in Microbiology.

Dr. Josko is a strong advocate for community college education and is proud to say the reason she has always had a job since graduating from Brookdale in 1985 is because she earned a profession at Brookdale not just a degree.

2017 Distinguished Alumni Board Brief
March 2, 2017

Submitted by Timesthy B. Zeige Freguting F

Submitted by: Timothy P. Zeiss, Executive Director, Foundation & Alumni Affairs

Page 10 of 171 3/23/2017 9:08:44 AM

Board Brief - 2017 Brookdale Community College Distinguished Alumni

Brian Hanlon

Brian Hanlon attended Brookdale in 1979 and left to work in New York City as an ironworker and teamster before re-enrolling at Brookdale. He went onto earn a B.A. in Art Education at Monmouth University. Hanlon took graduate level courses towards a Master of Sculpture degree at Boston University from 1988-1990. Because of his advanced knowledge and skill, Hanlon left school early to work as a sculptor full-time.

He is a classically trained master sculptor and founder of Hanlon Sculpture Studio. With over 300 public and private art pieces since 1987, Hanlon is a nationally-acclaimed artist from Toms River, New Jersey specializing in bronze statues and plazas. He is currently serving as the Official Sculptor for the Naismith Memorial Basketball Hall of Fame. He has received national awards and commendations.

On a volunteer basis Brian designed and sculpted three (3) figures in bronze, designed the plaza and inscribed granite plinths (large and small) for the New Jersey Gold Star Family Memorial on the grounds of the New Jersey Vietnam Veteran's Memorial and Vietnam Era Museum & Educational Center in Holmdel, NJ. Hanlon recently unveiled a new exhibit "Historic Figures in Bronze" in the CVA gallery at Brookdale. The sculptures, some of which stand more than seven feet tall, are a sampling of the more than 300 public art pieces Hanlon has created for schools, universities, churches, memorial foundations and other organizations in New Jersey and throughout the country.

2017 Distinguished Alumni Board Brief
March 2, 2017
Submitted by: Timothy P. Zeiss, Executive Director, Foundation & Alumni Affairs

Page 11 of 171 3/23/2017 9:08:44 AM

BROOKDALE COMMUNITY COLLEGE Board of Trustees Public Business Meeting Minutes

February 21, 2017

Brookdale Community College Neptune HEC, Rooms 202 and 204 60 Neptune Blvd Neptune, NJ 07753

- A. Professor Jack Ryan made a statement that this meeting was not in compliance with the Open Public Meetings Act because the time for the Workshop section of the meeting dovetails into the Public Business Meeting, and the time of the public business meeting is not set.
 - Chair Guzzo called the meeting to order at 5:30 P.M.
- 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 17, 2017, at 10 AM advance written notice of this meeting was posted at Brookdale Community College on the first floor of the Brookdale Administrative Center.
- 2. On February 17, 2017 at 10 AM advance written notice of this meeting was emailed to *The Asbury Park Press and the Star Ledger* and filed with the Clerk of the County of Monmouth.

3. Roll Call:

Present	Trustees	Administration:	
	Ms. Latonya Brennan, Trustee	Ms. Maureen Lawrence, VP Finance & Facilities	
	Mr. Hank Cram. Trustee	Mr. Joseph Pingitore, Director of Finance	
	Mr. Paul Crupi, Vice Chair	Mr. Robert Francis , Internal Auditor	
	Ms. Madeline Ferraro, Trustee (5:35 PM)	Ms. Patricia Sensi, AVP Human Resources & Organizational Safety	
	Mr. Bret Kaufmann, Trustee	Dr. Nancy Kegelman, AVP PIE	
	Dr. Maureen Murphy, Secretary	Dr. Matthew Reed, VP Learning	
	Mr. Kevin Przystawski, Trustee	Ms. Marie Lucier-Woodruff, AVP CPS	
	Ms. Marta Rambaud, Trustee	Ms. Avis McMillon, Executive Director of College	
		Relations	
	Dr. Les Richens, Trustee	Dr. David Stout, VP Student Success	
	Dr. Carl Guzzo, Chair	Ms. Patricia Sensi, AVP Human Resources & Organizational Safety	
Absent	Ms. Abby-White, Trustee	Ms. Cynthia Gruskos, Senior Assistant to the President & The Board of Trustees (Recorder)	
t	Mr. William Dalton, Trustee		
	Mr. Joe DiBella, Trustee(On leave of	Mr. Charles Rooney, Engineer of Record	
	absence)		
College	Mr. Matthew Giacobbe, Esq., General	Mr. Mitchell Jacobs, Esq., General and Labor	
Counsel	and Labor Counsel;	Counsel;	

Minutes of the Public Business Meeting, February 21, 2017 DRAFT

Page 1

Topic and Discussion	Votes Taken	Action and Follow-up Actions
Adoption of Agenda for Public Business	A motion to adopt the	
Meeting –	agenda was made by	
	Trustee Richens and	
	seconded by Vice-Chair	
	Crupi.	
	YES: Trustees Brennan,	
	Cram, Crupi, Kaufmann,	
	Przystawski, Rambaud,	
	Richens and Chair Guzzo.	
	NAYS: None	
	ABSTENTIONS: None	

Brookdale Highlight

- A. Neptune Higher Education Center Welcome Dr. Charanne P. Smith, Director provided a welcome to the center and introduced our growing Poseidon Early College High School.
- B. Poseidon Early College High School Presentation Principal Richard Allen, Principal of Poseidon Early College High School provided information on the academic and student services provided to the students in the Poseidon ECHS. Freshman Gabriella Viterbo and Junior Reyne Bennett shared about their experience in the program.
- C. Overview of Recruitment Efforts for Early College High Schools and Online Students Dr Stout, Vice President of Student Success provided information on the recruitment efforts which included information on our Early Bird Orientation, collaborative marketing efforts, online recruitment, and recruitment targeted to high school students and their parents in the early college high school programs.

The pledge allegiance was made.

Committee Reports and Liaisons

- A. Executive Committee February 16, 2017 Chair Guzzo reported on a productive Executive Committee. . Chair Guzzo instructed the trustees to not discuss the questions posed by the MSCHE self-study committee that was disseminated by Trustee Abby-White, because he asked council to review them.
- **B.** Finance & Facilities Committee February 16, 2017 Trustee Kaufmann reviewed the annual comparative data, and operating revenue sources. He brought to the attention of the board the rising increase in student tuition which could undermine the college's ability to offer affordable quality education. For FY19 the Board of Trustees, and the Administration are committed to a zero percent increase in tuition and fees and maintaining a balance between revenue and expenses while ensuring that Brookdale continues to provide affordable quality educational

Minutes of the Public Business Meeting, January 18, 2017 DRAFT Page | 2

opportunities for the people of Monmouth County. The challenge is to close the gap by approximately \$2.2M. In addition there is a decline of loss revenue of \$1.6M due to loss of enrollment. He indicated that it would be necessary to come up with \$3.8 million dollars a year, and for every subsequent year. He indicated that his numbers are estimated. He reported that the Administration is currently working toward establishing the required methods and means, which include increasing revenues through negotiated contracts, increasing enrollment, including dual enrollment, and maximizing the use of our facilities. He hopes that these measures will be decided in the next 30 days. He has asked President Murphy and Vice President Lawrence, Auditor Robert Francis, Mr. Pingitore to meet with him with the purpose of committing to a strategy of achieving the Board of Trustees' goals. He hopes to report back in March that a realistic plan will be adopted. It is the goal of the board and the president to create a 5 year stabilized financial plan. He also reported that the reserves funds are low and he recommended that the rebuilding of the reserves should be addressed in a more deliberate manner.

Dr. Murphy acknowledged the analysis done by Trustee Kaufmann. She believes that philosophically we agree, but it will take us time to change our business model. She stated that she is grateful for his leadership and welcomes that conversation.

- **C. Governance Committee** Vice-Chair Crupi announced the board professional session is scheduled for March 8, and Trustee Cram spoke about working with the consultant to create a session on establishing guidelines to set thresholds for the decision making process between the board and administration.
- **D. NJCCC & BCC Foundation** Vice Chair Crupi encouraged the board's participation in the NJCCC Council Trustee Seminar being held on February 27, 2017.
- E. ACCT Legislative Summit Trustees Przystawski reported on the conference attended by Trustee Kauffman, Ferraro, Dr. Murphy and himself. He highlighted their meeting with Congressman Smith and the topics discussed during the sessions. Trustee Ferraro added that the legislative staff of the ACCT put together a cohesive legislative agenda and she was in support of year round PELL. Dr. Murphy's highlight of the summit was the keynote speech given by Trustee Przystawski during the Congressional Luncheon celebrating 50 years of N.J.'s community colleges. In addition Trustee Przystawski spoke about his desire to meet with the Director of our Freehold Higher Education Center with the trustees to further our workforce development initiatives.
- **F. Student's Perspective** Trustee Przystawski reported that he met with Helen Vota to discuss ways to improve student services. He recommended, based on student's complaints to him that the financial aid discussions should be performed in a private space. He also recommended that there be additional customer service training for the One Stop personnel. Dr. Murphy addressed his suggestions and acknowledged the work of the One Stop personnel who have been cross trained to answer all questions in the entire enrollment process.
- **G.** Report from the Engineer of the Record Mr. Charles Rooney provided a capital project report. He announced that the temporary CO is March 10 for the new Wall building and the overall site completition date is April 15.

(Capital Project Report submitted in Financial Dashboard)

		Action and Follow-up
Topic and Discussion	Votes Taken	Actions

Minutes of the Public Business Meeting, January 18, 2017 DRAFT Page | 3

Page 14 of 171 3/23/2017 9:08:44 AM

Review of Consent Agenda	A motion to adopt the	
(Any item may be removed from the consent	consent agenda was made	
agenda for discussion by any voting member of	by Vice-Chair Crupi and	
the Board of Trustees.)	seconded by Trustee	
,	Cram.	
No items were removed from the consent		
agenda.	YES: Trustees Brennan,	
agenaa.	-	
	Cram, Crupi, Ferraro,	
	Kaufmann, Przystawski,	
	Rambaud, Richens and	
	Chair Guzzo.	
	NAYS: None	
	ABSTENTIONS: None	
Approval of Minutes of the January 18, 2017,	A motion to approve the	
Public Business Meeting.	January 18, 2017 minutes	
T done business intecting.	of the Public Business	
There were no revisions to the minutes.		
There were no revisions to the minutes.	Meeting was made by	
	Trustee Richens and	
	seconded by Vice-Chair	
	Crupi.	
	YES: Trustees Brennan,	
	Cram, Crupi, Ferraro,	
	Kaufmann, Przystawski,	
	Rambaud, Richens and	
	Chair Guzzo.	
	NAYS: None	
	ABSTENTIONS: None	
Approval of Minutes of the January 18, 2017	A motion to approve the	
Executive Session.	January 18, 2017 Executive	
	Session minutes was made	
There were no revisions to the minutes.	by Trustee Cram and	
THERE WERE NO LEVISIONS TO THE HIMMES.	· '	
	seconded by Trustee	
	Brennan.	
	YES: Trustees Brennan,	
	Cram, Crupi, Ferraro,	
	Kaufmann, Przystawski,	
	Rambaud, Richens and	
	Chair Guzzo.	
	NAYS: None	

Minutes of the Public Business Meeting, January 18, 2017 DRAFT Page \mid 4

Page 15 of 171 3/23/2017 9:08:44 AM

	ABSTENTIONS: None	
--	-------------------	--

Public Comment on Agenda Items

Mr. Giacobbe read the following statement – Anyone from the public wishing to address the Board of Trustees on any matter, please come up to the podium and state your name and address for the record. You will have 5 minutes to address the Board. There will be no cross dialogue during the public portion. Any exhibits presented during this period must be given to the board attorney and will become the property of the college. After everyone from the public wishing to speak has been heard, any Trustee of the Board or the President, may address your comments and/or questions.

Professor Jack Ryan requested that the board materials be available online prior to the board meeting to allow for thorough review by the public. He commented on the presentation from Dr. Stout. He felt that the promotion materials of the student taking classes on the beach undermines the rigor of the online classes and felt that it mispresents the level of difficulty. He commented on Chair Guzzo's statement in the board minutes from the January meeting and felt that the board does not reflect a fair and impartial institution, because Trustee DiBella still remains on the board. He hopes that Trustee DiBella has no influence on the board during his leave of absence. He stated that they will not have faith in the board as long as he represents the board, especially in light of Trustee DiBella's statement implying that the faculty hacked his twitter account.

Dr. Murphy invited Professor Ryan and association leadership to review the materials in her office.

			Action and Follow-up
	Topic and Discussion	Votes Taken	Actions
Conser	nt Agenda-	A motion to approve the	
		consent agenda was made	
A.	Approval of Human Resources	by Trustee Richens and	
В.	Acceptance of Grants	seconded by Vice-Chair	
	1. Integrated Adult Basic Skills, English	Crupi.	
	Literacy & Civics Education Grant		
	Program	YES: Trustees Brennan,	
	2. Educational Opportunity Fund (EOF)	Cram, Crupi, Ferraro,	
	3. Programs Serving Youth for the	Kaufmann, Przystawski,	
	County of Monmouth – Out of	Rambaud, Richens and	
	School Youth (OSY)	Chair Guzzo.	
	4. College Readiness III		
	5. College Credit Now	NAYS: None	
C.	Purchases In Excess of \$35,000 and		
	New Jersey "Pay to Play" bids, and the	ABSTENTIONS: None	
	Pursuant to the New Jersey "Pay to		
	Play" Process, in Excess of \$17,500		
D.	Open Invoice Payment Requests for		
	Vendor, Students and Employee		
	Payments		
E.	Monthly Financial Dashboards		

Minutes of the Public Business Meeting, January 18, 2017 DRAFT Page | 5

Page 16 of 171 3/23/2017 9:08:44 AM

Approval of Change Order Request	A motion to approve the change order request was made by Trustee Richens and seconded by Trustee Brennan. YES: Trustees Brennan, Cram, Crupi, Ferraro, Kaufmann, Przystawski, Rambaud, Richens and Chair Guzzo. NAYS: None ABSTENTIONS: None	
Reclassification of Wall Higher Education Center to a Branch Campus	A motion to approve the reclassification of the Wall Higher Education Center from an additional location to a branch campus was made by Trustee Cram and seconded by Trustee Ferraro. YES: Trustees Brennan, Cram, Crupi, Ferraro, Kaufmann, Przystawski, Rambaud, Richens and Chair Guzzo. NAYS: None ABSTENTIONS: None	
Approval of Memorandum of Agreement between Brookdale Community College and PSA (The MOA between the College and the Professional Staff Association was ratified on Friday, February 17, 2017.)	A motion to adopt the resolution approving the provisions of the Memorandum of Agreement between the Professional Staff Association and Brookdale Community College as	

Minutes of the Public Business Meeting, January 18, 2017 DRAFT Page \mid 6

Page 17 of 171 3/23/2017 9:08:44 AM

proposed was made by Trustee Crupi and seconded by Trustee Richens

YES: Trustees Brennan, Cram, Crupi, Ferraro, Kaufmann, Przystawski, Rambaud, Richens and Chair Guzzo.

NAYS: None

ABSTENTIONS: None

President's Report – Dr. Murphy presented an update on the progress of the strategies related to each of the 4 priorities of the board. (*Attachment A*)

Dr. Murphy described the Blue Sky Session activity of imaging the future of Brookdale based on the review of extensive data on the college, county and economic data. This same session that was held on February 20 will be repeated with internal and external constituencies in the hope of finding emerging themes to base our next strategic plan. Trustees Cram, Rambuad and Brennan all attended and shared key takeaways from that experience. There was a discussion on the need to have strategic partnerships with high schools to ensure our students are prepared for college and then prepared for the workforce after completion of their certificates or degrees.

Dr. Kegelman provided a Middle States update to the board which included information on the work of the 7 working groups and the remaining charges to address the four strategic priorities and Dr. Murphy's white paper goals of restoring the middle class in Monmouth County and retaining our graduates in the county. (*Attachment B for full report*.)

Public Comment – Chair Guzzo

Mr. Giacobbe read the following statement – Anyone from the public wishing to address the Board of Trustees on any matter, please come up to the podium and state your name and address for the record. You will have 5 minutes to address the Board. There will be no cross dialogue during the public portion. Any exhibits presented during this period must be given to the board attorney and will become the property of the college. After everyone from the public wishing to speak has been heard, any Trustee of the Board or the President, may address your comments and/or questions.

Assistant Professor Meg Natter spoke to the issue of Trustee DiBella's twitter remarks and her opinion that his words and actions were not respectful of our college mission and the diversity of our students. She asked the Trustees to remove Trustee DiBella from the board.

Associate Professor Librarian Amy Clark spoke on the issue of Trustee DiBella's continued presence on the board and felt that it undermines the inclusive environment we are striving for. She suggested the board be part of the solution and do what is best for the college.

Minutes of the Public Business Meeting, January 18, 2017 DRAFT Page | 7

Page 18 of 171 3/23/2017 9:08:44 AM

Professor Jack Ryan spoke on the timeline of the firing of former athletic director, Frank Lawrence and he shared his opinion that the firing was unjustified.

Old/New Business - Chair Guzzo

Trustee Crupi thanked Dr. Stout on the demographics. He requested to see comparative data on student success in distance learning vs in person learning in the next Policy & Education committee. In addition, the strategies for policy review will be discussed at the next Policy & Education meeting.

Vice-Chair Crupi acknowledged the work of the staff and administration at the Neptune Higher Education Center and the success of the Poseidon Early College High School.

Trustee Brennan volunteered to work on MSCHE Standard 7 committee. Chair Guzzo asked Trustee Brennan to join her.

		Action and Follow-up
Topic and Discussion	Votes Taken	Actions
Resolution to Hold a Closed Meeting	A motion to accept the resolution to hold an	
Mr. Giacobbe to read the resolution to hold a closed meeting. (Attachment C).	executive session was made by Vice-Chair Crupi and seconded by Trustee Ferraro.	
	YES: Trustees Brennan, Cram, Crupi, Ferraro, Kaufmann, Przystawski, Rambaud, Richens and Chair Guzzo. NAYS: None ABSTENTIONS: None	
Re-open the meeting to the public. No action was taken during executive session. Please note that Dr. Murphy and Ms. Gruskos were excused from the end of the executive session and were not present at the end of the board meeting.	A motion to re-open the meeting to the public was made by Vice-Chair Crupi and seconded by Trustee Richens. YES: Trustees Brennan, Cram, Crupi, Ferraro, Kaufmann, Przystawski,	
board meeting.	Cram, Crupi, Ferraro,	

Minutes of the Public Business Meeting, January 18, 2017 DRAFT Page | 8

Page 19 of 171 3/23/2017 9:08:44 AM

	NAYS: None ABSTENTIONS: None	
Adjournment – Chair Guzzo	A motion to adjourn the meeting was made by	
The meeting was adjourned at 9:50 PM	Vice-Chair Crupi and seconded by Trustee Richens.	
	YES: Trustees Brennan, Cram, Crupi, Ferraro, Kaufmann, Przystawski, Rambaud, Richens and Chair Guzzo.	
	NAYS: None ABSTENTIONS: None	

Respectfully submitted

Maureen Murphy, Ph.D., Secretary

Page 20 of 171 3/23/2017 9:08:44 AM



Priority 1: Student Success

1.1: Increase Graduation Rate

Progress on Strategies

- Implement One Stop Student Services
 - Launched in July
- Revised Early Bird expanded to all locations
 - Completed
- Implement Auto-Graduation
 - Completed
- Implement Student Planning Module for all students
 - Completed
- Develop default programs/meta-majors
 - Health Science meta-major launched this Spring
- Revise Reverse transfer regulation
 - In Academic Standards committee
- Establish or update articulation agreements with top transfer institutions
 - In process

1.2: Increase Full-time Enrollment

Progress on Strategies

- Review and revise schedule to meet students' preferences
 - Surveys under development by PIE, and OIT is researching analytic software
- Revised Early Bird scheduling process
 - Completed

1.3: Increase Online Enrollment

- Evaluate online course quality
 - 15% existing online courses have gone through Quality Matters Assessment;
 required of all new online courses
 - All online faculty re required to get online teaching certification
- Implement Sandbox (technology learning environment for faculty and staff)
 - Completed
- Scale online orientation
 - Scaled and fully operational and required for all online students

^{*}College national rank rose from 77/1100 to 72/1100.



1.4: Increase Dual Enrollment

Progress on Strategies

- Increase the number of agreements with high schools
 - Asbury Park and Hazlet Early college programs launched in Fall
 - In discussions with Freehold Regional and Middletown
- Adjust organizational structure to support growth in K-12 partnerships
 - Will happen this spring

1.5 Increase Percentage College-Ready by End of First Semester

Progress on Strategies

- College Readiness Partnerships with high schools
 - Grant-funded partnerships launched with Freehold (both Boro and Regional),
 Neptune, and Long Branch.
 - Donor-funded partnership launched with Asbury Park SD as part of the College Promise program.
- Developmental Reading Pilot
 - Results currently under analysis
- Scale ALP
 - Scaled from 197 students in Fall 14 to 326 in Fall 16.
- Begin longitudinal tracking of ALP students
 - Underway
- Accelerated Math Pilot
 - Math boot camps launched
- Engage Math Department in longitudinal analysis of developmental math students
 - Discussion on-going

Priority 2: Financial Stability

2.1: Enhance Monitoring of Resource Allocation Processes

- Develop pilot annual snapshot based on recommendations from Cosgrove and Associates
 Report for 2015-2016 programs and 2016-2017 programs
 - Under development in PIE



2.2: Develop Alternative Revenue Streams

Strategies with Progress Reports 1/2017, 6/2017, 1/2018 & 6/2018

- Develop Auxiliary Services Plan
 - Engaging consultant; to be completed by May
- Renegotiate lease agreement with New Jersey City University and Rutgers University
 - NJCU nearing completion; Rutgers for FY18
- Increase employee participation in Foundation Annual Campaign
 - Engaging employees in scholarship award process
- Hire chief advancement officer to set groundwork for major development strategy
 - National search began January 2017

Priority 3: Facilities Planning

3.1: Clear vision and purpose for all college properties

- Finalize deferred maintenance and renovation capital strategies
 - Completed analysis; prioritizing Chapter 12 funds behind this.
- Finalize program plan for Higher Education Centers
 - Completed in February; to be presented to F&F in March and P&E in April
- Develop proposals for alternative, revenue-generating uses for college spaces
 - Negotiations in process with Workforce Development Board
 - Auxiliary Services Plan may provide other opportunities
- Identify alternative funding for Long Branch Center
 - Still researching



Priority 4: College Image Enhancement

4.1: Continue Promotion of College Brand

Progress on Strategies

- Finalize revised marketing plan
 - Completed
- · Launch bus campaign
 - Completed
- Integrate results of Economic Impact Study into marketing efforts
 - In process

4.2: Clear Messages for All Constituencies

Progress on Strategies

- Develop additional talking points based on results of Economic Impact Study
 - In process
- Launch "Did You Know" campaign
 - Launched on Howell bus line and on website

4.3: Enhanced Relationships with External Stakeholders

- President will continue to meet monthly with Freeholder liaison
 - Established
- President and a trustee will meet with elected officials to present the Economic Impact Study
 - Has not occurred; President presented to Board of Chosen Freeholders in October
- College will host a combined meeting with the Board of Chosen Freeholders and the Board of Trustees
 - To be discussed

Brookdale CC Middle States BOT Update Feb. 21, 2017

All seven working groups have revised and updated their reports and narrative roadmaps. Additionally, each of the working groups have or are in the process of compiling a document on compliance with the individualized charges.

The first individualized charge is to address the Middle States Requirements of Affiliation and the related criteria for their standard.

The remaining charges are related to the four strategic priorities and Dr. Murphy's white paper goals.

The strategic priorities are:

- Student Success helping students find their path and finish what they started
- 2. Financial Stability ensuring the college has the resources necessary to fulfill its mission
- 3. Facilities Planning ensuring the College has the physical plant to fulfill its mission
- 4. College Image Enhancement- promoting the quality of College programs to all communities

The White Paper goals are to restore the middle class in Monmouth County and retain our graduates in the county.

The other individualized charges link the above items with the Standards. I will share charges from Std. 1, Mission and Std. 7 Governance:

- 1.2 Explain how the mission communicates the quality of a Brookdale education
- 1.3 Explain how the mission and goals communicate the College's commitment to growing jobs in Monmouth County
- 1.4 Explain how the mission and goals support preparing a workforce with skills employers seek
- 7.1 Describe how the BOT acts as a catalyst within the community for new resources and partnerships.

- 7.2 Describe how the BOT offers insight for employment markets and opportunities for Brookdale students.
- 7.3 Describe how the BOT attracts governmental and private resources.

Throughout the self-study process, in instances where information or process need updating, the respective cabinet lead is following up. For example, in Standard IV, the College is required to provide students with the estimated cost of attendance. This includes tuition, required fees, books, supplies, and living expenses. The Student Success division has an interactive web page called Net Price Calculator. Working Group 7 discovered the tuition and fees needed to be updated with the FY2017 amounts. Dr. Stout's designee is in the process of making the update. Another example is Dr. Reed working with the Institute Deans to develop procedures for estimating students' time in and out of class related to credit hours which is a new requirement as part of the 8 items of the Federal Verification of Compliance Report.

Howard Miller and I am writing the chapters from the reports. To comply with the page limit for the final self-study we are editing the reports to completely and concisely addresses the required information. A **draft** of the self-study for BOT and institution wide review is scheduled for mid-March. The process for feedback will be similar to that used with the roadmaps. All feedback will be shared with the Working Groups for consideration and possible revision.

BROOKDALE COMMUNITY COLLEGE BOARD OF TRUSTEES

RESOLUTION AUTHORIZING EXECUTIVE SESSION

WHEREAS, while the Sen. Byron M. Baer Open Public Meetings Act (N.J.S.A. 10:4-6 et seq.) requires all meetings of the Brookdale Community College Board of Trustees to be held in public, N.J.S.A. 10:4-12(b) sets forth nine (9) types of matters that may lawfully be discussed in "Executive Session," i.e. without the public being permitted to attend, and

WHEREAS, the Brookdale Community College Board of Trustees has determined that 2 issues are permitted by N.J.S.A. 10:4-12(b) to be discussed without the public in attendance and shall be discussed during an Executive Session to be held on February 21, 2017 at approximately 7:15 PM.

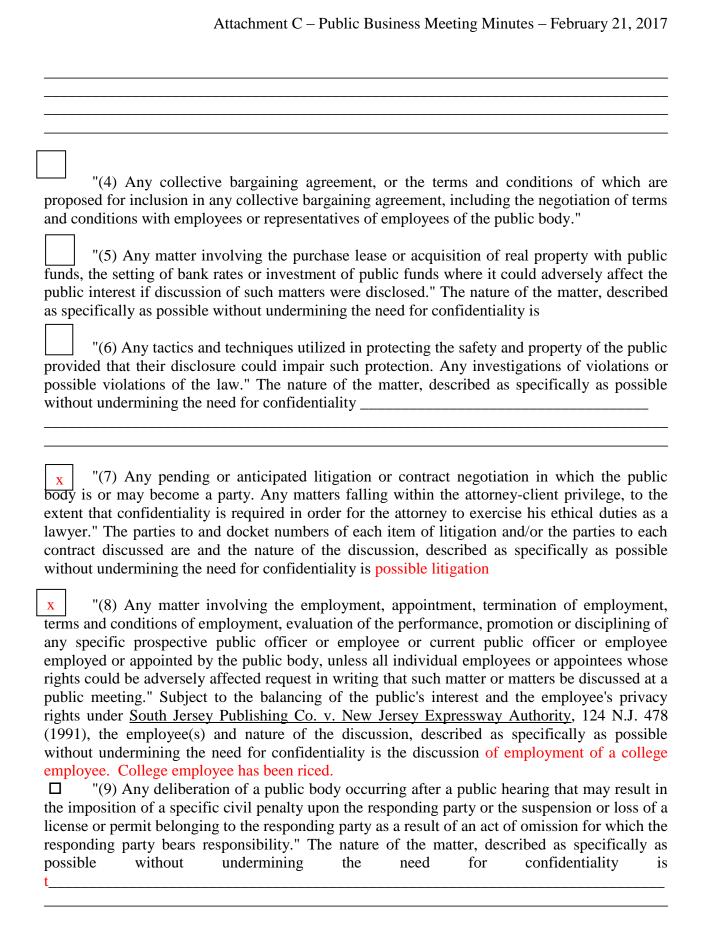
WHEREAS, the nine (9) exceptions to open public meetings set forth in N.J.S.A. 10:4-12(b) are listed below, and next to each exception is a box which will be marked when the issues to be privately discussed fall within that exception, and after each exception is a space where additional information that will disclose as much information about the discussion as possible without undermining the purpose of the exception shall be written.

"(1) Any matter which, by express provision of Federal law, State statute or rule of court

shall be rendered confidential or excluded from public discussion." The legal citation to the provision(s) at issue is: and the nature of the matter, described as specifically as possible without undermining the need for confidentiality is
"(2) Any matter in which the release of information would impair a right to receive funds from the federal government." The nature of the matter, described as specifically as possible without undermining the need for confidentiality is
□ "(3) Any material the disclosure of which constitutes an unwarranted invasion of individual privacy such as any records, data, reports, recommendations, or other personal
material of any educational, training, social service, medical, health, custodial, child protection, rehabilitation, legal defense, welfare, housing, relocation, insurance and similar program or institution operated by a public body pertaining to any specific individual admitted to or served
by such institution or program, including but not limited to information relative to the individual's personal and family circumstances, and any material pertaining to admission, discharge, treatment, progress or condition of any individual, unless the individual concerned (or,
in the case of a minor or incompetent, his guardian) shall request in writing that the same be disclosed publicly." The nature of the matter, described as specifically as possible without undermining the need for confidentiality is

-RESOLUTION AUTHORIZING EXECUTIVE SESSION February 21 2017

Page 27 of 171 3/23/2017 9:08:44 AM



-RESOLUTION AUTHORIZING EXECUTIVE SESSION February 21 2017

Page 28 of 171 3/23/2017 9:08:44 AM

_	
WHEREAS, the length of the length of the public meeting of the one) reconvene and where formal action	Executive Session is estimated to be 60 minutes after which the Brookdale Community College Board of Trustees shall (select immediately adjourn or reconvene and proceed with business may be taken.

NOW, THEREFORE, BE IT RESOLVED that the Brookdale Community College Board of Trustees will go into Executive Session for only the above stated reasons; and

BE IT FURTHER RESOLVED that the Brookdale Community College Board of Trustees hereby declares that its discussion of the aforementioned subject(s) will be made public at a time when the public's interest in disclosure is greater than any privacy or governmental interest being protected from disclosure.

BE IT FURTHER RESOLVED that the Board Secretary, at the present public meeting, shall read aloud enough of this resolution so that members of the public in attendance can understand, as precisely as possible, the nature of the matters that will privately discussed; and

BE IT FURTHER RESOLVED that the Board Secretary, on the next business day following this meeting, shall post this Resolution on the Board website and furnish a copy of this Resolution to any member of the public who requests one at the fees allowed by N.J.S.A. 47:1A-1 et seq.

-RESOLUTION AUTHORIZING EXECUTIVE SESSION February 21 2017

Page 29 of 171 3/23/2017 9:08:44 AM



President's Report March 21, 2017

Short-term Actions:

- Inventory all federal funding sources
- Apply immediately for pertinent FY 2017 grants
- Develop advocacy plan

New Jersey State Budget

Governor Christie's Budget did not include additional operating aid to community colleges. \$1M in college Readiness; increase to TAG, which benefits privates

NJCCC Advocacy Priorities:

- 1. Additional \$6M in operating aid to sector
- 2. Relief from health benefits costs by treating community colleges equally to state colleges
- 3. Adjustments to Tuition Assistance Grant program
 - a. Community college student awars range from \$1100 to \$2600 annually
 - b. State colleges student awards range from \$3500 \$6900 annually
 - c. Private institution student awards range from \$7200 \$12,000 annually
 - d. Joint advocacy among all public higher education sectors

Enrollment Update

Student Planning is working. Enrollment numbers for all summer sessions and Fall is up over last year. Goal was for 80% of existing students to register through self-service; current percentage is over 90%. This results in a significant reduction in wait times, which was a goal for the Student Success Division.

Upcoming Events:

- March 22: Chhange is hosting "Muslim women in our Community" at 7:00 pm in the Navesink

 Rooms
- March 23: Scholarship Recognition Ceremony in the Collins Arena at 5:00 pm
- March 31: 50th Anniversary Retiree Brunch at 9:00 am in the Navesink Rooms

Page 37 of 171 3/23/2017 9:08:44 AM



General Functions Administration

HUMAN RESOURCES

Finance & Facilities Policy & Education

3.1 Human Resources Recommendations

Hires, Change of Status & Separations - This month there are a total of 19 recommended items. A summary of the action items is listed below with supporting documentation attached.

A. Hires	Recommendations
Support Staff	1
Adjuncts	4
B. Change of Status	Recommendations
Executive	3
Administrative	5
C. Separations	Recommendations
Faculty	1
Support Staff	3
D. Sabbaticals	Recommendations
Faculty	2



General Functions
Administration

HUMAN RESOURCES

Finance & Facilities Policy & Education

A. HIRES

SUPPORT STAFF

1. Name: Nicholas Rudinski

County: Monmouth

Department: Continuing & Professional Studies

Position: Associate Salary: \$39,068 Effective: 4/3/17

ADJUNCTS

1. Name: Joann Eltringham

County: Monmouth Department: Design

Rate: \$725/Credit Hour

2. Name: Jill Hazel

County: Pennsylvania
Department: Sociology

Rate: \$725/Credit Hour

3. Name: Chung Hsiu Shen

County: Monmouth Department: Language

Rate: \$725/Credit Hour

4. Name: Shannon Kavanaugh

County: Monmouth
Department: Criminal Justice
Rate: \$725/Credit Hour

ADJUNCT DEGREE SUMMARY

Masters Bachelor

2 2



General Functions
Administration

HUMAN RESOURCES

Finance & Facilities
Policy & Education

B. CHANGE OF STATUS

EXECUTIVE

1. Name: William Burns

Department: Office of Innovation

Position: Dean, Online Programs and Learning Resources

Action: Title change only

Effective: 4/1/17

2. Name: Franklyn Rother

Department: Office of HEC's & K-16 Partnerships

Position: Dean, K-12 Partnerships

Action: Title change only

Effective: 4/1/17

3. Name: Anita Voogt

Department: Office of HEC's & K-16 Partnerships

Position: Executive Dean, Regional Sites and Partnerships

Action: Title change only

Effective: 4/1/17

ADMINISTRATIVE

1. Name: Lauren Brutsman

Department: Student Life & Activities

Position: Director, Student Life & Activities

Action: Change in status from interim to regular A5 position New Salary: \$24,181 prorated from an annual base of \$72,545

Effective: 3/1/17

2. Name: Donna Cuddy

Department: Office of HEC's & K-16 Partnerships
Position: Associate Director, K-12 Partnerships

Action: Title change only

Effective: 4/1/17

3. Name: Cara Novak

Department: Office of HEC's & K-16 Partnerships
Position: Administrator, K-12 Partnerships
Action: Title and department change

Effective: 4/1/17



General Functions
Administration

HUMAN RESOURCES

Finance & Facilities Policy & Education

4. Name: Julie Patterson

Department: Testing Services
Position: Coordinator

Action: Reclassification from N3 to A2 position

New Salary: \$50,194 Effective: 7/1/17

5. Name: Kelli Sanders

Department: Auxiliary Services

Position: Administrator, Events Services

New Salary: \$60,817

Action: Reorganization/reclassification salary revision

Effective: 1/1/17

C. SEPARATIONS

FACULTY

Name: Debra Umlauf

Department: Nursing
Position: Instructor
Action: Resignation
Effective: 6/30/17

SUPPORT STAF

1. Name: Erik Johanson

Department: Fine Art

Position: Laboratory/Studio Assistant

Action: Retirement Effective: 6/30/17

2. Name: Sandra Johanson

Department: Photography

Position: Laboratory/Studio Assistant

Action: Retirement Effective: 6/30/17



General Functions
Administration

HUMAN RESOURCES

Finance & Facilities Policy & Education

3. Name: Tracy Smith

Department: Continuing & Professional Studies

Position: Associate
Action: Resignation
Effective: 3/6/17

D. SABBATICALS

FACULTY

1. Name: Martin McDermott

Department: Speech

Length of Sabbatical: One-Half Year Effective: Fall 2017

2. Name: Brian Oland

Department: Counseling
Length of Sabbatical: One-Half Year
Effective: Spring 2018

BROOKDALE COMMUNITY COLLEGE

Employee Demographics by Constituency, Race/Ethnicity, Gender and Residency February 2017

Constituency	White	African American	American Indian/Alaskan Native	Asian Pacific Islander	Hispanic	Two or More Races	Race Not Reported	Male	Female	Gender Not Reported	Monmouth County Resident	Resident Outside Monmouth County
Non-represented Administrators	34	3	0	1	1	0	0	10	29	0	29	10
Confidential Staff	2	0	0	0	2	0	0	0	4	0	4	0
Administrators	101	7	0	4	8	4	0	38	86	0	99	25
Police	8	1	0	0	1	1	0	9	2	0	7	4
FT Faculty	180	10	0	11	5	5	0	90	121	0	135	76
Adjunct faulty	332	19	0	13	18	4	237	262	337	24	423	200
FT Staff	146	21	0	3	9	3	0	68	115	0	152	30
	803	61	0	32	44	17	237	477	694	24	849	345
	67.25%	5.11%	0	2.68%	3.69%	1.42%	19.85%	37.44%	58.12%	2.01%	71.11%	28.89%

Constituency	White	African American	American Indian/ Alaskan Native	Asian Pacific Islander	Hispanic	Two or More Races	Gender Not Reported	Male	Female	Gender Not Reported	Monmouth County Resident	Resident Outside Monmouth County
Non- represented Administrators	87.18%	7.70%	0	2.56%	2.56%	0	0	25.64%	74.36%	0	74.36%	25.64%
Confidential Staff	50%	0	0	0	50%	0	0	0	100%	0	100%	0
Administrators	81.45%	5.64%	0	3.23%	6.45%	3.23%	0	30.65%	69.35%	0	79.84%	20.16%
Police	72.73%	9.09%	0	0	9.09%	9.09%	0	81.82%	18.18%	0	63.64%	36.36%
FT Faculty	85.31%	4.74%	0	5.21%	2.37%	2.37%	0	42.65%	57.36%	0	63.98%	36.02%
Adjunct faulty	53.29%	3.05%	0	2.09%	2.89%	0.64%	38.08%	42.05%	54.10%	3.85%	67.90%	32.10%
FT Staff	80.21%	11.54%	0	1.65%	4.95%	1.65%	0	37.36%	63.18%	0	83.52%	16.48%

Rev 3/1/17

Page 38 of 171 3/23/2017 9:08:44 AM



- 1 General Functions
- 2 Administration
- 3 Human Resources
- 4 Business & Finance

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 most recent report to the Board of Trustees was made at the November 22, 2016, meeting.

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 gifts have been accepted and acknowledged for Brookdale Community College by the President:

DATE	DONOR	ITEM
1/31/17	Sherri Vanderspiegel &	Donation of snow machine for use in the PAC
	Jennifer Lucero	for theatrical performances.
	Brookdale Community College-PAC	
	765 Newman Springs Road	
	Lincroft, NJ 07738	
2/8/17	Baggu	Donation of zippers for use by Fashion
	242 Wythe Avenue #6	Merchandising students in sewing techniques
	Brooklyn, NY 11249	class.
2/28/17	Dr. Gregory Cunningham	Donation of Pulmonary Function Test machine
	Jersey Shore Pulmonary	and associated equipment for use by
	700 NJ-71 & Crescent Place	Respiratory Care students in the practice lab
	Sea Girt, NJ 08750	and simulations.
3/1/17	Donna Cardillo, RN, MA, CSP	Donation of 100 copies of the book entitled
	PO Box 15	"The ULTIMATE Career Guide for Nurses:
	Sea Girt, NJ 08750	Practical Advice for Thriving at Every Stage of
		Your Career" to be given to Nursing student
		graduates and the Brookdale Library.

March 21, 2017: Laura Qaissaunee, Director of Grants & Institutional Development

Page 44 of 171 3/23/2017 9:08:44 AM



- 1 General Functions
- 2 Administration
- 3 Human Resources
- 4 Business & Finance

2.1 Acceptance of Grants Executive Summary

Career and Technical Education (CTE) Certificate of Eligibility Educator Preparation Program (CEEP) (Year 1 of 5)

Brookdale has been awarded a grant from the New Jersey Department of Education (NJDOE), Office of Career Readiness, for funding under its Carl D. Perkins Career and Technology Improvement Act of 2006. Funding will be used to develop Career and Technical Education (CTE) Certificate of Eligibility Educator Preparation (CEEP) program.

Programming will better prepare CTE instructors for the classroom and participants will also gain a better understanding of SLE/Co-Op programs, curriculum mapping, literacy in CTE, math in CTE, SGOs, school law and safety training while incorporating the new edTPA requirements.

The 400 hour program will be completed over a minimum of two academic years and includes four new courses and offers participants the opportunity to earn 28 college credits and a pathway to graduate credits for those who are interested. Paul Hankins will serve as the CTE Project Director and the grant will be administered by CPS.

The total grant awarded is \$330,000 and does not require a match from the college.

Recommendation:

The President recommends that the Board of Trustees adopt a resolution accepting the funds listed and authorizing the President to sign funding notification forms and any appropriate amendments.

March 21, 2017: Director of Grants and Institutional Development, Laura Qaissaunee

Page 45 of 171 3/23/2017 9:08:44 AM



- 1 General Functions
- 2 Administration
- 3 Human Resources
- 4 Business & Finance

RESOLUTION

WHEREAS, the Board of Trustees of Brookdale Community College has applied for the grant funds listed below:

<u>Amount</u> \$330,000

Career and Technical Education (CTE)
Certificate of Eligibility Educator Preparation
Program (CEEP) (Year 1 of 5)

WHEREAS, the College has been notified that the funds have been approved; and

WHEREAS, Board Policy 2.0000 requires Board acceptance of all grants received by Brookdale Community College; and

WHEREAS, the President recommends acceptance of said grant funds;

NOW THEREFORE BE IT RESOLVED, that the Board of Trustees of Brookdale Community College authorizes the President to accept the grant funds listed above and to sign the funding notification forms and any appropriate amendments thereto.

March 21, 2017: Director of Grants and Institutional Development, Laura Qaissaunee

Page 46 of 171 3/23/2017 9:08:44 AM



- 1 General Functions
- 2 Administration
- 3 Human Resources
- 4 Business & Finance

2.3 Approval of Budget Modification to the New Jersey Department of Education, Office of Career Readiness

Perkins Career and Technical Education

Brookdale has submitted a budget modification to the New Jersey State Department of Education, Office of Career Readiness on March 1, 2017, for funding under its Carl D. Perkins Career and Technical Education Improvement Act of 2006. The modification will enable the college to purchase additional supplies, equipment and training for Accounting, Architecture, Automotive, Business Management, Communication Media, Fashion Merchandising, Interior Design, Music Technology, Networking, Nursing, Paralegal, Respiratory Therapy programs through cost savings realized to date.

The New Jersey Department of Education requires a signed board resolution which authorizes acceptance of the changes. A copy of the resolution is attached.

Recommendation:

The President recommends that the Board of Trustees adopt a resolution accepting the budget modification and authorizing the President to sign the resolution to the New Jersey Department of Education.

March 21, 2017: Director of Grants and Institutional Development, Laura Qaissaunee

Page 47 of 171 3/23/2017 9:08:44 AM



- 1 General Functions
- 2 Administration
- 3 Human Resources
- 4 Business & Finance

RESOLUTION

WHEREAS, Brookdale has submitted a budget modification to the New Jersey State Department of Education, Office of Career Readiness on March 1, 2017, for funding under its Carl D. Perkins Career and Technical Education Improvement Act of 2006. The modification will enable the college to purchase additional supplies, equipment and training for Accounting, Architecture, Automotive, Business Management, Communication Media, Fashion Merchandising, Interior Design, Music Technology, Networking, Nursing, Paralegal, Respiratory Therapy programs through cost savings realized to date.;

WHEREAS, The New Jersey Department of Education, Office of Career Readiness requires this resolution; and

WHEREAS, the President recommends submission of said budget modification;

NOW THEREFORE BE IT RESOLVED, that the Board of Trustees of Brookdale Community

College authorizes the submission of this budget modification to the New Jersey Department of Education, Office of Career Readiness.

Date:	SIGNED:	
		Maureen Murphy, Ph.D., President

March 21, 2017: Director of Grants and Institutional Development, Laura Qaissaunee

Page 48 of 171 3/23/2017 9:08:44 AM



BOARD OF TRUSTEES

General Functions Administration Human Resources Finance & Facilities Policy & Education

4.2 Purchases in Excess of \$35,000 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 \$35,000. 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 of the Board of Trustees at a meeting held March 14, 2017.

March 21, 2017: Vice President, Finance & Operations, Maureen Lawrence

Page 49 of 171 3/23/2017 9:08:44 AM

RESOLUTION

WHEREAS, County College Contracts Law, Chapter 64A, title 18A, requires Board approval for any purchase in excess of \$35,000, or purchases with a combined total in excess of \$35,000; 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 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

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.

Page 50 of 171 3/23/2017 9:08:44 AM

Agenda for Purchases in Excess of \$35,000 March 21, 2017

Board Item No.	Auxiliary	Vendor/Contractor	Category / Description	Basis of Award	Amount of Purchase
1	,	**Attached Vendor List	Bookstore New Textbooks / Exempt18A:64A-25.5.a.(21) (Educational supplies, textbooks, miscellaneous articles purchased by a college county bookstore). These contracts are for the purchase of new textbooks for FY18.	Exempt	\$ 3,150,000.00 *
2		**Attached Vendor List	Bookstore Used Textbooks / Exempt18A:64A-25.5.a.(21) (Educational supplies, textbooks, miscellaneous articles purchased by a college county bookstore). These contracts are for the purchase of used textbooks for FY18.	Exempt	\$ 350,000.00 *
3		**Attached Vendor List	Bookstore Merchandise / Exempt18A:64A-25.5.a.(21) (Educational supplies, textbooks, miscellaneous articles purchased by a college county bookstore). These contracts are for the purchase of bookstore merchandise for FY18.	Exempt	\$ 375,000.00 *
	Operating				
4		College Board	Accuplacer Tests / 18A:64A-25.5.b (contract entered into with the United States of America, the State of NJ, a county or municipality or any board, body, or officer, agency or authority or any other state of subdivision). This contract is for the supply of Basic Skills (Accuplacer) Placement tests for FY18, which are required for all new degree students to measure their level of readiness in reading, writing, and mathematics for college-level work. This contract is funded by the Testing Center's operating budget.	Exempt	\$ 23,400.00 *
5		Monmouth County Vocational School District	Science Summer Camp Programming FY18 / Exempt 18A:64A-25.5.b. (contract entered into with the United States of America, State of NJ, a county or municipality or any board, body, or officer, agency or authority or any board, body, or officer, agency or authority or any other state or subdivision). This contract is for the delivery of ten CPS Summer Science Camp programs by High Tech, Bio Tech, and MAST High Schools. This contract is funded by CPS' revenue generating programs.	Exempt	\$ 38,100.00 *
		* Estimated expense based on his	storical data		

^{*} Estimated expense based on historical data

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

Page 51 of 171 3/23/2017 9:08:44 AM

Board Item #1 Bookstore - New Textbooks

ACEBO Follet Higher Education
AHIMA Fairchild Publishing
American Institute of Goodheart & Wilcox

Professional Bookkeepers (AIBP)

Alexander Publications

Alfred Publishing

Harper Collins

Harper Publications

Amazon Hartman Publishing
American Hospital Association Hayden MacNeil
American Medical Association High Tide Press
American Psychiatric Association Human Kinetics

American Technical Publishers New Jersey Institute for Continuing Legal

Aspen Publishing Education
Association for Supervision Ingex
C2E Inc.

C2F Inc. Ingram
Barron's Logical Operations (AXZO Press)

BCC Holocaust Center Labyrinth Learning

Bookmasters Laerdal
CafeScribe Lyceum
Cambridge University Press Lippincott
Casemate J. A. Majors

Casemate J. A. Majors
Cengage Joe Accurso
Channing Bete John Wiley Publishing

Charles Dumont Jones & Bartlett
Charles Thomas Just Ask Publishing
Cheng & Tsui Co Kendall Hunt

Chicago Distribution Center

Congressional Quarterly

Copyright Clearance Center

Kirshner Publisher

MBS

McCoy

CRC Press McGraw Hill Publishers

D. & H. Distributing MEASCO Health & Safety

D & H Distributing MFASCO Health & Safety
Douglas Clarke MiniTab

Douglas Stewart Meeting Professionals International

Connect for Education Merriam-Webster
Create Space Mercer Tool Corp.

Dearborn Modern Language Association
Dushkin Publications Morton Publishing

Educators Publishing Services MPS (MacMillian/Von Holtzbrink Publishers)

Eider Press Bookmasters NACS

Elsevier Nebraska Book Company

EMC Publishers/Paradigm Publishing NJ Institute for Continuing Legal Education

EPS Literacy W.W. Norton

F.A. Davis

Fast Forward Academy

Fischer Scientific

Flinn Scientific

Perseus Distribution

Oxford University Press
Pearson/Prentice Hall
Penguin Publishing
Perseus Distribution

Page 52 of 171 3/23/2017 9:08:44 AM

Pocket Nurse SkyScape

Princeton University Press Simon & Schuster

V.E. Ralph Staywell Random House Sybex

Rittenhouse **Textile Fabric Consultants** Rowman & Littlefield Yale University Press TLR

Sage Publishing

Samsill Toyota (T-Ten)

San Diego CAD **University Press of America**

Sauders Verso

Scholastic Wolters Kluwer (formerly Lippincott)

School Specialty Waveland

Schroff

Board Item #2 Bookstore - Used Textbooks

Follett Higher Education

MBS

Nebraska Book Co.

NACS Amazon

Board Item #3 Bookstore - Merchandise

Balloon Wholesalers SLS Arts **WYNIT** Blue Mountain Chen International Arcadia

Ganz **Assessment Technologies**

Hallmark Cards Baker & Taylor A & W Products **Bar Charts**

Alexander Supply Barron's Education Alvin Chicago University Press **Ceramic Supply Cornell University Press** Col USA Creative Homeowner C2F **Dover Publications** Dick Blick Elsevier Health Sciences

D & H Distributors F.A. Davis **Douglas Stewart** Firefly Books

Empire Distributors Hachette Book Group

General Pencil Harper Collins HPI International Houghton Mifflin Jespen **Ingram Books** John Wiley Mack Camera

Just Three Chicks Pro-Edge Rio Grande Kappa Map Group

Page 53 of 171 3/23/2017 9:08:44 AM **Kevin Pilkington**

Klutz

Long Leaf Services

McCoy

Merriam Webster Microsoft Corp. MPS Virginia NACS Corp.

New York University Press Partners Distribution Penguin Group USA Perseus Distributors Peter Pauper Press R & D Specialty Random House

Research & Education

Rittenhouse

Rutgers University Press Schiffer Publishers Simon & Schuster Sterling Publishers Taylor & Francis Group The History Press University Press of N.E.

Weird NJ

Workman Publishers

W.W. Norton Partnership Fed Ex UPS

Badger Sportswear Branded Sportswear

Boxercraft Everest

Jansport/V.F. Outdoors League Collegiate Wear

Legacy Athletic

Logofit MV Sport

Merchandise Inc. Microsoft Corp.

Monmouth Arts Council

Oarsman

Ouray Sportswear Russell Athletics Storm Duds The Game Third Street Top Sox U-Trau Vantage Vapur Inc.

American Decorators

CDI Corp. CSI Corp.

Framing Success
Herff Jones
Image Watches
Market Identity
Mascot Factory
MCM Group
R & D Specialty
El Dorado
Exaclair Inc.
Filing Source
Ink Media
Michael Rogers

OnHand

Pierre Belvedere Roaring's Springs

Samsill

School Datebooks Service Wholesale The Nelson Line Thermos LLC

U.S. Flash & Technologies

Page 54 of 171 3/23/2017 9:08:44 AM

Page 55 of 171 3/23/2017 9:08:44 AM



BOARD OF TRUSTEES

General Functions Administration Human Resources Finance & Facilities Policy & Education

4.2b Payments to Vendors, Students, and Employees

Payments made to vendors, students, and employees totaled \$3,774,392.84. This summarizes all payment transactions of the College and includes payments made on previously approved purchase orders as well as travel expenses and varied monthly expenses in accordance with collective bargaining contracts.

Additional documentation for payments is available in the Accounts Payable Department.

This report was reviewed by the President and the Finance & Facilities Committee of the Board of Trustees at a meeting held March 14, 2017.

Page 56 of 171 3/23/2017 9:08:44 AM



4.1 Monthly Dashboard Summary Month Ending January 31, 2017

The comparative schedule compares data reported from the same time frame last year to the current time period. FY16 actual enrollment was 9,818; FY17 forecasts an enrollment of 9,434, a decrease of 3.9 percent. Transactions are trending as projected.

Cash disbursements totaled \$8,128,023.74. In addition to payroll expenses and Bookstore purchases, significant vendor payments were made for the Wall academic structure (\$1.5M), MAS renovation project \$(363K), ISS custodial services (\$279K), Ellucian managed services (\$215K), and Winter Services for snow prep and removal (\$200K).

Cash balances are lower than prior year's due to both a decrease in enrollment & the delay in reimbursement for capital expenditures. Cash on hand from December to January. Note the difference in capital spending in prior year vs. current.

Page 57 of 171 3/23/2017 9:08:44 AM

Annual Comparative Change

	Current Year 01/31/17	Prior Year 01/31/16	CHANGE
ENROLLMENT			
Credit FTE	9,434	9,818	(384)
OPERATING EXPENDITURES *			-3.9%
Learning Division	\$ 27,311,582	\$ 27,729,349	\$ (417,767)
Benefits & General Institutional	11,132,629	11,333,080	(200,451)
Sub Total	38,444,211	39,062,429	(618,218)
All other divisions	22,470,763	24,999,360	(2,528,597)
Total Operating Expenses	60,914,974	64,061,789	(3,146,815)
OPERATING REVENUE			
Tuition	36,269,034	36,540,938	(271,904)
Fees **	4,558,174	5,434,374	(876,200)
Sub Total	40,827,208	41,975,312	(1,148,104)
State Appropriations	6,054,382	6,038,004	16,378
County Appropriations	11,682,428	11,682,428	-
All other revenue	2,604,559	2,642,679	(38,120)
Total Operating Revenue	61,168,577	62,338,423	(1,169,846)
CASH			
Cash	8,510,094	10,454,743	(1,944,649)
Total Cash	8,510,094	10,454,743	(1,944,649)
CAPITAL EXPENDITURES *			
Renewals & Replacements	17,470,398	22,678,347	(5,207,949)
Minor Capital	3,554,216	3,765,335	(211,119)
Total Capital Expenses	21,024,614	26,443,682	(5,419,068)
CAPITAL REVENUE			
State	6,861,466	2,830,717	4,030,749
County	1,569,625	563,824	1,005,801
Other	4,797,280	3,984,918	812,362
Total Capital Revenue	13,228,371	7,379,459	5,848,912

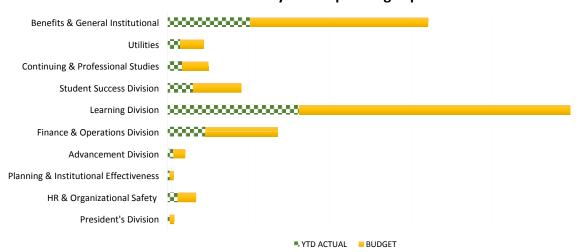
Note:

Page 58 of 171 3/23/2017 9:08:44 AM

^{*} Includes year-to-date actual and committed expenses.

^{**} Reduction in Fees revenue is due to a change in the funding formula. A larger portion of fee revenue collected is used to fund the capital budget, eliminating reliance on reserves.

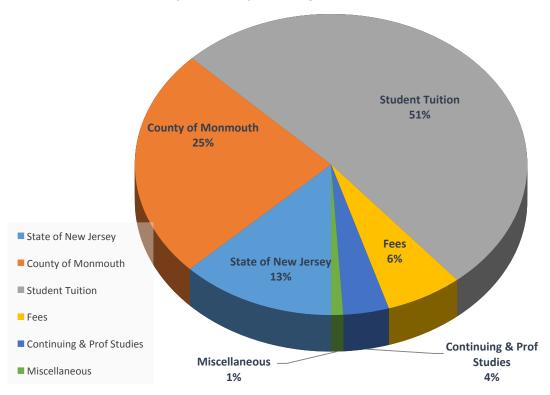
January 2017 Operating Expenses



	BUDGET	YTD ACTUAL	COMMIT	BALANCE
President's Division	\$ 534,558 \$	300,922 \$	153,977 \$	79,659
HR & Organizational Safety	2,291,747	1,246,918	727,057	317,772
Planning & Institutional Effectiveness	479,457	295,387	142,510	41,560
Advancement Division	1,455,137	740,011	476,024	239,102
Finance & Operations Division	8,944,726	4,677,247	3,441,282	826,197
Learning Division	33,394,432	16,247,383	11,064,199	6,082,850
Student Success Division	5,994,151	3,142,229	2,203,638	648,284
Continuing & Professional Studies	3,258,216	1,807,223	932,933	518,060
Utilities	2,905,962	1,594,484	588,920	722,558
Benefits & General Institutional	21,918,741	10,221,330	911,299	10,786,110
Total	\$ 81,177,127 \$	40,273,135 \$	20,641,839 \$	20,262,152

Page 59 of 171 3/23/2017 9:08:44 AM

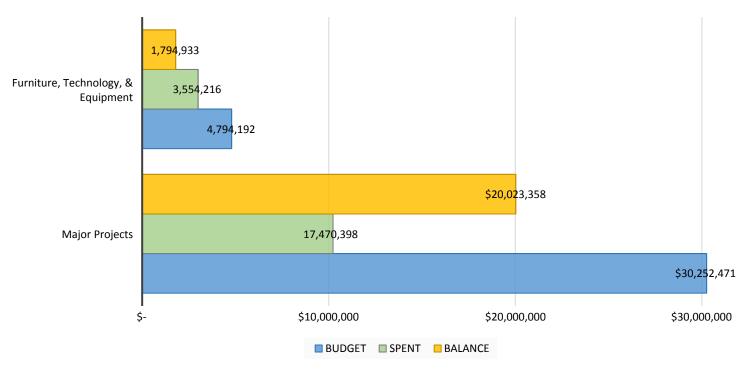
January 2017 Operating Revenue Sources



	BUDGET	YTD ACTUAL	BALANCE
State of New Jersey	\$ 10,378,940 \$	6,054,382 \$	4,324,558
County of Monmouth	20,027,019	11,682,428	8,344,591
Student Tuition	41,764,827	36,269,034	5,495,793
Fees	5,142,341	4,558,174	584,167
Continuing & Prof Studies	3,060,000	2,254,525	805,475
Approp from Reserve	-	-	-
Miscellaneous	804,000	350,034	453,966
Total	\$ 81,177,127 \$	61,168,577 \$	20,008,550

Page 60 of 171 3/23/2017 9:08:44 AM

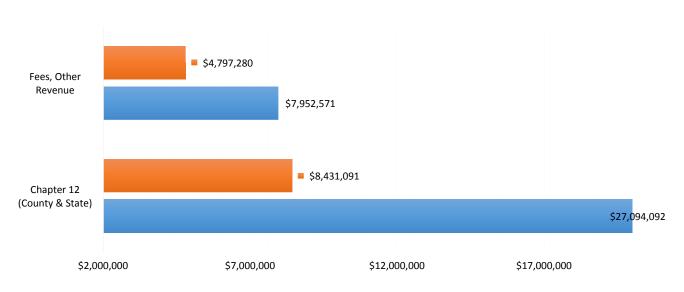
January 2017 Capital Fund Expenditures



	BUDGET	ALLOCATED	SPENT	BALANCE
Major Projects	\$ 30,252,471	\$ 9,691,673	\$ 10,229,113	\$ 20,023,358
Furniture, Technology, & Equipment	 4,794,192	-	2,999,259	1,794,933
Total	\$ 35,046,663	\$ 9,691,673	\$ 13,228,372	\$ 21,818,291

Page 61 of 171 3/23/2017 9:08:44 AM





■ BUDGET ■ ACTUAL

Capital Summary

 BUDGET
 ACTUAL

 Chapter 12 (County & State)
 \$ 27,094,092
 \$ 8,431,091

 Fees, Other Revenue
 \$ 7,952,571
 \$ 4,797,280

Page 62 of 171 3/23/2017 9:08:44 AM

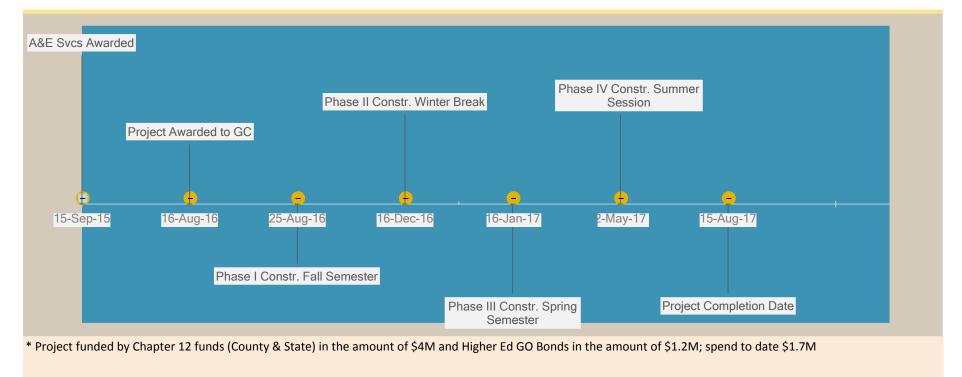
Capital Summary through January 31, 2017

Chapter 12 FY12 \$ 1,951,142 \$ - \$ 8120520 - Gorman Hall - 298 298 8120545 - Rody Company Wellward - 403,240 403,240	200,203
8120520 - Gorman Hall - 298 298	200,203 400,000
	200,203 400,000
0130F4F Paul Camanus Mallusas	200,203 400,000
8120545 - Back Campus Walkway - 403,240 403,240	200,203 400,000
8120550 - Wall Campus Expansion - 1,547,604 1,347,401	400,000
1,951,142	,
FY13 1,228,633 400,000 -	~-~ ~
8130515 - Replacement of Carpet and Flooring MAC - 370,830 17,553	353,277
8130530 - Infrastructure Improvements Lincroft - 457,803 457,803	
1,228,633	753,277
FY14 3,761,898	-
8140505 - Renovation of MAS Science Labs - 3,742,244 3,742,244	-
8140510 - Infrastructure Improvements Lincroft - 19,654 -	19,654
3,761,898 3,761,898 3,742,244	19,654
FY15 3,190,000	2,035,000
8150505 - Central Utility Plant Upgrade - 500,000 46,000	454,000
8150510 - Infrastructure Improvements (CAR, LAH, CVA) - 1,095,000 35,000	1,060,000
8150515 - Infrastructure Improvements - 1,155,000 346,191	808,809
3,190,000 2,750,000 427,191	2,762,809
FY16 * 3,000,000	3,000,000
FY17 * 3,500,000	3,500,000
Total Chapter 12 16,631,673 9,691,673 6,395,730	10,235,943
Capital Projects	
8131005 - Higher Ed Bond Administration - Wall 7,825,270 - 7,550,636	274,634
8131010/8131030 - Equipment Leasing Fund (ELF) 1,287,093 - 550,747	736,346
8131015/8131025 - Hi Ed Technology Infrastructure (HETI) 150,056 - 74,378	75,678
8161005 - Higher Ed Bon Administration - MAS 1,200,000 - 36,170	1,163,830
8122410 - Wall Campus Reserve	-
8132450 - College Hi Ed Bond Admin Match - Wall 2,608,323 - 2,788,359	(180,036)
8132455/8132460 - College HETI Match 150,056 - 74,378	75,678
8162450 - College Hi Ed Bond Admin Match - MAS 400,000	400,000
Total Capital Projects 13,620,798 - 11,074,668	2,546,130
Total Major Capital 30,252,471 9,691,673 17,470,398	12,782,073
Minor Capital 4,794,192 - 3,554,216	1,239,976
Total Capital \$ 35,046,663 \$ 9,691,673 \$ 21,024,614 \$	14,022,049

^{*} Pending County Bond Sale

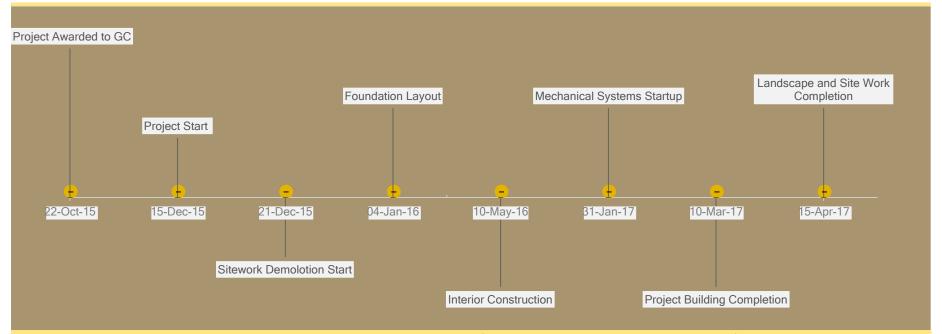
Page 63 of 171 3/23/2017 9:08:44 AM

MAS Science Lab Renovation



Page 64 of 171 3/23/2017 9:08:44 AM

Wall Academic Building



- * Technology infrastructure (drops, wiring, etc) funded by HETI Bonds in the amount of \$308K (50/50 bond and College) to-date spend \$154K respectively.
- * Technical hardware/equipment fund by ELF Bonds in the amount of \$1.7M; spend to date \$798K.
- * Parking Lot funded \$1.8M, Chapter 12 funds (County & State), total spend to date \$752K; Construction funded by Higher Ed GO Bonds (75% bond/25% College Match) total to-date spend \$11.7M

Page 65 of 171 3/23/2017 9:08:44 AM



BROOKDALE COMMUNITY COLLEGE PROJECTS

A. CAPITAL PROJECTS

1) NEW ACADEMIC BUILDING/WALL CAMPUS- Benjamin Harvey Contract Award

\$14,698,000

Change Orders to date

\$665,876

REVISED CONTRACT

\$15,363,876

Payments to Date

\$13,505,853.34

SCOPE: Construction of a new 36,000 SF New Academic Building that is two stories in height with mechanical penthouse. The building contains 8 General Classrooms, Learning Commons with Testing Center, Computer Classrooms, Seminar Rooms, Science Laboratories and Support Spaces, Nursing Laboratory and Support Spaces, Administrative Spaces, and Building Support Spaces. Also included are associated site improvements including lighting, landscaping, sidewalks and 4 parking lots totaling 394 spaces.

STATUS: The building exterior and installation of interior systems are approximately 95% complete; metal siding, gutters, downspouts, and soffit installations continue. Parking and exterior improvements are ongoing as weather and site conditions permit. Sidewalk installation in the courtyard area is ongoing. Stone paver installation will commence shortly and parking lot paving and installation of the landscaping will be scheduled in the upcoming weeks as the weather improves.

Mechanical, electrical, communications/security, plumbing, and fire protection are nearing completion. Installation of security cameras and AV systems have commenced. The elevator was inspected and approved and the generator start up is scheduled for today. Interior finishes including ceiling grid, acoustical tile, paint, and flooring installations are ongoing. Interior door and hardware installations are generally complete.

Original Completion date: 11/11/16; Revised Completion Date: March 10, 2017 for building TCO; and site work completion is scheduled for April 15, 2017.

2) MAS SCIENCE LABS RENOVATION PROJECT- Circle A Construction Contract Award \$3,632,500 8/16/16

SCOPE: Phased renovation of Science Labs in MAS building:

Phase 1- Two Chemistry Labs

COMPLETED

Phase 2- Three Biology Labs; Chemical Storage Room

and Prep Room

COMPLETED

Phase 3- Two General Labs

Complete by mid May 2017

Phase 4- Three Chemistry Labs and Three Biology Labs

Complete by mid August 2017

STATUS: Phase I renovations are complete.

Phase 2 renovations are substantially complete except for punch list items

Phase 3 demolition work complete; rough electric and plumbing installations are ongoing along with installation of new epoxy flooring.

Page 66 of 171 3/23/2017 9:08:44 AM



FREEHOLD CAMPUS DRAINAGE IMPROVEMENTS-

Precise Construction Inc.
Contract Award \$39,790 12/20/16

SCOPE:

Due to underlying clay soil conditions, perched stormwater runoff under the parking lot pavement currently bleeds out at several locations following heavy rain events. This condition creates icing problems in the winter and over time will shorten the life of the pavement. Our office in conjunction with Tim Drury/Director of Facilities completed plans and specifications for the installation of a perimeter underdrain system along the south edge of the parking lot

STATUS:

A contract with Precise Construction Inc. was awarded on December 20, 2016. The contractor substantially completed the project in early January 2017 with only re-seeding of the lawn areas and top course paving of the parking lot trench scheduled for this spring. We are currently monitoring and assessing the performance of the underdrain.

B. DESIGN/STUDIES/REPORTS

1) LINCROFT CAMPUS CENTRAL UTILITY PLANT- Design Assistance and Technical Guidance

Bid documents for replacing the cooling towers and condenser water piping within the plant have been completed. Based on discussions with potential bidders and suppliers, there is concern about meeting a completion deadline prior to the upcoming cooling season (mid-April). This is due to anticipated long lead times (6 to 8 weeks) for some of the required pipe couplings, fittings and valves along with the new cooling towers (if awarded). In addition, bidding the project now with a compressed schedule would most likely reduce the number of bidders (if any) and certainly increase costs. In light of the above advertising of the project has been delayed until early summer. This will allow for sufficient time to award a contract, review and approve shop drawings and order and deliver the new components in advance of beginning construction in the off-cooling season.

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

Page 67 of 171 3/23/2017 9:08:44 AM



BOARD OF TRUSTEES

General Functions Administration Human Resources Finance & Facilities Policy & Education

4.2a Change Order Request Report

The Change Order Request Report contains summary information and a resolution for increases to existing Blanket Purchase Orders.

This report is submitted to the Board of Trustees to provide background information to enable the approval of the change requests.

Additional details for these proposed purchases are available in the Purchasing Office for review by the Board of Trustees.

This item was discussed with the Finance and Facilities Committee of the Board of Trustees at a meeting held March 14, 2017.

Page 68 of 171 3/23/2017 9:08:44 AM

RESOLUTION

WHEREAS, County College Contracts Law, Chapter 64A, title 18A, requires Board approval for any purchase in excess of \$35,000, or purchases with a combined total in excess of \$35,000; and

WHEREAS, College policy requires Board approval for a change in contractual terms to any previously Board approved purchase, and

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

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.

Page 69 of 171 3/23/2017 9:08:44 AM

Change Order Reconciliation March 21, 2017

	Vendor Name	Description	Co	ontract Award	inge Iers oved	Current Contract Value	F	Proposed C/Os	Contract Total	Proposed % Increase
1	Circle A Construction Co.	MAS Lab Renovations: HVAC valve revisions, additional concrete slab removal, and electrical feeder repair work.	\$	3,632,500.00	\$ -	\$ 3,632,500.00	\$	25,000.00	\$ 3,657,500.00	1%
			\$	3,632,500.00	\$ -	\$ 3,632,500.00	\$	25,000.00	\$ 3,657,500.00	

Page 70 of 171 3/23/2017 9:08:44 AM

	POTENTIAL CHANGE ORDER LOG													
Owner:	Owner: Brookdale Community College													
Project:	Project: 15U012 MAS Building Lab Renovations													
Date:	3/1/17				_									
	Base Contract Amount	Approved Changes to Date	New Contract Amount	% Base Contract										
GC	\$ 3,632,500.00	\$ -	\$ 3,632,500.00	0.00%										
	\$ -													
	\$ -		\$ -											
TOTAL	\$ 3,632,500.00	\$ -	\$ 3,632,500.00	0.00%										

Contractor PCO#	Date Initiated	Description	\$ Amount Requested		\$ Am	ount Approved	Eng App	SGI CO#	Date Issued
GC									
1	09/14/16	Utility chase enclosures	\$	10,297.00	\$	10,297.00			
2	09/27/16	Add Hot Water from Hoods	\$	4,000.00	\$	4,000.00			
3	09/23/16	Additional Concrete slab removal	\$	17,069.00	\$	17,069.00			
4	11/04/16	CCD-001 - removal of HVAC Piping	\$	3,862.00	\$	3,862.00			
5	09/27/16	Vent Piping Modifications	\$	22,736.00	\$	22,736.00			
6	11/17/16	Removal of Ductwork in Mechanical Room	\$	4,955.00	\$	4,955.00			
7	11/22/16	Electrical Switchgear Work	\$	11,067.00					
7r1	12/06/16	Electrical Switchgear Work - rev 1	\$	7,016.00					
7r2	12/06/16	Electrical Switchgear Work - rev 2	\$	6,461.00	\$	6,461.00			
8	11/23/16	gas lines to Phase 2 project areas	\$	5,544.00					
9	01/03/17	Additional Vent Piping above the Physics Lab	\$	8,648.00					

	POTENTIAL CHANGE ORDER LOG													
Owner:	Owner: Brookdale Community College													
Project:	Project: 15U012 MAS Building Lab Renovations													
Date:	3/1/17				_									
	Base Contract Amount	Approved Changes to Date	New Contract Amount	% Base Contract										
GC	\$ 3,632,500.00	\$ -	\$ 3,632,500.00	0.00%										
	\$ -													
	\$ -		\$ -											
TOTAL	\$ 3,632,500.00	\$ -	\$ 3,632,500.00	0.00%										

Contractor PCO#	Date Initiated	Description	\$ Amo	ount Requested	\$ Am	ount Approved	Eng App	SGI CO#	Date Issued
10	01/24/17	Extra work related to MDP-A and 480 Volt Feeders	\$	3,008.00	\$	3,008.00			
11	01/25/17	Request for compensations for window shades as per RFI 23	\$	2,000.00					
12	01/26/17	Indicated added labor related to carpet install in A&P Labs.	\$	9,932.80	\$	9,932.80			
13	01/26/17	RFI Response 19 / Add a relief air control damper	\$	2,434.00					
14	01/27/17	RFI Response 11 regarding wiring to emergency panels	\$	9,814.00					
1 <i>4</i> r1	01/27/17	RFI Response 11 regarding wiring to emergency panels	\$	8,278.00	\$	8,278.00			
15	01/31/17	Door and wall modifications to install AHU-7B6	\$	2,165.00	\$	2,165.00			
16	02/01/17	Electrical Feeder Repair Work - Room 011	\$	10,035.00	\$	7,500.00			
17	02/02/17	Additional Concrete Slab removal in 011 and 041	\$	4,184.00	\$	4,184.00			
18	02/13/17	Alterations of Phase 1 Cabinets in 015 & 017	\$	2,643.00					
19	02/14/17	RFI-20 Response	\$	11,522.00					
19r1	02/27/17	RFI-20 Response- revised	\$	8,888.00	\$	8,888.00			

			HAN	GE ORDER LO	G			
	Brookdale Commun							
	15U012 MAS Buildi	ng Lab Renovations						
Date:	3/1/17							
TRADE	Base Contract Amount	Approved Changes to Date	New Contract		% Base Contract			
GC	\$ 3,632,500.00	\$ -			0.00%			
	\$ -							
	\$ -		\$	-	0.000/			
TOTAL	\$ 3,632,500.00	-	\$	3,632,500.00	0.00%			
Contractor PCO#	Date Initiated	Description	\$ Ar	nount Requested	\$ Amount Approved	Eng App	SGI CO#	Date Issued
20	02/14/17	Additional Gas and Power at Demonstration Tables in 011,017 and 034	\$	13,428.00				
otal Amount Re	equested:		\$	189,986.80				
otal Amount A	pproved:				\$ 113,335.80			
Balance Remaining of Allowance:						\$	(13,335.80)	

RESOLUTION

WHEREAS, County College Contracts Law, N.J.S.A. 18A:64A-25.5, allows exceptions to the requirement for advertising; and

WHEREAS, N.J.S.A. 18A:64A-25.5 provides that any purchase, contract or agreement of the character described in N.J.S.A. 18A:64A-25.4, may be made, negotiated or awarded by the county college by resolution at a public meeting of its board of trustees without public advertising for bids or bidding therefore if the subject matter consists of professional services, N.J.S.A. 18A:64A – 25.5 (1) for professional services and N.J.S.A. 18A:64A-25, (15) for professional consulting services; and

WHEREAS, the Board of Trustees has determined the need for professional accounting/consulting services; and

WHEREAS, the Board of Trustees desires to enter into a contract to engage the services of Holman Frenia Allison P.C. for accounting services which are outlined in an engagement letter, dated March 21, 2017 ("Letter of Engagement");and

WHEREAS, the engagement of services will commence from the date of the signed contract until December 31, 2017; and

WHEREAS, the Board of Trustees and Holman Frenia Allison P.C. have agreed to a \$75,000 cap for the services of Holman Frenia Allison P.C. for their services; and

WHEREAS, the Board of Trustees has reviewed the Letter of Engagement which confirms

Holman Frenia Allison, P.C.'s understanding of the nature and limitations of the services they are to

provide to the Brookdale Community College Board of Trustees; and

WHEREAS; the Board of Trustees of Brookdale Community College having reviewed and discussed the terms of the Letter of Engagement at the March 21, 2017 meeting with Mr. Robert Allison, Partner, Holman Frenia Allison P.C. and the parties having agreed upon the terms set forth in the Letter of Engagement;

Page 74 of 171 3/23/2017 9:08:44 AM

NOW THEREFORE BE IT RESOLVED that the Letter of Engagement between Brookdale

Community College and Holman Frenia Allison PC is hereby approved.

Page 75 of 171 3/23/2017 9:08:44 AM



BOARD OF TRUSTEES

General Functions Administration Human Resources Finance & Facilities Policy & Education

4.3 Acceptance of Brookdale Community College's FY16 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, 2016, at its June 21, 2016 meeting.

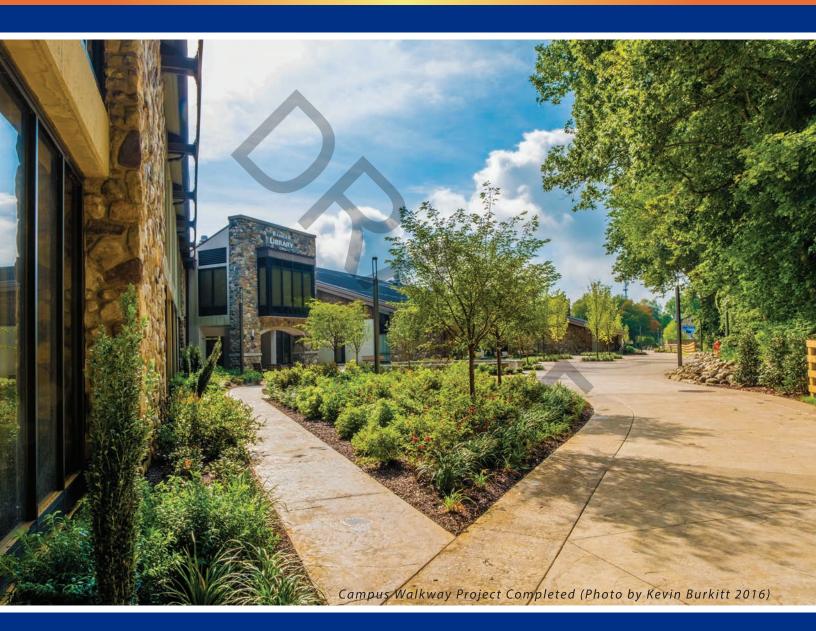
An audit of financial accounts has been completed, and the results of the College's FY16 Financial Statement audit are herewith transmitted to the Board of Trustees for its review and acceptance.

This report was provided to the President and the Board of Trustees for review and acceptance at a meeting held March 21, 2017.

March 21, 2017: Vice President for Finance & Operations, Maureen Lawrence

Page 78 of 171 3/23/2017 9:08:44 AM





Report on Financial Statement Audit

Fiscal Year Ended June 30, 2016

Page 79 of 171 3/23/2017 9:08:44 AM

BROOKDALE COMMUNITY COLLEGE

(a Component Unit of the County of Monmouth)

Financial Statements and Management's Discussion and Analysis

June 30, 2016

CONTENTS

Independent Auditors' Report	1-3
Management's Discussion and Analysis (Unaudited)	4-11
Financial Statements:	
Statement of Net Position	12
Statement of Revenues, Expenses and Changes in Net Position	13
Statement of Cash Flows	14
Notes to the Financial Statements	15-38
Required Supplementary Information:	
Schedules of Proportionate Share of the Net Pension Liability (Unaudited)	39-41
Schedules of Contributions (Unaudited)	42-44
Notes to the Required Supplementary Information	45
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 <i>Government Auditing Standards</i>	46-47
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	48-50

Page 80 of 171 3/23/2017 9:08:44 AM

BROOKDALE COMMUNITY COLLEGE

(a Component Unit of the County of Monmouth)

Financial Statements and Management's Discussion and Analysis

June 30, 2016

CONTENTS - CONTINUED

Schedule of Expenditures of Federal Awards for the Year Ended June 30, 2016	51-52
Schedule of Expenditures of State of New Jersey Awards for the Year Ended -June 30, 2016	53
Notes to Schedules of Expenditures of Federal and State of New Jersey Awards - June 30, 2016	54
Schedule of Findings and Questioned Costs for the Year Ended June 30, 2016	55-67

Page 81 of 171 3/23/2017 9:08:44 AM

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, 2016, the related statements of revenues, expense and changes in net position and cash flows for the years 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, 2016 and the related statements of revenues, expenses, and changes in net position and cash flows for the years 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 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.

Page 82 of 171 3/23/2017 9:08:44 AM

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 the College as of June 30, 2016, and the respective changes in net position and cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters

Restatement of Prior Year Financial Statements

As discussed in Note 2 to the financial statements, the College restated prior balances to capitalize items that had previously been expensed and to recognize the income related to capital appropriations. In addition, the College restated the classification of the various components of net position. Our opinion is not modified with respect to these matters.

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that management's discussion and analysis on pages 4-11, the schedules of the College's proportionate share of the net pension liability on pages 39-41 and the schedules of the College's contributions on page 42-44 and the notes to the required supplemental information on page 45 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 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 on pages 51-52 and the Schedule of Expenditures of State of New Jersey Awards on page 53 is 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.

Page 83 of 171 3/23/2017 9:08:44 AM

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated OPEN, 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

Page 84 of 171 3/23/2017 9:08:44 AM

MANAGEMENT'S DISCUSSION AND ANALYSIS

Page 85 of 171 3/23/2017 9:08:44 AM

(A Component Unit of the County of Monmouth) Management's Discussion and Analysis For the fiscal years ended June 30, 2016 and 2015

Management's Discussion and Analysis ("MD&A") presents the financial performance of Brookdale Community College (the "College") during the fiscal years ended June 30, 2016 and 2015. This MD&A will provide various financial analyses comparing fiscal year 2016 to fiscal year 2015.

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 thirty (30) credits.

_	2016	2015	Change 2015-2016
Credit FTEs	9,818	10,184	(366)
Noncredit FTEs	556	541	15_
Total FTEs	10,374	10,725	(351)

Full-time equated enrollment for credit and noncredit enrollment in fiscal year 2016 was 10,374, compared to fiscal year 2015 FTE enrollment of 10,725. This represents a 3.3 percent decrease.

- Credit enrollment decreased from 10,184 FTEs in fiscal year 2015 to 9,818 FTEs in fiscal year 2016, which represents a 3.6 percent decrease.
- Noncredit enrollment increased from 541 FTEs in fiscal year 2015 to 556 FTEs in fiscal year 2016, which represents a 2.8 percent increase.
- Credit enrollment decreases are not unexpected as they follow 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").

(A Component Unit of the County of Monmouth)
Management's Discussion and Analysis
For the fiscal years ended June 30, 2016 and 2015

Financial Highlights

Condensed Schedule of Net Position

The following represents assets, liabilities and net position of the College as of June 30, 2016 and 2015:

	2016	Restated 2015	Change 2015-2016
Current assets	\$ 16,238,551	20,629,077	(4,390,526)
Noncurrent assets: Capital assets	152,172,280	148,315,025	3,857,255
Total assets	\$ 168,410,831	168,944,102	(533,271)
Deferred outflow of resources	\$ 11,788,197	3,638,495	8,149,702
Current liabilities Noncurrent liabilities	\$ 15,402,356 90,248,287	14,298,935 84,499,145	1,103,421 5,749,142
Total liabilities	\$ 105,650,643	98,798,080	6,852,563
Deferred inflows of resources	\$5,697,612	4,195,734	1,501,878
Net position: Net investment in capital assets Restricted for capital Unrestricted	\$ 111,534,793 1,523,003 (44,207,023)	106,668,991 3,804,789 (40,884,997)	4,865,802 (2,281,786) (3,322,026)
Total net position	\$ 68,850,773	69,588,783	(738,010)

The decrease in current assets of \$4,390,526 is due to the following:

- A net decrease in cash and cash equivalents of \$5,529,245.
- An increase in accounts receivable of \$3,594,767, mainly the result of an increase in State and County receivables.
- A decrease in deposits held by trustee of \$2,361,786, 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.

Capital assets increased in the net by \$3,857,255 which is due to net additions of \$9,529,688, less the net change in accumulated depreciation of \$5,672,433.

(A Component Unit of the County of Monmouth) Management's Discussion and Analysis For the fiscal years ended June 30, 2016 and 2015

Financial Highlights - Continued

Condensed Schedule of Net Position

Deferred outflows of resources increase of \$8,149,702 is due to an increase of \$5,126,966 related to net pension liability and an increase of \$3,022,736 related to the deferred loss on bond refinancing of the 2008 Series bonds.

The decrease in current liabilities of \$1,103,421 is due to the following:

- Accounts payable and accrued expenses increased \$1,622,404 due to an increase in capital accounts payable for construction of the Wall project.
- Unearned student tuition and fees decreased \$783,403.

Non-current liabilities increased \$5,749,142 due to the following:

- Long-term debt increased \$1,752,579 as a result of the College refinancing the Series 2008 Bond to the Series 2015 Bond. The refinancing resulted in an increase in bond premium of \$1,934,479, offset by the amortization of \$124,255. However, the refinancing will save the College \$1,452,428 over the life of the bonds.
- Net pension liability increased \$3,996,563 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.

Restatement of Prior Year Financial Statements

The College contracted with an appraisal company to perform an inventory of its capital assets at June 30, 2016. As a result of this inventory, it was necessary to increase buildings, building improvements and equipment by \$673,203 to reconcile to the physical inventory.

During the year, the College discovered it had recorded a capital appropriation as unearned revenue instead of recognizing it as other revenue within the Statement of Revenues, Expenses and Changes in Net Position. As a result, the College's beginning restricted net position increased by \$3,804,789 and unrestricted net position decreased by \$529,466.

During the year ended June 30, 2016, the College discovered that a reclassification of its net position as of June 30, 2015 was necessary. As a result, the College's net invesment in capital assets, restricted net position and unrestricted net position were restated.

(A Component Unit of the County of Monmouth)
Management's Discussion and Analysis
For the fiscal years ended June 30, 2016 and 2015

Restatement of Prior Year Financial Statements - Continued

The cumulative effect on the financial statement as reported for June 30, 2015 is as follows:

	As Reported June 30, 2015	Prior Period Adjustments	Restated June 30, 2015
Depreciable assets Accumulated depreciation Nondepreciable asset, land	241,694,182 (99,934,822) 5,882,462	2,192,433 (1,519,230)	243,886,615 (101,454,052) 5,882,462
Capital assets, net of accumulated depreciation	147,641,822	673,203	148,315,025
Unearned revenue other	3,275,323	(3,275,323)	
Net investment in capital assets Restricted - capital expenditures Unrestricted	96,216,950 (30,576,693)	10,452,041 3,804,789 (10,308,304)	106,668,991 3,804,789 (40,884,997)
Total net position \$	65,640,257	3,948,526	69,588,783

The financial statements for prior years have not been recalled, revised, or reissued.

Capital Asset Activity

Capital asset activity for the fiscal year ended June 30, 2016 was as follows:

		Restated 2015	Additions	Retirements	2016
Land Building and improvements	\$	5,882,462 232,311,661	8,292,247	(37,710)	5,882,462 240,566,198
Furniture and equipment	_	11,574,954	2,031,171	(756,020)	12,850,105
Total		249,769,077	10,323,418	(793,730)	259,298,765
Less accumulated depreciation	_	(101,454,052)	(6,436,833)	764,400	(107,126,485)
Capital assets, net	\$_	148,315,025	3,886,585	(29,330)	152,172,280

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, restated the fiscal 2015 balances. Building and improvements, furniture and equipment additions are the product of our Wall and Technology Improvement Projects funded by State of New Jersey grant programs, the County of Monmouth and College reserves. Retirements included technology equipment past a useful life cycle; examples include the Avaya phone system, which was upgraded to a superior Cisco product funded by ELF.

(A Component Unit of the County of Monmouth)
Management's Discussion and Analysis
For the fiscal years ended June 30, 2016 and 2015

Summary of Revenues, Expenses, and Changes in Net Position

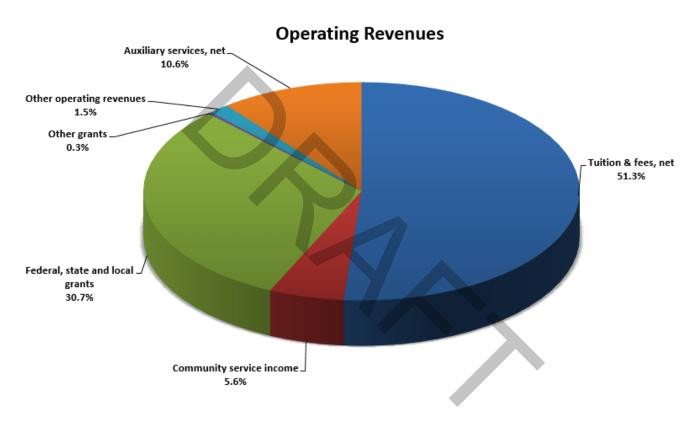
The College receives revenue from three main sources: student tuition and fees, state aid, and county support. The balance of revenue was received from miscellaneous sources, which include Continuing Professional Services, grants and Auxiliary services (bookstore, dining & events).

	_	2016	(Restated) 2015	Change 2015-2016
Operating revenues:				
Tuition, net	\$	21,639,935	21,005,531	634,404
Fees	Ψ	6,057,579	5,997,306	60,273
Chargebacks to other counties		303,826	315,482	(11,656)
Community service income		3,042,276	2,679,006	363,270
Federal, state and local grants		16,770,318	18,327,669	(1,557,351)
Other grants		146,895	178,537	(31,642)
Other operating revenues		828,646	934,289	(105,643)
Auxiliary services, net	-	5,797,205	5,845,950	(48,745)
Total operating revenues		54,586,680	55,283,770	(697,090)
Operating expenses	_	108,648,186	113,747,225	(5,099,039)
Operating loss	,	(54,061,506)	(58,463,455)	4,401,949
Nonoperating revenues (expenses):				
State appropriations		10,378,691	10,350,862	27,829
Local appropriations		20,027,019	20,027,019	_
Pell Grants		15,451,175	16,434,086	(982,911)
Investment income			47,450	(47,450)
Other nonoperating revenues		3,760,423	3,659,699	100,724
Other nonoperating expenses		(824,450)	(20,918)	(803,532)
Bond issuance expense		(473,930)	(2.021.000)	(473,930)
Interest expense	-	(1,652,816)	(2,031,898)	379,082
Net nonoperating revenues	-	46,666,112	48,466,300	(1,800,188)
Loss before other revenues		(7,395,394)	(9,997,155)	2,601,761
Other revenues:				
Capital appropriations	_	6,657,384	5,047,293	1,610,091
.	_	(520,010)	(4.0.40.0.62)	4.211.052
Decrease in net position		(738,010)	(4,949,862)	4,211,852
Net position as of beginning of year	_	69,588,783	74,538,645	(4,949,862)
Net position as of end of year	\$ _	68,850,773	69,588,783	(738,010)

(A Component Unit of the County of Monmouth)
Management's Discussion and Analysis
For the fiscal years ended June 30, 2016 and 2015

Revenues

The College charged \$122.75 and \$118.75 per student credit hour ("SCH") to a maximum of \$1,841.25 and \$1,781.25 per term in fiscal years 2016 and 2015, respectively. In addition, the College charged a General Service Fee of 24% of tuition, or \$29.46 and \$28.50 per student credit hour to a maximum of \$441.90 and \$427.50, respectively during the same periods. Those fees helped fund technology enhancements, student life and activities, capital improvements and debt service obligations.



Tuition, fee, and chargeback revenue increased by \$11,252; this increase was offset by a decrease in scholarship allowances of \$671,769, for an overall net increase of \$683,021. Lower enrollment, which also impacts general service fees, accounts for the lower revenue figures. The increase is due to an increase in tuition rates offset by a decline in credit enrollment.

The Bookstore, Event Management and Dining Services operations make up the main components of the College's Auxiliary Services. The decrease in Auxiliary Services revenue of \$48,745 is primarily attributed to the decline in enrollment.

Nonoperating revenues

State aid increased by \$27,829 due to a reallocation of funding to the 19 community colleges based on audited FY15 enrollment data. Overall State aid funding to the sector remained flat in FY16.

Total County aid of \$20,027,019 remained flat from 2015 to 2016.

(A Component Unit of the County of Monmouth)
Management's Discussion and Analysis
For the fiscal years ended June 30, 2016 and 2015

Expenses

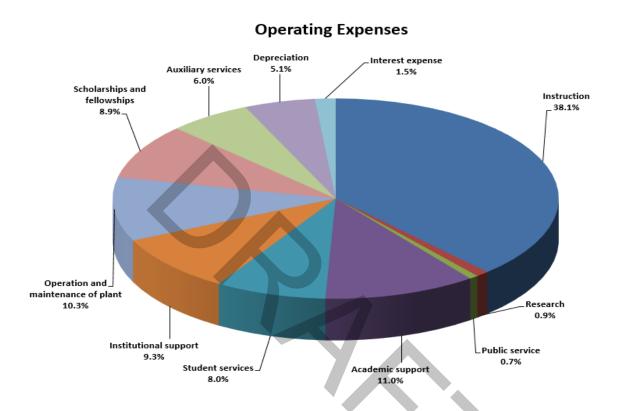
Operating expenses are those expenses paid by the College to acquire or produce goods and services to fulfill its mission. Naturally, the majority of expense can be attributed to the College's core mission – student success. The College had total operating and interest expenses of \$110,301,002 in FY16 compared with \$115,779,123 in FY15. The College's operating expenses by functional classification for the years ended June 2016 and 2015 were:

	_	2016	2015	Change 2015-2016
Operating expenses:				
Operating expenses:	\$	12 040 465	41 120 064	000 501
	Ф	42,040,465	41,130,964	909,501
Research		1,032,364	960,852	71,512
Public service		732,886	804,930	(72,044)
Academic support		12,160,996	15,193,478	(3,032,482)
Student services		8,847,886	9,947,405	(1,099,519)
Institutional support		10,311,672	10,394,589	(82,917)
Operation and maintenance of plant		11,368,551	10,765,512	603,039
Scholarships and fellowships		9,828,850	11,642,815	(1,813,965)
Auxiliary services		6,652,083	7,131,536	(479,453)
Depreciation		5,672,433	5,775,144	(102,711)
Total operating expenses		108,648,186	113,747,225	(5,099,039)
Interest expense	_	1,652,816	2,031,898	(379,082)
Total operating and interest expenses	\$_	110,301,002	115,779,123	(5,478,121)

Page 92 of 171 3/23/2017 9:08:44 AM

(A Component Unit of the County of Monmouth)
Management's Discussion and Analysis
For the fiscal years ended June 30, 2016 and 2015

Expenses - Continued



Operating and interest expenses decreased \$5,478,121 in fiscal year 2016 over fiscal year 2015. This decrease is primarily the result of the College continuing to focus on ways to reduce expenditures, in an effort to decrease reliance on self-funding the annual budget. Campus-wide savings were realized through strategic realignment of personnel following staff retirements and resignations, offset by increases to the cost of health benefits and pension obligations.

Summary of Net Position

The College had the following net position as of June 30:

	_	2016	2015	Change 2015-2016
Net position:	Φ.	1 000 027	4.021.200	(2.050.552)
Unrestricted Restricted	\$	1,080,837 1,523,003	4,031,389 3,804,789	(2,950,552) (2,281,786)
Impact of GASB 68	-	(45,287,860) (42,684,020)	(44,916,386) (37,080,208)	$\frac{(371,474)}{(5,603,812)}$
Net investment in capital assets	-	111,534,793	106,668,991	4,865,802
Total net position	\$	68,850,773	69,588,783	(738,010)



Page 94 of 171 3/23/2017 9:08:44 AM

BROOKDALE COMMUNITY COLLEGE (A Component Unit of the County of Monmouth) Statements of Net Position For the fiscal year ended June 30, 2016

Current assets: \$ 5,067,469 \$ 5,77,916 Cash and cash equivalents (note 3) \$ 5,067,469 \$ 3,296,542 Accounts receivable, net of allowance of \$898,471 (note 4) 7,691,693 293,629 Deposits held by trustees (note 3) 1,523,003 293,629 Prepaid expenses 1,211,015 — Total current assets 16,238,551 4,168,087 Noncurrent assets: — 2,041,263 Endowment investments (note 3) — 2,041,263 Capital assets, net of accumulated depreciation of \$107,126,485 (note 6) 152,172,280 2,041,263 Total noncurrent assets 168,410,831 6,209,350 Deferred Outflows of Resources Related to pensions (note-9) 8,436,366 — Deferred loss on bond refinancing (note 7) 3,351,831 — 1,788,197 — 1 Current liabilities: — 11,150,904 123,316 Current liabilities: — 12,23,75,48 — Current liabilities: 11,26,299 — Current liabilities: 1,26	Assets		Brookdale Community College	-	Brookdale Community College Foundation	
Noncurrent assets: Endowment investments (note 3)	Cash and cash equivalents (note 3) Short-term investments (note 3) Accounts receivable, net of allowance of \$898,471 (note 4) Deposits held by trustees (note 3) Inventories Prepaid expenses	\$	7,691,693 1,523,003 745,371 1,211,015	\$	3,296,542 293,629 — — —	
Endowment investments (note 3)	Total current assets		16,238,551	-	4,168,087	
Total assets 168,410,831 6,209,350	Endowment investments (note 3) Capital assets, net of accumulated depreciation		152,172,280	<u>-</u>	2,041,263	
Deferred Outflows of Resources Related to pensions (note 9) 8,436,366 —	Total noncurrent assets		152,172,280		2,041,263	
Deferred Outflows of Resources Related to pensions (note 9) 8,436,366 —	Total assets		168,410,831		6,209,350	
Related to pensions (note 9) 8,436,366 — Deferred loss on bond refinancing (note 7) 3,351,831 — Liabilities Current liabilities: Accounts payable and accrued expenses (notes 5 and 11) 11,150,904 123,316 Unearned student tuition and fees 2,357,548 — Unearned grant revenue 126,259 — Long-term debt, current portion (note 7) 1,767,645 — Total current liabilities 15,402,356 123,316 Noncurrent liabilities: Long-term debt, net of current portion (note 7) 42,221,673 — Net pension liability (note 9) 48,026,614 — Total noncurrent liabilities 90,248,287 — Total liabilities 105,680,643 123,316 Net pensions (note 9) 5,697,612 — Net position Net position <td co<="" td=""><td></td><td></td><td></td><td>-</td><td></td></td>	<td></td> <td></td> <td></td> <td>-</td> <td></td>				-	
Related to pensions (note 9) 8,436,366 — Deferred loss on bond refinancing (note 7) 3,351,831 — Liabilities Current liabilities: Accounts payable and accrued expenses (notes 5 and 11) 11,150,904 123,316 Unearned student tuition and fees 2,357,548 — Unearned grant revenue 126,259 — Long-term debt, current portion (note 7) 1,767,645 — Total current liabilities 15,402,356 123,316 Noncurrent liabilities: Long-term debt, net of current portion (note 7) 42,221,673 — Net pension liability (note 9) 48,026,614 — Total noncurrent liabilities 90,248,287 — Total liabilities 105,680,643 123,316 Net pensions (note 9) 5,697,612 — Net position Net position <td co<="" td=""><td>Defended Outflows of Pessures</td><td></td><td></td><td></td><td></td></td>	<td>Defended Outflows of Pessures</td> <td></td> <td></td> <td></td> <td></td>	Defended Outflows of Pessures				
Deferred loss on bond refinancing (note 7) 3,351,831 11,788,197			8 436 366		_	
Current liabilities						
Liabilities Current liabilities: Accounts payable and accrued expenses (notes 5 and 11) 11,150,904 123,316 Unearned student tuition and fees 2,357,548 — Unearned grant revenue 126,259 — Long-term debt, current portion (note 7) 1,767,645 — Total current liabilities 15,402,356 123,316 Noncurrent liabilities: — — Long-term debt, net of current portion (note 7) 42,221,673 — Net pension liability (note 9) 48,026,614 — Total noncurrent liabilities 90,248,287 — Total liabilities 105,650,643 123,316 Net Position Net Position Net Position Net investment in capital assets 111,534,793 — Restricted: — 902,086 Nonexpendable: — 1,190,871 Library — 902,086 Expendable: — 2,482,153 Csholarships — 2,482,153	Deterred loss on bond remaining (note 7)			-		
Accounts payable and accrued expenses (notes 5 and 11)	Liabilities		11,700,157			
Accounts payable and accrued expenses (notes 5 and 11)						
Unearned grant revenue			11,150,904		123,316	
Long-term debt, current portion (note 7)					_	
Total current liabilities 15,402,356 123,316	ě				_	
Noncurrent liabilities: Long-term debt, net of current portion (note 7)		不		-	122 216	
Long-term debt, net of current portion (note 7)			13,402,530	-	123,310	
Deferred Inflows of Resources Related to pensions (note 9) 5,697,612 —	Long-term debt, net of current portion (note 7)				_	
Deferred Inflows of Resources Related to pensions (note 9) 5,697,612 —	Total noncurrent liabilities		90,248,287		_	
Deferred Inflows of Resources Related to pensions (note 9) 5,697,612 —	Total liabilities			-	123.316	
Related to pensions (note 9) 5,697,612 — Net Position Net investment in capital assets 111,534,793 — Restricted: Nonexpendable: — 1,190,871 Library — 902,086 Expendable: — 2,482,153 Capital assets 1,523,003 — Scholarships — 2,482,153 Library — 369,871 Unrestricted (note 8) (44,207,023) 1,141,053	Town Automote		100,000,000	-	120,010	
Net Position Net investment in capital assets 111,534,793 — Restricted: Nonexpendable: Scholarships — 1,190,871 Library — 902,086 Expendable: — 902,086 Capital assets 1,523,003 — Scholarships — 2,482,153 Library — 369,871 Unrestricted (note 8) (44,207,023) 1,141,053	Deferred Inflows of Resources					
Net investment in capital assets 111,534,793 — Restricted: Nonexpendable: — 1,190,871 Scholarships — 902,086 Expendable: — 2,482,153 Capital assets 1,523,003 — Scholarships — 2,482,153 Library — 369,871 Unrestricted (note 8) (44,207,023) 1,141,053	Related to pensions (note 9)		5,697,612	-		
Net investment in capital assets 111,534,793 — Restricted: Nonexpendable: — 1,190,871 Scholarships — 902,086 Expendable: — 2,482,153 Capital assets 1,523,003 — Scholarships — 2,482,153 Library — 369,871 Unrestricted (note 8) (44,207,023) 1,141,053	27244					
Restricted: Nonexpendable: 1,190,871 Scholarships — 1,190,871 Library — 902,086 Expendable: — 2,482,153 Scholarships — 2,482,153 Library — 369,871 Unrestricted (note 8) (44,207,023) 1,141,053	Net Position					
Scholarships — 1,190,871 Library — 902,086 Expendable: — Capital assets 1,523,003 — Scholarships — 2,482,153 Library — 369,871 Unrestricted (note 8) (44,207,023) 1,141,053	Restricted:		111,534,793		_	
Library — 902,086 Expendable: — 902,086 Capital assets 1,523,003 — Scholarships — 2,482,153 Library — 369,871 Unrestricted (note 8) (44,207,023) 1,141,053	•				1 190 871	
Expendable: 1,523,003 — Capital assets 1,523,003 — Scholarships — 2,482,153 Library — 369,871 Unrestricted (note 8) (44,207,023) 1,141,053	<u>*</u>		_			
Scholarships — 2,482,153 Library — 369,871 Unrestricted (note 8) (44,207,023) 1,141,053	Expendable:				•	
Library — 369,871 Unrestricted (note 8) (44,207,023) 1,141,053			1,523,003		2 482 153	
Unrestricted (note 8) (44,207,023) 1,141,053	<u>*</u>		_			
Total net position \$ 68,850,773 \$ 6,086,034	•		(44,207,023)			
	Total net position	\$	68,850,773	\$	6,086,034	

The accompanying notes are an integral part of the financial statements.

12

Page 95 of 171

(A Component Unit of the County of Monmouth)
Statements of Revenues, Expenses, and Changes in Net Position
For the fiscal year ended June 30, 2016

		Brookdale Community College		Brookdale Community College Foundation
Operating revenues:	•	<u> </u>	•	
Student revenues: Tuition, net of scholarship allowances of \$17,671,642 Chargebacks to other counties	\$	21,639,935 303,826	\$	
Auxiliary services, net of scholarships of \$1,517,321 Fees		21,943,761 5,797,205 6,057,579	-	_
Net student revenues		33,798,545		_
Community service income Federal grants State grants Local grants Other grants Special events Other operating revenues		3,042,276 12,282,872 4,059,494 427,952 146,895 — 828,646		211,209
1	•		•	211 200
Total operating revenues Operating expenses: Instruction Research Public service Academic support Student services Institutional support Operation and maintenance of plant Scholarships and fellowships Auxiliary services Depreciation		54,586,680 42,040,465 1,032,364 732,886 12,160,996 8,847,886 10,311,672 11,368,551 9,828,850 6,652,083 5,672,433		211,209 — — — 169,521 429,381 —
Total operating expenses		108,648,186	•	598,902
Operating loss	Ĵ	(54,061,506)	•	(387,693)
Nonoperating revenues (expenses): State appropriations Local appropriations Pell grants Contributions		10,378,691 20,027,019 15,451,175		
Investment income Other nonoperating revenues		3,760,423		249,996 —
Other nonoperating expenses		(824,450)		_
Interest expense Bond issuance expense		(1,652,816) (473,930)		_
On-behalf payments - alternate benefit program: Revenues Expenses On-behalf payments - police & firemen's retirement system:		2,120,192 (2,120,192)		
Revenues Expenses		60,828 (60,828)		_
Net nonoperating revenues		46,666,112		792,195
Income (loss) before other revenues		(7,395,394)		404,502
Other revenues (expenses):				
Capital appropriations		6,657,384		
(Decrease) Increase in net position		(738,010)		404,502
Net position as of beginning of year		65,640,257		5,681,532
Net position, restatement of prior year balances (Note 2)		3,948,526		
Net position, as of beginning of year as restated		69,588,783		5,681,532
Net position as of end of year	\$	68,850,773	\$	6,086,034

The accompanying notes are an integral part of the financial statements.

BROOKDALE COMMUNITY COLLEGE
(A Component Unit of the County of Monmouth)
Statements of Cash Flows
For the fiscal year ended June 30, 2016

	Brookdale Community College	Brookdale Community College Foundation
Cash flows from operating activities:	Conege	1 oundation
	\$ 27,268,356	_
Noncredit revenue	3,065,673	_
Grants and contracts	16,814,848	_
Grant payments	(32,368,388)	(91.041)
Payments to suppliers Payments to employees	(9,796,786) (45,597,336)	(81,041) (95,055)
Payments for scholarships and fellowships	(8,311,529)	(334,913)
Auxiliary services:	(0,011,017)	(== 1,5 ==)
Bookstore and dining services receipts	5,463,029	_
Bookstore and dining services payments	(4,667,123)	_
Other auxiliary services payments	(1,572,252)	
Special events receipts	929 (46	225,167
Other operating receipts	828,646	
Net cash used in operating activities	(48,872,862)	(285,842)
Cash flows from noncapital financing activities:		
State appropriations	10,378,691	_
Local appropriations	20,027,019	_
Pell Grants	15,333,539	_
Other nonoperating revenue Contributions	2,935,973	225 216
		335,216
Net cash provided by noncapital financing activities	48,675,222	335,216
Cash flows from capital financing activities:		
Proceeds from issuance of debt	22,820,000	_
Payments on capital debt	(1,506,035)	_
Defeased bonds	(22,820,000)	_
Capital appropriations	3,180,087	_
Interest paid on capital debt Purchases of capital assets	(1,773,957)	_
	(7,593,486)	
Net cash used in capital financing activities	(7,693,391)	
Cash flows from investing activities:		
Proceeds from sales and maturities of investments	_	554,967
Interest and dividends on investments	_	71,289
Purchases of investments		(524,848)
Net cash provided by investing activities		101,408
Net increase (decrease) in cash and cash equivalents	(7,891,031)	150,782
Cash and cash equivalents as of beginning of year	14,481,503	427,134
Cash and cash equivalents as of end of year	\$ 6,590,472	577,916
Reconciliation of operating loss to net cash		
used in operating activities:		
	\$ (54,061,506)	(387,693)
Adjustments to reconcile operating loss to net cash		
used in operating activities:		
Depreciation expense	5,672,433	_
Net pension expense	371,475	_
Changes in assets and liabilities: Grants and other receivables	165	13,958
Contributions receivable	103	
Inventories	59,470	_
Prepaid expenses	34,792	_
Accounts payable and accrued expenses	(169,099)	_
Due to Brookdale Community College	_	87,893
Unearned student tuition and fees	(783,403)	_
Unearned grant revenue	2,811	
Net cash used in operating activities	\$ (48,872,862)	\$ (285,842)
Cook and Cook Equivalents		
Cash and Cash Equivalents: Cash and cash equivalents	\$ 5,067,469	\$ 577,916
Deposits held by trustees (note 3)	\$ 5,067,469 1,523,003	\$ 577,916
* * * *	\$ 6,590,472	\$ 577,916
	. 0,000,172	2,7,710
Supplemental Information:		
	\$ 1,936,202	\$
Current year deferred loss on bond refinancing	\$ 3,170,549	\$
· · · · · · · · · · · · · · · · · · ·	\$ 473,930	\$

The accompanying notes are an integral part of the financial statements.

(A Component Unit of the County of Monmouth)
Notes to Financial Statements
June 30, 2016

(1) Organization and Summary of Significant Accounting Policies

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, day care center, and the Monmouth Museum.

The College also operates the Brookdale at Freehold Campus, as well as four Higher Education Centers ("HECs") located throughout the County in Neptune, Long Branch, Hazlet and Wall. 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 degrees at Brookdale locations.

Financial Reporting and 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 Brookdale Community 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 Brookdale Community College 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.

(A Component Unit of the County of Monmouth)
Notes to Financial Statements (continued)
June 30, 2016

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

Financial Reporting and Summary of Significant Accounting Policies (continued)

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.

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.

(A Component Unit of the County of Monmouth)
Notes to Financial Statements (continued)
June 30, 2016

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

Recently Issued Accounting Pronouncements

GASB Statement 75 - Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions is effective for periods beginning after June 15, 2017. This Statement replaces Statement 45, Accounting and Financial Reporting by Employers for Postemployment Benefits Other Than Pension Plans and Statement 57, OPEB Measurements by Agent Employers and Agent Multiple-Employer Plans. The objective of Statement 75 is to improve accounting and financial reporting by state and local governments for postemployment benefits other than pensions ("OPEB"). It also requires additional information by state and local governmental employers about financial support for OPEB that is provided by other entities. The Statement establishes standards for recognizing and measuring liabilities, deferred outflows and inflows of resources, and expense/expenditures. GASB 75 also identifies the assumptions and methods that are required to be used to project benefit payments, discount projected benefit payments to their actuarial present value and attribute that present value to periods of employee service for defined benefit OPEB. Management has not yet evaluated the effects of the implementation of this Statement.

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 No. 35. Business-type activities are those that are financed in whole or in part by fees charged to external parties for goods or services.

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.

(A Component Unit of the County of Monmouth)
Notes to Financial Statements (continued)
June 30, 2016

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

Financial Reporting and Summary of Significant Accounting Policies (continued)

Other

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

- (a) Cash and cash equivalents consist of cash on deposit with banks and money market funds with original maturities of three months or less when purchased.
- (b) Inventories consist of books, clothing, and other bookstore merchandise and are recorded at the lower of cost or market using the average cost.
- (c) 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.
- (d) 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:

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

- (e) The County of Monmouth 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 of Monmouth 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 6).
- (f) 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.

(A Component Unit of the County of Monmouth)
Notes to Financial Statements (continued)
June 30, 2016

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

Financial Reporting and Summary of Significant Accounting Policies (continued)

Other (continued)

- (g) 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.
- (h) Revenue from State of New Jersey and County appropriations is recognized in the fiscal years during which the State of New Jersey and County of Monmouth appropriate the funds to the College.
- (i) 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.
- (j) Auxiliary services expenses include direct and indirect administration and general costs related to their operations.
- (k) 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.
- (l) The College receives appropriations from the State of New Jersey and the County of Monmouth. The College is economically dependent on these appropriations to carry on its operations and is considered to be a component unit of the County of Monmouth.
- (m) 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.
 - 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 County of Monmouth, contributions and investment income. Interest expense is reported as a nonoperating expense.

(A Component Unit of the County of Monmouth)
Notes to Financial Statements (continued)
June 30, 2016

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

Financial Reporting and Summary of Significant Accounting Policies (continued)

Other (continued)

- (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.

(2) Correction of Previously Issued Financial Statements

Restatement of Prior Year Financial Statements

The College contracted with an appraisal company to perform an inventory of its capital assets at June 30, 2016. As a result of this inventory, it was necessary to increase buildings, building improvements and equipment by \$673,203 to reconcile to the physical inventory.

During the year, the College discovered it had recorded a capital appropriation as unearned revenue instead of recognizing it as other revenue within the Statement of Revenues, Expenses and Changes in Net Position. As a result, the College's beginning restricted net position increased by \$3,804,789 and unrestricted net position decreased by \$529,466.

During the year ended June 30, 2016, the College discovered that a reclassification of its net position as of June 30, 2015 was necessary. As a result, the College's net investment in capital assets, restricted net position and unrestricted net position were restated.

The cumulative effect on the financial statement as reported for June 30, 2015 is as follows:

	As Reported June 30, 2015	Prior Period Adjustments	Restated June 30, 2015
Depreciable assets Accumulated depreciation Nondepreciable asset, land	241,694,182 (99,934,822) 5,882,462	2,192,433 (1,519,230)	243,886,615 (101,454,052) 5,882,462
Capital assets, net of accumulated depreciation	147,641,822	673,203	148,315,025
Unearned revenue other	3,275,323	(3,275,323)	
Net investment in capital assets Restricted - capital expenditures Unrestricted	96,216,950 — (30,576,693)	10,452,041 3,804,789 (10,308,304)	106,668,991 3,804,789 (40,884,997)
Total net position \$	65,640,257	3,948,526	69,588,783

The financial statements for prior years have not been recalled, revised, or reissued.

(A Component Unit of the County of Monmouth)
Notes to Financial Statements (continued)
June 30, 2016

(3) Cash and Cash Equivalents and Investments

Cash and Cash Equivalents

Custodial Credit Risk

Custodial credit risk is the risk that, in the event of a bank failure, the College's deposits may not be returned to it. Although the College does not have a formal policy regarding custodial credit risk, 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, 2016 the College's and Foundation's combined bank balances of \$7,784,885 were insured, collateralized or uninsured as follows:

	_	Brookdale Community College	_	Brookdale Community College Foundation
Insured Collateralized under GUDPA Uninsured	\$	250,000 6,913,391	\$	250,000
Uninsured	\$_	15,690 7,179,081	\$	355,804 605,804

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 cash equivalents. As of June 30, 2016, the College's deposits held by trustees are \$1,523,003.

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, 2016 are \$5,337,805, in certificates of deposit, mutual funds, bonds and notes, and equities at various financial institutions.

(A Component Unit of the County of Monmouth)
Notes to Financial Statements (continued)
June 30, 2016

(3) Cash and Cash Equivalents and Investments (continued)

Cash and Cash Equivalents

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, the majority of investments purchased have a maturity date of no more than one year. The Foundation 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.

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.

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, 2016, are as follows:

Investment rating*	
AAA	\$ 438,452
AA+	281,113
AA-	47,759
A+	38,332
A	168,172
A-	162,520
BBB+	383,175
BBB	50,577
BBB-	15,751
BB+	25,000
	\$ 1,610,851

^{*}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.

(A Component Unit of the County of Monmouth)
Notes to Financial Statements (continued)
June 30, 2016

(3) Cash and Cash Equivalents and Investments (continued)

Investments (continued)

The Foundation investments as of June 30, 2016 are stated at fair value and consist of the following:

Investment Maturities (in years)

Investment Type		Market Value	Less than 1	<u>1-5 years</u>	<u>6-10 years</u>	More than 10 years
Corporate bonds	\$	917,711	37,278	394,075	349,966	136,392
Government bonds		650,280	31,023	423,557	78,445	117,255
Municipal bonds		18,230	-	-	-	18,230
Foreign bonds		24,630	<u>-</u>	24,630		
	<	1,610,851	68,301	842,262	428,411	271,877
Other investments						
Mutual funds		9,964				
Preferred stock		138,596				
Equities	_	3,578,394				
	\$	5,337,805				

Foundation investment income for the year ended June 30, 2016 is as follows:

Investment income	\$	71,289
Net realized and unrealized gains		178,707
	•	
	\$	249,996

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, 2016.

(A Component Unit of the County of Monmouth)
Notes to Financial Statements (continued)
June 30, 2016

(3) Cash and Cash Equivalents and Investments (continued)

Investments (continued)

Common stocks, equities, corporate 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 if the fair value of certain financial instruments could result in a different fair value measurement at the reporting date.

At June 30, 2016, all investments of the Foundation are categorized in Level 1 of the fair value hierarchy. As of June 30, 2016 College holds no investments.

(4) Accounts Receivable

Accounts receivable consisted of the following as of June 30, 2016:

	Brookdale Community College	Brookdale Community College Foundation
Federal, state and local grants receivable	6,074,873 \$	
Student accounts receivable	1,621,594	
Community development receivables	279,459	_
Other receivables	614,238	293,629
Allowance for doubtful accounts	8,590,164 (898,471)	293,629 —
5	§ <u>7,691,693</u> \$	293,629

(A Component Unit of the County of Monmouth)
Notes to Financial Statements (continued)
June 30, 2016

(5) Accounts Payable and Accrued Expenses

Accounts payable and accrued expenses consisted of the following as of June 30, 2016:

	Brookdale Community College	-	Brookdale Community College Foundation
Vendors	\$,	\$	_
Construction	2,751,662		
Payroll	2,967,235		_
Compensated absences - vacation	2,124,084		
Pension contribution	1,840,038		
State of New Jersey unemployment	499,997		
Other	548,214		123,316
	\$ 11,150,904	\$	123,316

(A Component Unit of the County of Monmouth)
Notes to Financial Statements (continued)
June 30, 2016

(6) Capital Assets

For the year ended June 30, 2016, capital assets and accumulated depreciation was as follows:

	Balance			
	July 1, 2015			Balance
	Restated	Additions	Retirements	June 30, 2016
Depreciable assets:				
Buildings and building improvements \$	232,311,661	8,292,247	(37,710)	240,566,198
Equipment	11,574,954	2,031,171	(756,020)	12,850,105
	243,886,615	10,323,418	(793,730)	253,416,303
Less accumulated depreciation:				
Buildings and building improvements	(93,034,461)	(5,534,299)	8,380	(98,560,380)
Equipment	(8,419,591)	(902,534)	756,020	(8,566,105)
	(101,454,052)	(6,436,833)	764,400	(107,126,485)
		·	<u> </u>	
Depreciable assets, net	142,432,563	3,886,585	(29,330)	146,289,818
Nondepreciable asset - land	5,882,462			5,882,462
Capital Assets, Net	148,315,025	3,886,585	(29,330)	152,172,280
		•		

(A Component Unit of the County of Monmouth)
Notes to Financial Statements (continued)
June 30, 2016

(7) Long-Term Debt

The activity in long-term debt for the year ended June 30, 2016 was as follows:

		June 30, 2015	Increase	Decrease	Defeased	June 30, 2016
A. Lease revenue bonds - Series 2008 issue: Before refunding - Serial bonds (interest rates from 4.75% to 5.00 % due on various dates through fiscal year 2019)	\$	6,750,000	_	(535,000)	(4,440,000)	1,775,000
Term bonds (interest rate from 5.25% to 6.00%; due in fiscal years 2027, 2029, 2032 and 2039) B. Lease revenue bonds - Series 2009 issue: Serial bonds (interest rates from 2.0% to 5.125%;		18,380,000	_	_	(18,380,000)	_
due on various dates through fiscal year 2023) Term bonds (interest rate from 3.5% to 4.0%;		3,715,000	_	(405,000)	_	3,310,000
due in fiscal years 2025 to 2032) C. Lease revenue bonds - Series 2012 issue: Serial bonds (interest rates from 2.0% to 5.0%;		5,695,000	_	_	_	5,695,000
due on various dates through fiscal year 2026) D. Equipment leasing fund (interest rate of 5%		6,335,000	_	(435,000)	_	5,900,000
due on various dates through fiscal year 2019) E. Lease revenue bonds - Series 2015 issue:		494,749	_	(131,035)	_	363,714
Serial bonds (interest rates from 3.0% to 5.0%; due on various dates through fiscal year 2036)		+/	19,525,000	_	_	19,525,000
Term bonds (interest rate 3.5%; due through fiscal year 2039			5,005,000	_	_	5,005,000
Bond premium	-	605,380	1,934,479	(124,255)		2,415,604
Less current portion	\$	41,975,129	26,464,479	(1,630,290)	(22,820,000)	43,989,318 (1,767,645)
						42,221,673

(A Component Unit of the County of Monmouth)
Notes to Financial Statements (continued)
June 30, 2016

(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 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. Bond principal payments of \$565,000 is due on August 1, 2017; subsequent bond principal payments incrementally increase thereafter to a maximum of \$620,000 on August 1, 2019.

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. Bond principal payments of \$405,000 were made on August 1, 2015, and \$435,000 is due on August 1, 2016; 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. Bond principal payments of \$435,000 were made on August 1, 2015, and \$445,000 is due on August 1, 2016; subsequent bond principal payments incrementally increase thereafter to a maximum of \$635,000 on August 1, 2026.

(A Component Unit of the County of Monmouth)
Notes to Financial Statements (continued)
June 30, 2016

(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 (ELF) 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. 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. The initial bond principal payment is \$200,000 and is due on August 1, 2016. Principal payments reduce to \$100,000 on August 1, 2017 and incrementally increase thereafter to a maximum of \$1,730,000 in August 1, 2038.

(A Component Unit of the County of Monmouth)
Notes to Financial Statements (continued)
June 30, 2016

(7) Long-Term Debt (continued)

The following is a schedule, by year, of future minimum payments under long-term debt as of June 30, 2016:

Year Ending June 30	Principal	Interest	Total
2017	\$ 1,767,645	1,617,520	3,385,165
2018	1,729,256	1,537,751	3,267,007
2019	1,699,997	1,467,443	3,167,440
2020	1,766,816	1,396,917	3,163,733
2021	1,795,000	1,328,375	3,123,375
2022-2026	9,525,000	5,415,594	14,940,594
2027-2031	9,605,000	3,148,001	12,753,001
2032-2036	8,680,000	1,402,730	10,082,730
2037-2039	5,005,000	194,148	5,199,148
	\$ 41,573,714	17,508,479	59,082,193

Interest charges incurred in fiscal year 2016 were \$1,652,816.

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, 2016 the balance of the bond premium is \$554,400 and the deferred loss is \$301,379. 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 2016 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 fiscal year 2016, the balance of the bond premium is \$1,861,204 and deferred loss is \$3,050,452. 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 2016 the amount of premium charged as a reduction of interest expense was \$73,276 and the amount of deferred loss charged as a reduction of interest expense was \$120,097.

(A Component Unit of the County of Monmouth)
Notes to Financial Statements (continued)
June 30, 2016

(8) Designations of Unrestricted Net Position

As of June 30, 2016, the College had designated portions of its unrestricted net position as follows:

	June 30, 2016
Designated:	
Auxiliary services	\$ 71,006
Risk management	112,552
Appropriation to succeeding fiscal years' budgets	897,279
	1,080,837
Impact of GASB 68 adjustments	(45,287,860)
	\$ (44,207,023)

(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 Funding Policy

PERS members are required to contribute 7.06% for the period from July 1, 2015 to June 30, 2016, of their annual covered salary and the College is required to contribute at an actuarially determined rate for the year ended June 30, 2016. During the year ended June 30, 2016, the College's annual contributions

(A Component Unit of the County of Monmouth)
Notes to Financial Statements (continued)
June 30, 2016

(9) Retirement Plans (continued)

PFRS Funding Policy

to PERS was \$1,546,015. The contribution requirements of the plan members and the College are established and may be amended by the State of New Jersey. PFRS members are required to contribute 10% of their annual covered salary for the years ended June 30, 2016. 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, 2016 the College's contribution to PFRS was \$294,023. The contribution requirements of the plan members and the College are established and may be amended by the State of New Jersey.

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, 2016, ABP contributions, based upon participating employee salaries of \$26,502,402, were \$1,420,537 from employees and \$2,036,837 from the College. The State of New Jersey reimbursed the College \$2,120,192 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, 2015 measurement date are as follows:

(A Component Unit of the County of Monmouth)
Notes to Financial Statements (continued)
June 30, 2016

(9) Retirement Plans (continued)

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

College Proportionate Share of Net Pension Liability	\$ _
State of New Jersey's Proportionate Share of Net Pension	
Liability Associated with the College	481,242
	\$ 481,242

The following information is related to the Public Employees' Retirement System ("PERS") and Police and Firemen's Retirement System ("PFRS") are cost sharing multiple-employer defined benefit pension plans.

As of June 30, 2016, the College reported a liability of \$48,026,613 for its proportionate share of the net pension liability. The net pension liability was measured as of June 30, 2015 and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of June 30, 2016. The College's proportion of the net pension liability was based on a projection of the College's long-term share of contributions to the pension plan relative to the projected contributions of all participating employers, actuarial determined. The College's proportion of PERS at June 30, 2016 was .09% which was a decrease of 7.86% from its proportion measured as of June 30, 2015. The College's proportion of PFRS at June 30, 2016 was .02% which was a decrease of 18.38% from its proportion measured as of June 30, 2015.

At June 30, 2016 the College reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	 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	\$ 1,014,832	_	1,014,832	_	47,332	47,332	
Changes of Assumptions	4,568,353	1,013,143	5,581,496	_	_	_	
Net Difference Between Projected and Actual Earnings on Pension Plan Investments	_	_	_	683,946	95,506	779,452	
Changes in Proportion and Differences Between College's Contributions and Proportionate Share of Contributions	_	_	_	4,337,763	533,065	4,870,828	
College's Contributions Subsequent to the Measurement Date	 1,546,015	294,023	1,840,038				
	\$ 7,129,200	1,307,166	8,436,366	5,021,709	675,903	5,697,612	

(A Component Unit of the County of Monmouth)
Notes to Financial Statements (continued)
June 30, 2016

(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, 2016, \$1,840,038 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, 2017. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Year Ending June 30,	PERS	PFRS	Total
	_	_	
2016 \$	102,217	64,048	166,265
2017	102,217	64,048	166,265
2018	102,217	64,048	166,265
2019	162,797	105,016	267,813
2020	90,029	40,079	130,108
		_	
\$	559,476	337,239	896,716

Actuarial Assumptions

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

PERS	PFRS
3.04%	3.04%
2.15% - 4.40% Based on Age	2.60% - 9.48% Based on Age
3.15% - 5.40% Based on Age	3.60% - 10.48% Based on Age
7.90%	7.90%
RP-2000	RP-2000
July 1, 2008 - June 30, 2011	July 1, 2010 - June 30, 2013
	3.04% 2.15% - 4.40% Based on Age 3.15% - 5.40% Based on Age 7.90% RP-2000

(A Component Unit of the County of Monmouth)
Notes to Financial Statements (continued)
June 30, 2016

(9) Retirement Plans (continued)

Actuarial Assumptions(continued)

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

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 arithmetic real rates of return for each major asset class included in the pension plans' target asset allocation as of the June 30, 2015 measurement date (see the discussion of the pension plans investment policy) are summarized in the following tables:

	PERS		I	PFRS
Asset Class	Target Allocation	Long-Term Expected Real Rate of Return	Target Allocation	Long-Term Expected Real Rate of Return
Cash	5.00%	1.04%	5.00%	1.04%
Core Bonds	1.75%	1.64%	1.75%	1.64%
Investment Grade Credit	10.00%	1.79%	10.00%	1.79%
Mortgages	2.10%	1.62%	2.10%	1.62%
High Yield Bonds	2.00%	4.03%	2.00%	4.03%
Inflation-Indexed Bonds	1.50%	3.25%	1.50%	3.25%
Broad US Equities	27.25%	8.52%	27.25%	8.52%
Developed Foreign Equities	12.00%	6.88%	12.00%	6.88%
Emerging Market Equities	6.40%	10.00%	6.40%	10.00%
Private Equity	9.25%	12.41%	9.25%	12.41%
Hedge Funds / Absolute Return	12.00%	4.72%	12.00%	4.72%
Real Estate (Property)	2.00%	6.83%	2.00%	6.83%
Commodities	1.00%	5.32%	1.00%	5.32%
Global Debt	3.50%	-0.40%	3.50%	-0.40%
REIT	4.25%	5.12%	4.25%	5.12%
	100.00%		100.00%	

(A Component Unit of the County of Monmouth)
Notes to Financial Statements (continued)
June 30, 2016

(9) Retirement Plans (continued)

Discount Rate

The discount rate used to measure the total pension liabilities of the PERS plan is 5.39% and for PFRS plan is 6.32%. 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.

The following represents the College's proportionate share of the net pension liability calculated using a discount rate of 4.90% for PERS plan and 5.79% 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:

			PF	ERS		
	Δ	1%	Cı	ırrent		1%
		Decrease	Disco	unt Rate		Increase
*		<u>(3.90%)</u>	<u>(4.</u>	<u>.90%)</u>		<u>(5.90%)</u>
College's Proportionate Share	- 4					
of the Net Pension Liability	\$	52,870,818	\$	42,539,037	\$	33,876,946
						_
			on-Special	l Funding Situ	uatio	
		1%		ırrent		1%
		Decrease		unt Rate		Increase
		<u>(4.79%)</u>	<u>(5.</u>	<u>.79%)</u>		<u>(6.79%)</u>
College's Proportionate Share	Φ.	6.010.500	Φ.	5 405 555	ф	2.762.021
of the Net Pension Liability	\$	6,812,593	\$	5,487,577	\$	3,563,921
		PFRS	(Special F	unding Situat	ion)	
		1%		ırrent		1%
		Decrease	Disco	unt Rate		Increase
		<u>(4.79%)</u>	<u>(5.</u>	<u>.79%)</u>		<u>(6.79%)</u>
College's Proportionate Share	Φ.		Ф		Φ.	
of the Net Pension Liability	\$	=	\$	-	\$	-
State's Proportionate Share						
of the Net Pension Liability	\$	610,908	\$	492,089	\$	319,589
	•	610,908	\$	492,089	\$	319,589
	Ф	010,908	Ф	492,009	Ф	319,389

(A Component Unit of the County of Monmouth)
Notes to Financial Statements (continued)
June 30, 2016

(9) Retirement Plans (continued)

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.

(10) Commitments and Contingencies

Commitments

The College leases the Neptune Higher Education building. Net rental expenses were approximately \$175,000 in 2016. Effective July 1, 2014, the College entered into an additional lease agreement for the 2nd floor at the Neptune Higher Education building. The leases are noncancelable and have been classified as operating leases which will expire in June 2017. Future minimum annual rental commitments, net of sublease rentals, approximate \$332,647 for the year ending June 30, 2017.

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.

(11) Compensated Absences

The College has recorded a liability for compensated absences in the amount of \$2,124,084 as of June 30, 2016, respectively, 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.

(12) Other Postemployment 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.

(A Component Unit of the County of Monmouth)
Notes to Financial Statements (continued)
June 30, 2016

(12) Other Postemployment Benefits – Continued

Funding Policy - P.L. 1987, c.384 and P.L. 1990, c.6 required Teachers' Pensions and Annuity Fund (TPAF) and the Public Employees' Retirement System (PERS), respectively, to fund post-retirement medical benefits for those State employees who retire after accumulating 25 years of credited service or on a disability retirement. P.L. 2007, c.103 amended the law to eliminate the funding of postemployment medical benefits through 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 prefunding 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.

(13) 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, 2016. The fair value of this space and these services is estimated at \$153,763 and is included in the Foundation's statements of revenues, expenses, and changes in net position for the years ended June 30, 2016.

During the fiscal year 2016, 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, 2016 the Foundation was indebted to the College in the amount of \$123,316 representing student scholarships and operating expenses paid by the College on behalf of the Foundation. This amount is noninterest-bearing and is currently payable.

(14) 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

Page 122 of 171 3/23/2017 9:08:44 AM

(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)

	2016	2015
College's proportion of the net pension liability	0.09%	0.10%
College's proportionate share of the net		
pension liability	\$ 42,539,037	\$ 39,460,262
College's covered-employee payroll	\$ 11,066,065	\$ 12,617,839
College's proportionate share of the net		
pension liability as a percentage of its covered-employee payroll	384.41%	312.73%
Plan fiduciary net position as a percentage of the total pension liability	44.06%	44.46%
•		

Notes:

The GASB pronouncement requiring the presentation of the information on this schedule became effective for years beginning after June 15, 2015 and is intended to provide data for the most recent ten years.

(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)

	2016	2015
College's proportion of the net pension liability	0.02%	0.03%
College's proportionate share of the net pension liability	\$ 5,487,577	\$ 4,569,789
College's covered-employee payroll	\$ 710,851	\$ 676,551
College's proportionate share of the net pension liability as a percentage of its covered-employee payroll	771.97%	675.45%
Plan fiduciary net position as a percentage of the total pension liability	18.40%	19.51%

Notes:

The GASB pronouncement requiring the presentation of the information on this schedule became effective for years beginning after June 15, 2015 and is intended to provide data for the most recent ten years.

(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)

		2016		2015
College's proportion of the net pension liability		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		481,242	4	92,089
Total	\$ 4	481,242	\$ 4	92,089
College's covered-employee payroll	\$ 7	710,851	\$ 6	576,551
College's proportionate share of the net pension liability as a percentage of its				
covered-employee payroll		67.70%		72.73%
Plan fiduciary net position as a				
percentage of the total pension liability		100.00%	1	00.00%

Notes:

The GASB pronouncement requiring the presentation of the information on this schedule became effective for years beginning after June 15, 2015 and is intended to provide data for the most recent ten years.

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

2016	2015
\$ 1,546,015	\$ 1,629,195
(1,546,015)	(1,629,195)
\$ -	\$ -
\$ 11,066,065	\$ 12,617,839
13.97%	12.91%
	\$ 1,546,015 (1,546,015) \$ - \$ 11,066,065

Notes:

The GASB pronouncement requiring the presentation of the information on this schedule became effective for years beginning after June 15, 2015 and is intended to provide data for the most recent ten years.

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

	2016	2015
Contractually required contributions	\$ 294,023	\$ 267,798
Contributions in relation to the contractually required contribution	(294,023)	(267,798)
Contribution deficiency (excess)	\$ -	\$ -
College's covered employee payroll	\$ 710,851	\$ 676,551
Contributions as a percentage of covered-employee payroll	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, 2015 and is intended to provide data for the most recent ten years.

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

	 2016	 2015
Contractually required contributions	\$ 25,051	\$ 20,433
Contributions in relation to the contractually required contribution	(25,051)	(20,433)
Contribution deficiency (excess)	\$ 	\$
College's covered employee payroll	\$ 710,851	\$ 676,551
Contributions as a percentage of covered-employee payroll	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, 2015 and is intended to provide data for the most recent ten years.

(A Component Unit of the County of Monmouth)
Notes to the Required Supplementary Information
(Unaudited)
June 30, 2016

Note 1 - General

The State of New Jersey Public Employees' Retirement System (PERS) and the Police and Firemen's Retirement System (PFRS) eligibility benefits changes in recent years are described in the Retirement Plans footnote in the financial statements (see Note 8).

The amounts presented in the required supplementary information schedules were determined as of June 30. These schedules are presented to illustrate the requirement to show information for ten years. However, until a full ten-year trend is compiled, the College will present information for those years for which information is available.



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

Page 130 of 171 3/23/2017 9:08:44 AM

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") as of and for the year ended June 30, 2016, 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, 2016.

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.

Page 131 of 171 3/23/2017 9:08:44 AM

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.

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

Page 132 of 171 3/23/2017 9:08:44 AM

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

Page 133 of 171 3/23/2017 9:08:44 AM

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, 2016. 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.

Auditor's 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.

Page 134 of 171 3/23/2017 9:08:44 AM

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, 2016.

Other Matters

The results of our auditing procedures disclosed instances of noncompliance, which are required to be reported in accordance with the Uniform Guidance and which are described in the accompanying schedule of findings and questioned costs as Finding 2016-001, 2016-002 and 2016-003. Our opinion on each major federal program is not modified with respect to these matters.

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

Report on Internal Control Over Compliance

Management of 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.

Page 135 of 171 3/23/2017 9:08:44 AM

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.

We identified deficiencies in internal control over compliance, as described in the accompanying schedule of findings and questioned costs as Finding 2016-001, 2016-002 and 2016-03 that we consider to be significant deficiencies.

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, 2016. 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

Page 136 of 171 3/23/2017 9:08:44 AM

Schedule of Expenditures of Federal Awards Year ended June 30, 2016

Federal grantor/ pass-through grantor/			Pass-Through Entity Award	Current year	Through to
program or cluster title	CFDA Number	Pass-Through Entity	<u>Identifier</u>	expenditures	Subrecipients
STUDENT FINANCIAL ASSISTANCE CLUSTER U.S. Department of Education:					
Direct Awards					
Federal Supplemental Educational Opportunity Grant					
(including administrative cost allowance of \$21,345)	84.007	N/A	N/A	\$ 341,520 \$	S —
Federal Work-Study Program (including administrative cost allowance of \$12,492)	84.033	N/A	N/A	262,337	_
Federal Work-Study Program-Job Location and Development	84.033	N/A	N/A	31,799	_
Federal Pell Grant Program	84.063	N/A	N/A	15,451,175	_
William D. Ford Federal Direct Loan	84.268	N/A	N/A	9,601,604	
Total Student Financial Assistance Cluster				25,688,435	_
RESEARCH AND DEVELOPMENT CLUSTER					
National Science Foundation:					
Direct Awards					
Education and Human Resources	47.076	N/A	DUE-1205113	157,932	_
Education and Human Resources	47.076	N/A	DUE-1331170	14,808	
NON-CLUSTER				172,740	_
National Security Agency:					
Direct Awards					
GenCyber Program	12.903	N/A	254571	3,308	_
U.S. Dept of Labor:					
Pass Through Awards Trade Adjustment Assistance Commutity College and Career					
Training Grants Program	17.282	Bergen Community College	PO7478	216,132	_
Training Orano Program	17.282	Bergen Community College	PO6828	44,385	_
				260,517	
National Aeronautics and Space Administration:					
Pass Through Awards	42.000			1 < 100	
Education	43.008	Rutgers University	5515	16,122	_
U.S. Small Business Administration:					
Direct Awards					
Small Business Administration and Seminars	59.000	N/A	N/A	12,753	_
Pass Through Awards		¥			
Small Business Development Center	59.037	Rutgers University	5591	79,791	_
	59.037	Rutgers University	5865	44,462	_
	59.037	Rutgers University	5825	27,700 151,953	
				131,733	_
Hurricane Sandy Small Business Revitalization	59.064	Rutgers University	5131	123,677	_
•					

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

Page 137 of 171 3/23/2017 9:08:44 AM

Schedule of Expenditures of Federal Awards - Continued Year ended June 30, 2016

			Pass-Through Entity		
Federal grantor/ pass-through grantor/			Award	Current year	Through to
program or cluster title	CFDA Number	Pass-Through Entity	Identifier	expenditures	Subrecipients
Department of Education Office of Career, Technical and Adult Education					
Pass Through Awards					
Adult Education	84.002	New Jersey Department of Labor & Worforce Development	N/A	\$ 402,079	_
Adult Education	84.002	New Jersey Department of Labor & Worforce Development	N/A	143,784	_
				545,863	
Career & Technical Education	84.048	New Jersey Department of Education	25 7111	477,343	_
Dept of Health and Human Services Administration for Children and Families					
Pass Through Awards					
Health Profession Opportunity Grant	93.093	Bergen Community College	PO6828	281,336	
Total expenditures of federal awards				\$ 27,734,047	ß

Page 138 of 171 3/23/2017 9:08:44 AM

Schedule of Expenditures of State of New Jersey Awards Year ended June 30, 2016

State of New Jersey grantor/program or cluster title STUDENT FINANCIAL ASSISTANCE CLUSTER: State of New Jersey grants – restricted:	Grant number/ State of New Jersey <u>account number</u>	Award amount	Grant <u>period</u>		Current year expenditures		Total Grant Expenditures To Date
Department of State - Commission of Higher Education:							
Educational Opportunity Fund Summer and Regular Awards	2401-100-074-2401-002-kkk-6140	\$ 243,854	07/01/15-06/30/16	\$	243,854	\$	243,854
Garden State Scholarships	_	(1,000)	07/01/15-06/30/16	*	(1,000)	*	(1,000)
Tuition Aid Grant	_	2,859,382	07/01/15-06/30/16		2,859,382		2,859,382
Governor's Urban Scholarship	_	1,500	07/01/15-06/30/16		1,500		1,500
NJ Stars	_	394,228	07/01/15-06/30/16		394,228		394,228
Total Student Financial Assistance Cluster		, in the second			3,497,964		3,497,964
NON-CLUSTER:							
Department of State - Commission of Higher Education:							
Educational Opportunity Fund – Article IV:							
Educational Opportunity Fund Summer	2401-100-074-2401-002-KKK-6140	21,927	07/01/15-06/30/16		21,793		21,793
Educational Opportunity Fund Regular	2401-100-074-002-KKK-6140	200,783	07/01/15-06/30/16		200,783		200,783
					222,576		222,576
N.J. Department of Education:							
Career Tech Ed Prov Teacher Pilot(Yr 6)	16E00064	210,000	10/1/15-9/30/16		135,067		135,067
Career Tech Ed Prov Teacher Pilot(Yr 5)	15E00086	210,000	10/1/14-9/30/15		83,312		210,000
					218,379		345,067
N.J. Department of Community Affairs:							
Displaced Homemaker	16XINW	120,575	07/01/15-06/30/16		120,575		120,575
Total restricted					4,059,494		4,186,182
		Y					
State of New Jersey appropriations – unrestricted:							
N.J. Department of Treasury:							
Operational Costs – County Colleges	01-100-082-2155-015	10,660,107	07/01/15-06/30/16		10,378,691		10,378,691
Alternate Benefit Program	_	2,066,580	07/01/15-06/30/16		2,120,192		2,120,192
Total unrestricted					12,498,883		12,498,883
Total expenditures of State of New Jersey awards				\$	16,558,377	\$	16,685,065

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

Page 139 of 171 53 3/23/2017 9:08:44 AM

(A Component Unit of the County of Monmouth)
Notes to Schedules of Expenditures of Federal and State of New Jersey Awards
June 30, 2016

(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, 2016. 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 \$9,601,604 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, 2016. 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.

54

Page 140 of 171

(A Component Unit of the County of Monmouth) Schedule of Findings and Questioned Costs For the Year Ended June 30, 2016

Section I - Summary of Auditors' Results:

Financial Statements

Type of auditors' report issued:	Unmo	odified	
Internal control over financial reporting:			
• Material weaknesses identified?		yes	<u>x</u> no
• Significant deficiencies identified that are not considered to be material weaknesses?		yes	_x_ no
Noncompliance material to the financial statements noted?		yes	x no
Federal Awards			
Internal control over major programs:			
Material weaknesses identified?		yes	<u>x</u> no
• Significant deficiencies identified that are not considered to be material weaknesses?	<u>x</u>	yes	no
Type of auditors' report issued on compliance for major programs:	Unmo	odified	
Any audit findings disclosed that are required to be reported in accordance with the Uniform Guidance?	X	yes	no
Identification of Major Programs			
Name of Federal Program or Cluster		CFD	A Number
Student Financial Assistance Cluster Federal Supplemental Educational Opportunity Grant Program Federal Work-Study Program Federal Pell Grant Program Federal Direct Student Loans (Note 4)			84.007 84.033 84.063 84.268
Dollar threshold used to distinguish between type A and type B programs:	\$750,		
Auditee qualified as a low-risk auditee?	X	_ yes	no
5.5			

Page 141 of 171 3/23/2017 9:08:44 AM

(A Component Unit of the County of Monmouth)
Schedule of Findings and Questioned Costs – Continued
For the Year Ended June 30, 2016

Section I - Summary of Auditors' Results - Continued

State	of	New	Jersey
-------	----	-----	--------

yes	x no
yes	<u>x</u> no
Unmodified	
yes	<u>x</u> no
	yes Unmodified

Identification of Major Programs:

Name of Program or Cluster	State of New Jersey Account or Grant Number
Operational Costs - County Colleges	01-100-082-2155-015
Educational Opportunity Fund - Article IV	
Educational Opportunity Fund Summer	2401-100-074-2401-002-KKK-6140
Educational Opportunity Fund Regular	2401-100-074-002-KKK-6140

Section II – Financial Statement Findings:

None

(A Component Unit of the County of Monmouth)
Schedule of Findings and Questioned Costs – Continued
For the Year Ended June 30, 2016

Section III - Federal Award Findings and Questioned Costs

Finding number: 2016-001

Federal agency:

Program:

U.S. Department of Education
Federal Direct Student Loans

Federal Pell Grant

CFDA #: 84.268, 84.063

Award year: 2016

Criteria

According to 34 C.F.R. Sections 668.22(f)(i):

- (f) Percentage of payment period or period of enrollment completed. (1) For purposes of paragraph (e)(2)(i) of this section, the percentage of the payment period or period of enrollment completed is determined—
 - (i) In the case of a program that is measured in credit hours, by dividing the total number of calendar days in the payment period or period of enrollment into the number of calendar days completed in that period as of the student's withdrawal date.

According to 34 C.F.R. Sections 668.22(f)(2)(i):

(2)(i) The total number of calendar days in a payment period or period of enrollment includes all days within the period that the student was scheduled to complete, except that scheduled breaks of at least five consecutive days are excluded from the total number of calendar days in a payment period or period of enrollment and the number of calendar days completed in that period.

Condition

When a student withdraws from an institution during the semester, a calculation is required to be performed determining the amount of financial aid earned by the student and the amount of financial aid that is required to be returned to the Department of Education ("ED"). The amount of financial aid earned is determined by the percentage of the semester that the student completed. The Financial Aid Office utilizes software to calculate the return of Title IV funds. At the beginning of each academic year the Financial Aid Office determines the length of each semester in its software system by entering the beginning and ending dates of each semester and subtracting scheduled breaks of at least five consecutive days.

Testing revealed the following for all return of Title IV funds prepared in the spring 2016:

- All calculations used the incorrect semester end date to calculate the total number of days in the semester.
- An incorrect number of days representing the College's spring break were subtracted out of the total number days in the semester.

(A Component Unit of the County of Monmouth)
Schedule of Findings and Questioned Costs – Continued
For the Year Ended June 30, 2016

Cause

According to the academic calendar, the spring 2016 semester ended on 5/10/2016. In error, 5/20/2016 was entered as the final day of the semester in the software used to prepare the return of Title IV funds.

The College's spring break ran from March 13, 2016 to Sunday March 20, 2016 for a total of eight days. In its software to prepare Title IV calculations, the College's input the length of spring break as seven days.

Effect

The Financial Aid Office's miscalculation created an excess return of funds to the ED in all instances.

Questioned Costs

\$415

Perspective

Of the non-statistically valid sample of 25 students selected for testing, nine students (36%) received a return of Title IV funds during the spring semester. Due to the incorrect semester dates input into the software, excess funds were remitted to the ED that should have been earned by the student. It appears this is a systematic issue with all students receiving Title IV refunds in the spring semester.

Recommendation

The College should create formal procedures to review the parameters for each semester that are input into the software utilized to prepare return of Title IV calculations. These procedures should include the review of dates input as the beginning and end of each semester and the treatment of all scheduled breaks lasting at least five consecutive days.

Views of Responsible Officials

The College agrees with the finding.

(A Component Unit of the County of Monmouth)
Schedule of Findings and Questioned Costs – Continued
For the Year Ended June 30, 2016

Finding number: 2016-002

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: 2016

Criteria

According to 34 C.F.R. Section 668.164(1)(3)

If a check sent to a student or parent is not returned to the institution but is not cashed, the institution must return the funds to the Secretary no later than 240 days after the date it issued the check.

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 ("ED").

Cause

The College did not monitor outstanding checks aged over 240 days caused by Title IV credit balances for this compliance requirement.

Effect

The College was not in compliance with the ED's 240 day timeframe.

Questioned Costs

\$5,909

Perspective

Of our non-statistically valid sample of 10 outstanding checks aged over 240 days selected for testing, 5 students had credit balances caused by Title IV aid. It appears this is not an isolated occurrence of noncompliance. While the College does remit outstanding checks back to ED on an ongoing basis, they do not monitor the age of these outstanding checks.

(A Component Unit of the County of Monmouth)
Schedule of Findings and Questioned Costs – Continued
For the Year Ended June 30, 2016

Recommendation

We recommend the College review its procedures to monitor outstanding checks caused by a Title IV balances. Procedures should be put in place to timely remit funds to ED.

Views of Responsible Officials

The College agrees with the finding.



(A Component Unit of the County of Monmouth)
Schedule of Findings and Questioned Costs – Continued
For the Year Ended June 30, 2016

,

Finding number: 2016-003

Federal agency: U.S. Department of Education Programs: Federal Work Study Program

CFDA #: 84.033 **Award year:** 2016

Criteria

According to 34 C.F.R. Section 675.19(b) states in part

- (1) An institution must follow the record retention and examination provisions in this part and in 34 CFR 668.24.
- (2) The institution must also establish and maintain program and fiscal records that
 - i. Include a certification by the student's supervisor or off-campus agency, that each student has worked and earned the amount being paid. The certification must include or be supported by, for students paid on an hourly basis, a time record showing the hours worked by each student worked in clock time sequence, or the total hours worked per day.

The 2015-2016 Federal Student Aid Handbook (Vol. 6, Pg. 42) states:

In general, students are not permitted to work in Federal Work Study positions during scheduled class times. Exceptions are permitted if an individual class is cancelled, if the instructor has excused the student from attending for a particular day, and if the student is receiving credit for employment in an internship, externship, or community work-study experience. Any such exemptions must be documented.

Condition

Federal regulations require an institution to monitor and ensure that a work study student is not working during his/her designated class time. Our testing revealed two students who worked partially during scheduled class time.

Cause

Each student's work schedule conflicted with their class schedules due to a lack of formal internal control procedures designed to detect this particular type of scheduling conflict.

Effect

The student either did not attend class or was not present at work during the documented time period for which they were paid Federal work study wages.

Questioned Costs

\$9

(A Component Unit of the County of Monmouth)
Schedule of Findings and Questioned Costs – Continued
For the Year Ended June 30, 2016

Perspective

Of the non-statistically valid sample of ten students selected for testing, two students worked as Federal work study students during scheduled class time (20%). It does not appear that this is an isolated occurrence of noncompliance.

Recommendation

The College should review and update their policies and procedures to ensure all Federal work study supervisors are monitoring student hours to ensure they do not conflict with class schedules. The College should also consider only allowing students to work during designated work times which are determined by the student's individual class schedule.

Views of Responsible Officials

The College agrees with the finding.

(A Component Unit of the County of Monmouth)
Schedule of Findings and Questioned Costs – Continued
For the Year Ended June 30, 2016

IV. Prior Federal Audit Findings and Questioned Costs

None noted.



3/23/2017 9:08:44 AM

(A Component Unit of the County of Monmouth)
Schedule of Findings and Questioned Costs – Continued
For the Year Ended June 30, 2016

Finding number: 2016-001

Federal agency: U.S. Department of Education

Programs: Federal Pell Grants

Federal Direct Student Loans

CFDA #: 84.063, 84.268

Award year: 2016

Corrective Action Plan:

In order to reduce the possibility of manual entry error, the Financial Aid office will have the Registrar confirm the accuracy of semester information prior to preparation of any return to Title IV calculations. Although not automated, this independent review will strength the internal controls governing the existing process.

Timeline for Implementation of Corrective Action Plan:

Effective immediately.

Contact Person

Stephanie Fitzsimmons, Financial Aid Director

(A Component Unit of the County of Monmouth)
Schedule of Findings and Questioned Costs – Continued
For the Year Ended June 30, 2016

Finding number: 2016-002

Federal agency: U.S. Department of Education

Programs: Federal Pell Grants

Federal Direct Student Loans

CFDA #: 84.063, 84.268

Award year: 2016

Corrective Action Plan:

Currently, student refund checks are processed in batches regardless of the source of the refund. In order to strengthen the monitoring of financial aid refund checks, financial aid refunds will be processed independent of other student refund checks. Then, once each long semester (Fall and Spring), the Accounts Receivable office will review the outstanding check register and notify the Financial Aid office of those outstanding financial aid refund checks to allow for timely remittance of funds to the Department of Education.

Timeline for Implementation of Corrective Action Plan:

Effective immediately

Contact Person

Michael DeStefano, Manager, Accounts Receivable

(A Component Unit of the County of Monmouth)
Schedule of Findings and Questioned Costs – Continued
For the Year Ended June 30, 2016

Finding number: 2016-003

Federal agency: U.S. Department of Education Programs: Federal Work Study Program

CFDA #: 84.033 **Award year:** 2016

Corrective Action Plan:

The existing College Work Study student contracts will be amended to include a copy of the student's class schedule, and based on that schedule, a list of only those hours the student is available to work. In addition, the contract will require signature of the supervisor indicating receipt of the schedule as well as adherence to the regulation.

The College will also assign monitoring compliance of the regulation to a member of the Financial Aid office.

Timeline for Implementation of Corrective Action Plan:

Effective immediately.

Contact Person

Sarah McElroy, Director of Career & Leadership Development

(A Component Unit of the County of Monmouth)
Schedule of Findings and Questioned Costs – Continued
For the Year Ended June 30, 2016

Section V - State of New Jersey Award Findings and Questioned Costs

None noted.

Section VI - Prior State of New Jersey Award Findings and Questioned Costs

None noted.



RESOLUTION

Resolution Accepting the Resignation of Dr. Maureen Murphy, President

WHEREAS, the Board of Trustees is in receipt of a letter of resignation from Dr. Maureen Murphy, effective June 30, 2017; and

WHEREAS, The Board wishes to acknowledge Dr. Murphy's many contributions to Brookdale Community College during her five-year tenure as President; and

WHEREAS, Dr. Murphy has spearheaded a host of college initiatives that support the mission of providing a high quality, accessible, and comprehensive education experience to Monmouth County residents; and

WHEREAS, one such initiative is the development of four early college high school programs, including the groundbreaking Poseidon Early College High School in Neptune, which was funded by a 1M gift, the single largest private donation in college history; and

WHEREAS, other initiatives include: the Asbury Park College Promise, which offers free tuition for all qualified district high school graduates; the Minority Male Initiative, co-sponsored by the Monmouth/Ocean Pan Hellenic Council, which offers support and Brookdale scholarships to local students; and comprehensive career training programs for local residents, including a utility worker training program offered in partnership with JCP&L and a tuition-free welding training program for the unemployed; and

WHEREAS, under Dr. Murphy's leadership several important changes have been implemented at the College including a college-wide redesign offering clearer academic and career paths to Brookdale students; the establishment of new guaranteed admissions and reduced tuition partnerships with New Jersey universities; and a host of campus upgrades including remodeled science labs and a new Campus Gateway Path in Lincroft, and a new multi-use classroom building in Wall; and

WHEREAS, Dr. Murphy led the college's response to Superstorm Sandy, which offered support and vital information to local residents and helped Brookdale return to normal operations within two and a half weeks; and

Page 154 of 171 3/23/2017 9:08:44 AM

WHEREAS, the Board wishes to recognize and applaud the President for the many awards she received while representing Brookdale Community College in our community, including the Shirley B. Gordon Award of Distinction by Phi Theta Kappa, the Distinguished Corporate Leadership Award by the Greater Red Bank NAACP, the Carolyn DesJardins CEO of the Year Award by AAWCC, and her election to the Board of Directors of the American Association of Community Colleges;

NOW, THEREFORE, BE IT RESOLVED that the Board of Trustees hereby accepts with regret Dr. Murphy's resignation, effective June 30, 2017.

BE IT FURTHER RESOLVED that a copy of this resolution shall be presented to Dr. Maureen Murphy.

Page 155 of 171 3/23/2017 9:08:44 AM



Strategic Priorities 2015-2017

Student Success

Financial Stability

Facilities Planning

College Image Enhancement

Strategic Priorities 2015 – 2017: Goals

In fulfilling the mission of the College, the overarching goals of the Board of Trustees Strategic Priorities are to focus the College on its future and establish the groundwork for the next strategic plan.

Page 156 of 171 3/23/2017 9:08:44 AM

PBROOKDALE COMMUNITY COLLEGE Board of Trustees 2017 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	Executive Committee (5) Dr. Carl Guzzo, Jr., Chair Mr. Paul Crupi, Vice- Chair Mr. Hank Cram Ms. Madeline Ferraro	Finance and Facilities (5) Mr. Bret Kaufmann, Chair Mr. Paul Crupi Ms. Madeline Ferraro Mr. Daniel Becht Mr. Joseph DiBella*	
	Mr. Bret Kaufmann Ms. Marta Rambaud		
Committees meeting 4 times per year	Policy and Education (5) Dr. Hank Cram, Chair Ms.Tracey Abby-White Ms. Madeline Ferraro Dr. Les Richens Ms. Marta Rambaud Mr. Kevin Przystawski	Governance (5) Mr. Paul Crupi, Chair Ms. Tracey Abby-White Ms.Latonya Brennan Mr. Hank Cram Mr. Joseph DiBella*	Audit Committee (4) Ms. Marta Rambaud, Chair Mr. Kevin Przystawski Ms.Latonya Brennan
Committes Meeting on as needed basis	By Laws Committee (5) Ms. Madeline Ferraro, Chair Mr. Paul Crupi Dr. Hank Cram Ms. Marta Rambaud Mr. Joseph DiBella*	Nominating Committee (3) Mr. Bret Kaufmann, Chair Mr. Hank Cram Ms. Marta Rambaud	The Human Resources Committee A Committee of the whole
Liaisons	Liaison to New Jersey Council of County Colleges Mr. Paul Crupi Mr. Kevin Przystawski	New Jersey Council of County Colleges Trustees Ambassador Mr. Paul Crupi Mr. Kevin Przystawski	Liaison to Brookdale Community College Foundation Ms. Tracey Abby- White Mr. Kevin Przystawski

Committee Assignments – December 20, 2016

Page 157 of 171 3/23/2017 9:08:44 AM

^{*} Leave of Absence , v2 – 3/13/17 - removed Trustee William Dalton and added Mr. Daniel Becht

APPROVED BROOKDALE COMMUNITY COLLEGE SCHEDULE OF BOARD OF TRUSTEE MEETINGS FOR 2017

2017 Public Business Meetings	Executive	Governance	Finance & Facilities	Audit	Policy & Education	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 requested.	Shall meet a minimum of four times per year or as requested.	Shall meet a minimum of four times per year or as	Shall meet a minimum of four times per year or as requested.	4:00 PM in Trustees Conference Room
Wednesday, January 18* Lincroft, SLC , Navesink II & III	January 9 5:00 PM		January 10 5:00 PM		January 9 6:00 PM	January 19
Tuesday, February 21 Neptune HEC	February 16 5:00 PM		February 16 6:00 PM	February 16 7:00 PM		
Tuesday, March 21 Lincroft, SLC, Navesink II & III	March 13 5:00 PM	March 13 6:00 PM	March 14 5:00 PM	March 14 6:00 PM		March 23
Tuesday, April 18 Lincroft, SLC, Navesink I & II	April 11 5:00 PM		April 11 6:00 PM		April 13 6:00 PM	
Tuesday, May 16 Lincroft, SLC, Navesink I & II	May 8 5:00 PM	May 8 6:00 PM	May 9 5:00 PM	May 9-May 2 6:00 PM		May 18
Tuesday, June 20 Wall	June 13 5:00 PM		June 13 6:00 PM			June 15
Tuesday, July 18 Lincroft, BAC President's Conference Room Tuesday, August 22 Lincroft, BAC						
President's Conference Room Tuesday, September 12 Lincroft, SLC, Navesink I & II	September 5 5:00 PM				September 5 6:00 PM	
Tuesday, October 17 Freehold Campus, 103 & 104	October 9 5:00 PM	October 9 6:00 PM	October 10 5:00 PM	October 10 6:00 PM		
Tuesday, November 14 Reorganization Meeting Lincroft, SLC. Navesink I & II	November 6 5:00 PM		November 7 5:00 PM	November 7 6:00 PM	November 6 6:00 PM	
Tuesday, December 19 Lincroft, SLC, Navesink I & II	December 11 5:00 PM	December 11 6:00 PM	December 12 5:00 PM			

Nominating Committee Appointed in September for October discussion & November vote | Human Resources is a Committee of the whole

V2 – Changes to accommodate ACCT NLS and Discussion at 12/20/16 board meeting; * Change of January Board meeting approved 12/20/16; V3 - Change to May Audit Committee meeting

BROOKDALE COMMUNITY COLLEGE UPCOMING EVENTS

BOLD indicates off of the Lincroft campus

<u>2017</u>

March 10	Wilbur Ray Scholarship Dinner 6 PM – Sheraton Eatontown
March 13	Executive Committee Meeting – 5:00 PM, Conference Call
March 14	Finance & Facilities Committee Meeting – 5:00 PM BAC, President's Conference Room
March 15	CPS Completion Ceremony – 6:30 PM, SLC, Navesink II
March 21	BOT Public Business Meeting – 5:30 PM, Lincroft, SLC, Navesink II & III
March 23	Foundation Board Meeting – 3:45 PM – SLC, Trustee Conference Room
March 23	Scholarship Recognition Ceremony – 5 PM – Collins Arena
April 11	Executive Committee Meeting – 5:00 PM, Conference Call
April 11	Finance & Facilities Committee Meeting – 6:00 PM, BAC, President's Conference Room
April 13	Policy & Education Committee Meeting – 6:00 PM BAC, President's Conference Room
April 18	BOT Public Business Meeting – 5:30 PM, Lincroft, SLC, Navesink I & II
May 2	Audit Committee Meeting – 6:00 PM BAC, President's Conference Room
May 5	Barringer Dinner – 6:00 PM, The Mill, Spring Lake
May 8	Executive Committee Meeting – 5:00 PM, Conference Call
May 8	Governance Committee Meeting – 6:00 PM, BAC, President's Conference Room
May 9	Finance & Facilities Committee Meeting – 5:00 PM, BAC, President's Conference Room
May 10	Chhange Colloquium – 9:30 AM - Arena
May 12	Commencement – Collins Arena – 9 AM – 3 PM
May 16	BOT Public Business Meeting – 5:30 PM, Lincroft, SLC, Navesink Rooms
May 18	Foundation Board Meeting – 4 PM, SLC, Trustee Conference Room
June 9	50th Anniversary Scholarship Ball – 5 PM – Eagle Oaks Country Club
June 13	Executive Committee Meeting – 5:00 PM, Conference Call
June 13	Finance & Facilities Committee Meeting – 6:00 PM, BAC, President's Conference Room
June 20	BOT Public Business Meeting – 5:30 PM, Wall
July 18	BOT Public Business Meeting – 5:30 PM, Lincroft, BAC, President's Conference Room
August 22	BOT Public Business Meeting – 5:30 PM, Lincroft, BAC, President's Conference Room
Sept. 5	Executive Committee Meeting – 5:00 PM, Conference Call
Sept. 5	Policy & Education Committee Meeting – 6:00 PM BAC, President's Conference Room
Sept. 12	BOT Public Business Meeting – 5:30 PM, Lincroft, SLC, Navesink I & II
Sept. 19	Foundation Golf Outing – Eagle Oaks Country Club
Sept. 25-28	ACCT Leadership Congress – Las Vegas
Oct. 9	Executive Committee Meeting – 5:00 PM, Conference Call
Oct. 9	Governance Committee Meeting – 6:00 PM, BAC, President's Conference Room
Oct. 10	Finance & Facilities Committee Meeting – 5:00 PM, BAC, President's Conference Room
Oct. 10	Audit Committee Meeting – 6:00 PM BAC, President's Conference Room
Oct. 17	BOT Public Business Meeting – 5:30 PM, Brookdale at Freehold
Nov. 6	Executive Committee Meeting – 5:00 PM, Conference Call

1 | Page

Nov. 6	Policy & Education Committee Meeting – 6:00 PM BAC, President's Conference Room
Nov. 7	Finance & Facilities Committee Meeting – 5:00 PM, BAC, President's Conference Room
Nov. 7	Audit Committee Meeting – 6:00 PM BAC, President's Conference Room
Nov. 14	BOT Public Business Meeting – 5:30 PM, Lincroft, SLC, Navesink I & II
Dec. 11	Executive Committee Meeting – 5:00 PM, Conference Call
Dec. 11	Governance Committee Meeting – 6:00 PM, BAC, President's Conference Room
Dec. 12	Finance & Facilities Committee Meeting – 5:00 PM, BAC, President's Conference Room
Dec. 19	BOT Public Business Meeting – 5:30 PM, Lincroft, SLC, Navesink I & II

2 | Page

Page 160 of 171 3/23/2017 9:08:44 AM