Comprehensive Annual Financial Report

of the

Board of Education for Vocational Schools Cape May County

Cape May County, New Jersey

For the Fiscal Year Ended June 30, 2014

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Introductory Section

188 Crest Haven Road, Cape May Court House, NJ 08210 (609)465-2161 Fax: 465-3069

Nancy M. Hudanich, Ed.D., Superintendent

Paula J. Smith, Business Administrator / Board Secretary

October 22, 2014

Honorable President and
Members of the Board of Education
Cape May County Technical School District
County of Cape May, New Jersey

Dear Board Members:

The comprehensive annual financial report of the Cape May County Technical School District for the fiscal year ended June 30, 2014 is hereby submitted. Responsibility for both the accuracy of the data and completeness and fairness of the presentation, including all disclosures, rests with the management of the Board of Education. To the best of our knowledge and belief, the data presented in this report is accurate in all material respects and is reported in a manner designed to present fairly the financial position and results of operations of the various funds of the District. All disclosures necessary to enable the reader to gain an understanding of the District's financial activities have been included.

The comprehensive annual financial report is presented in four sections: Introductory, Financial, Statistical and Single Audit. The Introductory Section includes this transmittal letter, the District's organizational chart and a list of principal officials. The Financial Section includes the Basic Financial Statements and Schedules, as well as the Auditor's Report thereon. The Statistical Section includes selected financial and demographic information, generally presented on a multi-year basis. The District is required to undergo an annual single audit in conformity with the provisions of the Single Audit Act of 1984 as revised in 1996, and the U.S. Office of Management and Budget Circular A-133, "Audits of States, Local Governments and Nonprofit Organizations," and the state Treasury Circular Letter 04-04 OMB, "Single Audit Policy for Recipients of Federal Grants, State Grants and State Aid." Information related to this single audit, including the Auditor's Report on the Internal Control Structure and Compliance with Applicable Laws and Regulations and Findings and Recommendations, are included in the Single Audit Section of this report.

1. MAJOR INITIATIVES: The District implemented a variety of initiatives during the 2013-14 school year.

Our project based cross curricular initiative continues to provide the instructional platform to keep students engaged and focused on learning outcomes. These real world projects offer our students the opportunity to understand the academic relevance of their course work. All courses are academically rigorous and adapted to meet the dynamic demands of the global economy which requires the 21st Century skills taught at the Technical High School. The District's summer Bridging program continues to provide the support needed for our new, at-risk 9th and 10th grade students by enhancing and strengthening the students' study skills and academics to provide the educational foundation to succeed at the Technical District. The mandated tutoring program that has been in place for several years continues to help students in all grades to be successful in achieving passing grades in their classes. Students are placed in mandatory tutoring which is provided at no charge to our students.

During the 2013-14 school year, for the first-time 11th graders 99.4% of our students achieved proficiency or advanced proficiency on the Language Arts section of the High School Proficiency Assessment (HSPA) and on the Mathematics section of the HSPA 91.7% achieved proficiency of advanced proficiency. Also, 92% of the graduating class of 2014 completed a 3 year sequential program in a technical career major and structured learning experience.

The District continues to offer online courses for our students through our affiliation with the Middle States accredited Virtual High School. The District utilized this hybrid course (online and face to face) model to implement the Financial Literacy course/credits requirement instituted by the NJ Department of Education and it has proved to be successful for our 9th, 10th and 11th graders. Our students also received training on the skills required to participate in online learning. Interdisciplinary teaching and learning enabled the students to engage in co-curricular projects, presentation and classes. Both the academic and technical teachers developed and implemented classwork, short and long term interdisciplinary projects that culminated in the celebration of each with an instructional focus.

The District and our students continued to receive recognition at both the state and national levels during the school year. Our students competed in various SKILLS USA competitions and many received medal recognition. Members of the FFA chapter earned first and second place honors in several different competitions state-wide including a Superior National Chapter Award.

All technical career schedules reflect the needs of students and the requirements of the curriculum with most technical majors operating on a two-period per day schedule. The high school site committees focused on interdisciplinary projects, peer leadership, mentoring and ongoing teacher support. Teachers received training on problem based learning and the integration of academic and career courses using various instructional strategies.

This past year the district teachers, administrators and support staff received ongoing professional development for teaching and learning. The new evaluation process was in place and student growth objectives were designed, validated and met.

The technology infrastructure continues to be enhanced each year to support upgraded and new technology and programming. In addition to our being a wireless campus, our online collaborative network that utilizes a Moodle server has ensured students and staff enjoy an advertisement free safe environment for teaching, learning and collaboration. The teachers and students had access to desktop and lap top computers for online research and collaboration in all their courses. Through the use of network virtualization the District has been able to build maximum network capacity while maintaining a keen eye on financial efficiencies and data security.

The District continues to evaluate our educational programs through the use of a 15 question Senior Exit Survey conducted by the Guidance Department. This self-reflection of our graduating students' perceptions of their years at the Tech provides meaningful data for the staff as we reflect on our students' perceived instructional experiences and their preparedness for their next stage of life.

The Post-Secondary Division continues to grow and served over 1800 county residents this year. The Licensed Practical Nursing and Dental Assisting programs prepared over 45 students for a new career. Along with the apprenticeships, adult high school and continuing education divisions is the district's initiative to provide the Graduate Equivalency Diplomas to adult learners. Participants attended classes both on our campus and at our satellite learning centers and over 200 diplomas were issued. The District is still committed to providing a county-wide summer school for high school credit recovery, and the Summer Time Adventures program which provides two weeks of fun filled education activities for young county residents and visitors.

2. INTERNAL ACCOUNTING CONTROLS: Management of the District is responsible for establishing and maintaining an internal control structure designed to ensure that the assets of the District are protected from loss, theft or misuse and to ensure that adequate accounting data are compiled to allow for the preparation of financial statements in conformity with generally accepted accounting principles (GAAP). The internal control structure is designed to provide reasonable, but not absolute, assurance that these objectives are met. The concept of reasonable assurance recognizes that: (1) the cost of a control should not exceed the benefits likely to be derived; and (2) the valuation of costs and benefits requires estimates and judgments by management.

As a recipient of federal and state financial assistance, the District also is responsible for ensuring that an adequate internal control structure is in place to ensure compliance with applicable laws and regulations related to those programs. This internal control structure is also subject to periodic evaluation by the District management. As part of the District's single audit described earlier, tests are made to determine

the adequacy of the internal control structure, including that portion related to federal and state financial assistance programs, as well as to determine that the District has complied with applicable laws and regulations.

3. BUDGETARY CONTROLS: In addition to internal accounting controls, the District maintains budgetary controls. The objective of these budgetary controls is to ensure compliance with legal provisions embodied in the annual appropriated budget approved by the Board of School Estimates. Annual appropriated budgets are adopted for the general fund and the special revenue fund. Project-length budgets are approved for the capital improvements accounted for in the capital projects fund. The final budget amount as amended for the fiscal year is reflected in the financial section.

An encumbrance accounting system is used to record outstanding purchase commitments on a line item basis. Open encumbrances at year-end are either canceled or are included as reappropriations of fund balance in the subsequent year. Those amounts to be reappropriated are reported as reservations of fund balance at June 30, 2014.

4. ACCOUNTING SYSTEM AND REPORTS: The District's accounting records reflect generally accepted accounting principles, as promulgated by the Governmental Accounting Standards Board (GASB). The accounting system of the District is organized on the basis of funds. These funds are explained in "Notes to the Financial Statements," Note 1.

5. FINANCIAL INFORMATION AT FISCAL YEAR-END: As demonstrated by the various statements and schedules included in the financial section of this report, the District continues to meet its responsibility for sound financial management. The following schedule presents a summary of the general, special revenue and capital projects fund revenues for the fiscal year ended June 30, 2014 and the amount and percentage of increases in relation to prior year revenues.

Revenue	2013-2014 Amount	Percent of Total	Increase (Decrease) from 2013	Percent of Change
Local Sources	$ 13,154,082.03	80.63%	$ 598,658.31	4.70%
State Sources	2,578,034.29	15.80%	(170,163.35)	-7.77%
Federal Sources	581,336.31	3.56%	132,136.85	15.19%
	$ 16,313,452.63	100.00%	$ 560,631.81	3.55%

The increase in Local Sources is primarily attributed to an increase in tuition charges. The decrease in Federal Sources is due to a reduction in Federal Aid.

The following schedule presents a summary of general, special revenue and capital projects fund expenditures for the fiscal year ended June 30, 2014 and the percentage of increases and decreases in relation to prior year amounts.

Expenditures	2013-2014 Amount	Percent of Total	Increase (Decrease) from 2013	Percent of Increase (Decrease)
Current Expense:				
Instruction	$ 5,717,302.90	36.94%	$ 252,831.09	4.62%
Undistributed Expenditures	8,415,275.97	54.37%	(70,463.88)	-0.90%
Capital Outlay	221,373.20	1.43%	(80,986.33)	-14.16%
Special Schools	1,125,134.18	7.27%	(153,762.69)	-11.94%
Total	$ 15,479,086.25	100.00%	$ (52,381.81)	-0.34%

The increase in Undistributed Expenditures is mainly due to an increase in employee benefits.

6. DEBT ADMINISTRATION: All debt of the District is the obligation of the County of Cape May. The County sold $14,769,000 of bonds in September 2006 to fund the renovations and addition to the Technical High School.

7. CASH MANAGEMENT: The investment policy of the District is guided in large part by state statute as detailed in "Notes to the Financial Statements," Note 2. The District has adopted a cash management plan that requires it to deposit public funds in public depositories protected from loss under the provisions of the Governmental Unit Deposit Protection Act ("GUDPA"). GUDPA was enacted in 1970 to protect governmental units from a loss of funds on deposit with a failed banking institution in New Jersey. The law requires governmental units to deposit public funds only in public depositories located in New Jersey, where the funds are secured in accordance with the Act.

8. RISK MANAGEMENT: The Board carries various forms of insurance, including but not limited to general liability, automobile liability and comprehensive/collision, hazard and theft insurance on property and contents, and fidelity bonds.

9. OTHER INFORMATION:

A) Independent Audit - State statutes require an annual audit by independent certified public accountants or registered municipal accountants. The accounting firm of Ford, Scott & Associates, L.L.C., CPAs, was selected by the Board of Education. In addition to meeting the requirements set forth in state statutes, the audit also was designed to meet the requirements of the Single Audit Act of 1984 as revised in 1996, and the related OMB Circular A-133 and New Jersey OMB Circular Letter 04-04. The auditor's report on the general-purpose financial statements and combining and individual fund statements and schedules is included in the financial section of this report. The auditor's reports related specifically to the single audit are included in the single audit section of this report.

10. ACKNOWLEDGMENTS:

With the support of the Board of Chosen Freeholders, the Cape May County Technical School will continue to provide for the educational needs of students of all ages throughout the county. The increased technology in the District will help assure that our high school students are computer literate early in their secondary education and that they will be able to use that technology and knowledge to help create for themselves a challenging and rewarding future. We will continue to offer educational programs for adults who need to upgrade their skills or learn new ones and we will continue to make learning enjoyable and interesting through our varied evening program that provides dozens of vocational and avocational classes.

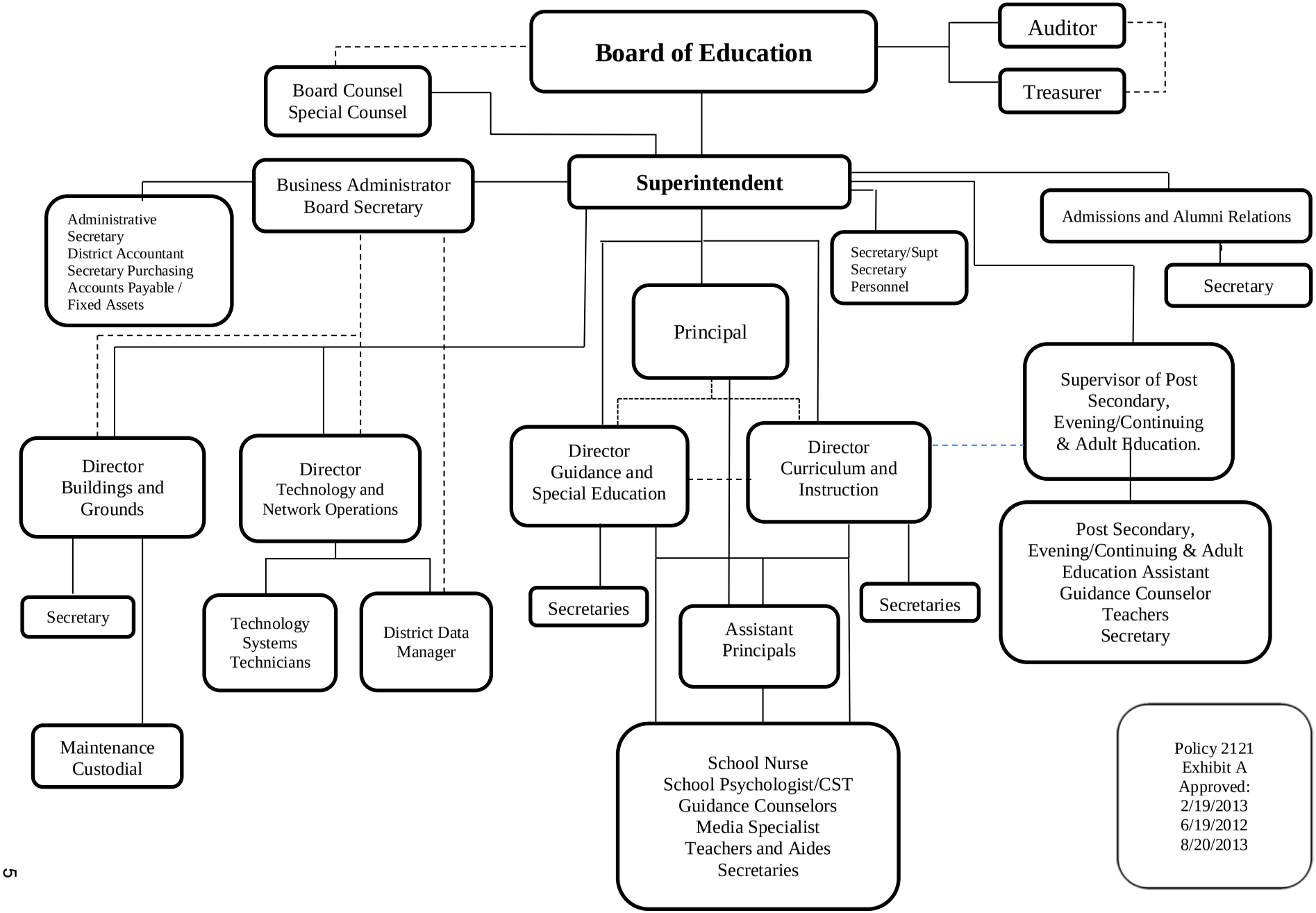
Our teachers and administration are dedicated to helping students of all ages reach their potential and to help students realize that learning is a journey, not a destination that ends with graduation.

Respectfully submitted,

Dr. Nancy M. Hudanich
Superintendent

Paula J. Smith
Business Administrator/Board Secretary

Cape May County Technical School District Organizational Chart



BOARD OF EDUCATION FOR VOCATIONAL SCHOOLS
COUNTY OF CAPE MAY, NEW JERSEY

ROSTER OF OFFICIALS

JUNE 30, 2014

MEMBERS OF THE BOARD OF EDUCATION	TERM EXPIRES
Robert L. Boyd, President	10/31/2016
Alan I. Gould, Vice-President	10/31/2015
Anthony L. Anzelone (Remains on Board until new appointment)	10/31/2013
Kerry Higgs, Board Member	10/31/2015
Dr. Richard Stepura, County Superintendent	Ex-Officio

OTHER OFFICIALS

Dr. Nancy V. Hudanich, Superintendent

Paula J. Smith, Business Administrator/Board Secretary

James V. Craft, Treasurer

Michael Adams, Principal

Laura Elston, Supervisor of Post Secondary, Evening/Continuing and Adult Education

James Owens, Director of Buildings and Grounds

BOARD OF EDUCATION FOR VOCATIONAL SCHOOLS
COUNTY OF CAPE MAY, NEW JERSEY

CONSULTANTS AND ADVISORS

AUDIT FIRM

Ford, Scott & Associates, L.L.C.
Certified Public Accountants
1535 Haven Avenue
P.O. Box 538
Ocean City, NJ 08226-0538
399-6333

ATTORNEY

Cooper Levinson, PA
1125 Atlantic Avenue
3rd Floor
Atlantic City, N.J. 08401

SERVICE BUREAU

Educational Management by Computer Center
Division of Gloucester County Special Services
204 East Holly Avenue
Sewell, NJ 08080
256-0530

OFFICIAL DEPOSITORY

Sturdy Savings Bank
506 S. Main Street
Cape May Court House, NJ 08210

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Financial Section

FORD-SCOTT
& ASSOCIATES, L.L.C.
CERTIFIED PUBLIC ACCOUNTANTS
1535 HAVEN AVENUE • PO BOX 538 • OCEAN CITY, NJ • 08226-0538
PHONE 609.399.6333 • FAX 609.399.3710
www.ford-scott.com

Independent Auditor's Report

The Honorable President and
Members of the Board of Education
For Vocational Schools
County of Cape May, New Jersey

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the Board of Education for Vocational Schools, County of Cape May, State of New Jersey (a component unit of the County of Cape May), as of and for the year ended June 30, 2014, and the related notes to the financial statements, which collectively comprise the District's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

Our responsibility is to express opinions on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement. An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

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

Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the Board of Education for Vocational Schools, County of Cape May, State of New Jersey (a component unit of the County of Cape May), as of June 30, 2014, and the respective changes in financial position and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters

Required Supplementary Information

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

Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Board of Education for Vocational Schools, County of Cape May's basic financial statements. The combining and individual non-major fund financial statements and schedule of expenditures of federal awards, as required by Office of Management and Budget Circular A-133, *Audits of States, Local Governments*, *and Non-Profit Organizations* and the schedule of state financial assistance as required by NJ OMB 04-04 and the introductory and statistical sections are presented for purposes of additional analysis and are not a required part of the basic financial statements.

The combining and individual non-major fund financial statements, schedule of expenditures of federal awards, as required by Office of Management and Budget Circular A-133, *Audits of States, Local Governments*, *and Non-Profit Organizations,* the schedule of and the schedule of state financial assistance as required by NJ OMB 04-04 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. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the combining and individual non-major fund financial statements, schedule of expenditures of federal awards, as required by Office of Management and Budget Circular A-133, *Audits of States, Local Governments*, *and Non-Profit Organizations,* and the schedule of state financial assistance as required by NJ OMB 04-04 is fairly stated, in all material respects, in relation to the basic financial statements as a whole.

The introductory and statistical sections have not been subject to the auditing procedures applied in the audit of the basic financial statements, and accordingly, we do not express an opinion or provide any assurance on it.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated October 22, 2014 on our consideration of the Board of Education for Vocational Schools, County of Cape May'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 Board of Education for Vocational Schools, County of Cape May's internal control over financial reporting and compliance.

Ford, Scott & Associates, L.L.C.
FORD, SCOTT & ASSOCIATES, L.L.C.
CERTIFIED PUBLIC ACCOUNTANTS

Leon P. Costello

Leon P. Costello
Certified Public Accountant
Licensed Public School Accountant
No. 767

October 22, 2014

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REQUIRED SUPPLEMENTARY INFORMATION – PART I

The discussion and analysis of Cape May County Technical School District's financial performance provides an overall review of the School District's financial activities for the fiscal year ended June 30, 2014. The intent of this discussion and analysis is to look at the School District's financial performance as a whole; readers should also review the basic financial statements and notes to enhance their understanding of the School District's financial performance.

Using this Comprehensive Annual Financial Report (CAFR)

This annual report consists of a series of financial statements and notes to those statements. These statements are organized so the reader can understand Cape May County Technical School District as a financial whole, an entire operating entity. The statements then proceed to provide an increasingly detailed look at specific financial activities.

The Statement of Net Position and Statement of Activities provide information about the activities of the whole School district, presenting both an aggregate view of the School district's finances and a longer-term view of those finances. Fund financial statements provide the next level of detail. For governmental funds, these statements tell how services were financed in the short-term as well as what remains for future spending. The fund financial statements also look at the School district's most significant funds with all other non-major funds presented in total in one column. In the case of Cape May County Technical District, the General Fund is the most significant fund.

Reporting the School District as a Whole

Statement of Net Position and the Statement of Activities

While this document contains the large number of funds used by the School District to provide programs and activities, the view of the School District as a whole looks at all financial transactions and ask the question, "How did we do financially during 2014?" The Statement of Net Position and the Statement of Activities answer this question. These statements include all assets and liabilities using the accrual basis of accounting similar to the accounting used by most private-sector businesses. This basis of accounting takes into account all of the current year's revenues and expenses regardless of when cash is received or paid.

These two statements report the School District's net position and changes in those position. This change in net position is important because it tells the reader that, for the school district as a whole, the financial position of the School district have improved or diminished. The causes of this change may be the result of many factors, some financial and some not. Non-financial factors include the School District's property tax base, current laws in New Jersey restricting revenue growth, facility condition, required educational programs and other factors.

In the Statement of Net Position and the Statement of Activities, the School District is divided into two distinct kinds of activities:

- Governmental Activities - All of the School District's programs and services are reported here including instruction, support services, operation and maintenance of plant facilities, pupil transportation and extracurricular activities.

- Business-Type Activity - This service is provided on a charge for goods or services basis to recover all the expenses of the goods or services provided. The Food Service enterprise fund is reported as a business activity.

Reporting the School District's Most Significant Funds

Fund Financial Statements

Fund financial reports provide detailed information about the School District's funds. The School District uses many funds to account for a multitude of financial transaction. The School District's governmental funds are the General Fund, Special Revenue Fund, and Capital Projects Fund.

Governmental Funds

The School District's activities are reported in governmental funds, which focus on how money flows into and out of those funds and the balances left at year-end available for spending in the future years. These funds are reported using an accounting method called modified accrual accounting, which measures cash and all other financial assets that can readily be converted to cash. The governmental fund statements provide a detailed short-term view of the School district's general government operations and the basic services it provides. Governmental fund information helps the reader determine whether there are more or fewer financial resources that can be spent in the near future to finance educational programs. The relationship (or differences) between governmental activities (reported in the Statement of Net position and the Statement of Activities) and governmental funds is reconciled in the financial statements.

Reporting the School District's Most Significant Funds (Continued)

Enterprise Fund

The enterprise fund uses the same basis of accounting as business-type activities; therefore, these statements are essentially the same.

Notes to the Financial Statements

The notes provide additional information that is essential to a full understanding of the data provided in the District-wide and fund financial statements. The Notes to the Financial Statements are listed in the table of contents of this report.

The School District as a Whole

Recall that the Statement of Net Position provides the perspective of the School District as a whole. Net Position may serve over time as a useful indicator of a government's financial position.

The District's financial position is the product of several financial transactions including the net results of activities, the acquisition and payment of debt, the acquisition and disposal of capital assets, and the depreciation of capital assets.

The following schedule provides a summary of the School District's net position for 2014 and 2013.

	2014	2013
Assets		
Current and Other Assets	$ 4,573,517.37	$ 3,565,902.45
Capital Assets	18,479,494.47	19,317,257.52
Total Assets	23,053,011.84	22,883,159.97
Liabilities		
Long-Term Liabilities	727,759.82	764,885.70
Other Liabilities	721,456.32	437,360.17
Total Liabilities	1,449,216.14	1,202,245.87
Net Position		
Net Investment in Capital Assets	18,479,494.47	19,317,257.52
Restricted	3,280,299.22	2,460,707.03
Unrestricted	(155,997.99)	(97,050.45)
Total Net Position	$ 21,603,795.70	$ 21,680,914.10

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The following schedule shows the changes in net position for fiscal year 2014 and 2013.

	2014	2013
Revenues		
Program Revenues:		
Charges for Services	$ 5,972,591.76	$ 5,361,029.14
Operating Grants and Contributions	1,880,062.05	1,937,377.71
General Revenues:		
County Appropriation	7,314,862.00	7,314,862.00
Grants and Entitlements	1,370,786.00	1,361,147.00
Other	117,408.10	126,049.62
Total Revenues	16,655,709.91	16,100,465.47
Program Expenses		
Instruction	7,995,825.15	8,288,165.02
Support Servces:		
Student and Instruction Related Services	1,688,269.27	1,646,610.47
General Administration, School Administration,	2,276,573.64	2,337,902.46
Business Operations and Maintenance of Facilities	3,051,473.60	2,949,384.67
Pupil Transportation	125,821.94	159,148.64
Adult and Continuing Education	1,123,247.63	1,282,632.47
Other	14,425.42	7,255.87
Food Service	299,974.60	288,468.69
Other Enterprise Funds	157,217.06	167,647.81
Total Expenses	16,732,828.31	17,127,216.10
Increase/(Decrease) in Net Assets	$ (77,118.40)	$ (1,026,750.63)

Charges for service revenues increased in FY 2014 due to a certified rate increase for tuition resulting in the school district collecting more revenue.

Instruction expenses decreased in FY 2014 due to a reduction in staff resulting in less salaries and benefits being paid during the year.

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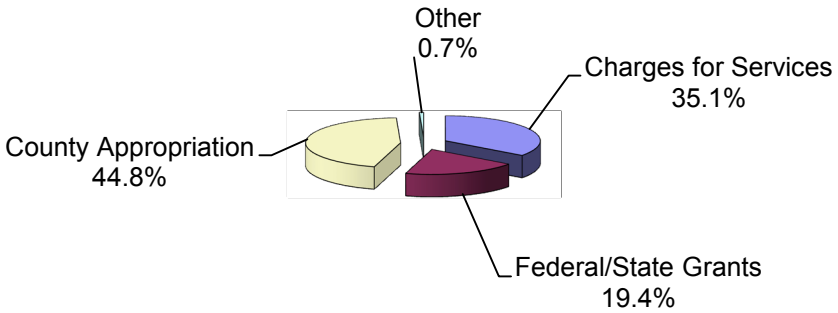
Governmental Activities

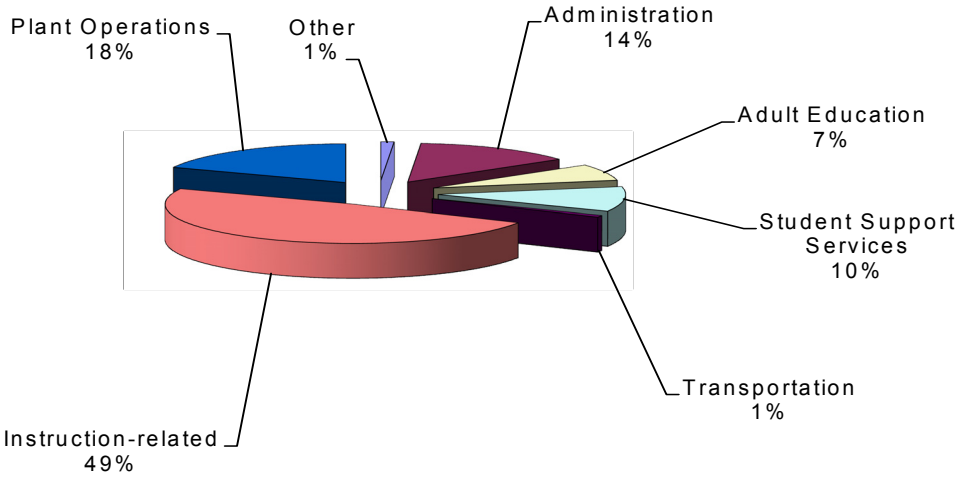
The County Appropriation made up 44.8 percent of revenues for governmental activities for the Cape May County Technical School District for fiscal year 2014. The District's total revenues were $16,313,453 for the year ended June 30, 2014. Charges for Service for operating purposes accounted for another 35.1 percent of revenue.

Sources of Revenue for Fiscal Year 2014



The total cost of all program and services was $16,447,937. Instruction comprises 49 percent of District expenses.

Cost of Programs and Services for Fiscal Year 2014



Business-Type Activities

Revenues for the District's business-type activities (food service program, Early Childhood/Lab School/Summertime Adventure, Jobs Card, and Education Technology Training Center) were comprised of charges for services and federal and state reimbursements.

- The combined Business-Type Activities expenses exceeded revenues by $114,934.
- Charges for services of the combined Business-Type Activities represent $254,655 of revenue. This represents amounts paid by students and others for daily food service and various fees and charges.
- Federal and state reimbursement for meals, including payments for free and reduced lunches and breakfast, and donated commodities was $87,586.

Governmental Activities

The Statement of Activities shows the cost of program services and the charges for services and grants offsetting those services. The following schedule shows the total cost of services and the net cost of services for 2014 and 2013. The net cost shows the financial burden that was placed on the District's taxpayers by each of these functions.

	Total Cost of Services 2014	Net Cost of Services 2014	Total Cost of Services 2013	Net Cost of Services 2013
Instruction	$ 7,995,825.15	$ 1,474,108.62	$ 8,288,165.02	$ 2,381,732.96
Support Services:				
Pupils & Instructional Staff	1,688,269.27	1,287,142.49	1,646,610.47	1,249,414.65
General and School Administration and Business Operations	2,276,573.64	2,077,272.31	2,337,902.46	2,110,392.97
Operation and Maintenance of Facilities	3,051,473.60	3,048,316.00	2,949,384.67	2,938,211.35
Pupil Transportation	125,821.94	125,821.94	159,148.64	159,148.64
Adult and Continuing Education	1,123,247.63	738,136.91	1,282,632.47	874,171.97
Other	-	-	-	-
Total Expenses	$ 16,261,211.23	$ 8,750,798.27	$ 16,663,843.73	$ 9,713,072.54

Instruction expenses include activities directly dealing with the teaching of pupils and the interaction between teacher and student, including extracurricular activities.

Pupils and instructional staff include the activities involved with assisting staff with the content and process of teaching to students, including curriculum and staff development.

General administration, school administration, and business include expenses associated with administrative and financial supervision of the District.

Governmental Activities (Continued)

Operation and maintenance of facilities involve keeping the school grounds, buildings, and equipment in an effective working condition.

Pupil transportation includes activities involved with the conveyance of students to and from school, as well as to and from school activities, as provided by State law.

The School District's Funds

All governmental funds (i.e., general fund, special revenue fund and capital projects fund presented in the fund-based statements) are accounted for using the modified accrual basis of accounting. Total revenues amounted to $16,313,453 and expenditures were $15,479,086. The net change in fund balance for the year was most significant in the General Fund, an increase of $662,066.

As demonstrated by the various statements and schedules included in the financial section of this report, the District continues to meet its responsibility for sound financial management. The following schedules present a summary of the revenues of the governmental funds for the fiscal year ended June 30, 2014, and the amount and percentage of total revenues compared to prior year revenues.

Revenue		2013-2014 Amount	Percentage of Total		2012-2013 Amount	Percentage of Total
Local Sources	$	13,154,082.03	80.63%	$	12,555,423.72	79.71%
State Sources		2,578,034.29	15.80%		2,748,197.64	17.45%
Federal Sources		581,336.31	3.56%		449,199.46	2.85%
Total	$	16,313,452.63	100.00%	$	15,752,820.82	100.00%

The increase from prior year revenues for local sources is due to a certified tuition rate increase effective during the 2013/2014 school year.

The decrease from prior year revenues for state sources is due to a reduction of the On-Behalf TPAF pension contributions per the State of New Jersey allocation.

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The School District's Funds (Continued)

The following schedule represents a summary of general fund, special revenue fund, and capital projects fund expenditures for the fiscal year ended June 30, 2014, and the percentage of total expenditures compared to prior year amounts.

Expenditures	2013-2014 Amount	Percentage of Total	2012-2013 Amount	Percentage of Total
Current Expense:				
Instruction	$ 5,717,302.90	36.93%	$ 5,464,471.81	34.97%
Undistributed Expenditures	8,415,275.97	54.37%	8,577,739.85	54.90%
Capital Outlay	221,373.20	1.43%	302,359.53	1.94%
Special Schools	1,125,134.18	7.27%	1,278,896.87	8.19%
Total	$ 15,479,086.25	100.00%	$ 15,623,468.06	100.00%

General Fund Budgeting Highlights

The School District's budget is prepared according to New Jersey law, and is based on accounting for certain transactions on a basis of cash receipts, disbursements, and encumbrances. The most significant budgeted fund is the General Fund.

Over the course of the year, the District revised the annual operating budget several times. Revisions in the budget were made to prevent over-expenditures in specific line item accounts. A few of these revisions bear notation:

TPAF Social Security and On-Behalf TPAF Pension are recorded as both non-budget revenue and expenditure lines in the budgetary comparison schedule. These amounts reflect contributions made by the State of New Jersey to the District's Teachers retirement plans. This amount was more than $1 million during 2013/14.

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Capital Assets

At the end of the fiscal year 2014, the School District had $18,479,494 invested in land improvement, building, furniture and equipment, and vehicles. The following table shows fiscal year 2014 balances compared to 2013.

	2014	2013
Construction in Progress	$ 54,704.83	$ 17,824.53
Land Improvements	1,257.91	11,901.00
Buildings and Improvements	16,949,535.65	17,690,617.01
Machinery and Equipment	1,473,996.08	1,596,914.98
Total	$ 18,479,494.47	$ 19,317,257.52

Overall capital assets decreased $837,763 from fiscal year 2013 to fiscal year 2014. The decrease in capital assets is due primarily to depreciation expense exceeding the cost of new additions to capital assets. For more detailed information, please refer to the Notes to the Financial Statements.

Debt Administration

The Cape May County Technical School District is a Type I district. As such, all debt of the district is considered the obligation of the County of Cape May. The Board of School Estimates has authorized a capital project in the amount of $14,769,143 and the County sold bonds in September 2006.

For the Future

The Cape May County Technical School District is in good financial condition presently. The School District is proud of the community and Board of Chosen Freeholder support and of the public schools.

In conclusion, the Cape May County Technical School District has committed itself to financial excellence for many years. In addition, the School District's system for financial planning, budgeting, and internal financial controls are well regarded. The School District plans to continue its sound fiscal management to meet the challenge of the future.

Contacting the School District's Management

This financial report is designed to provide our citizens, taxpayers, investors, and creditors with a general overview of the School District's finances and to show the School District's accountability for the money it receives. If you have questions about this report or need additional information, contact Paula Smith, School Business Administrator/Board Secretary at the Board of Education, 188 Crest Haven Road, Cape May Court House, N.J. 08210.

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BASIC FINANCIAL STATEMENTS

DISTRICT-WIDE FINANCIAL STATEMENTS

The statement of net position and the statement of activities display information about the District. These statements include the financial activities of the overall District, except for fiduciary activities. Eliminations have been made to minimize the double-counting of internal activities. These statements distinguish between the governmental and business-type activities of the District.

Board of Education for Vocational Schools, County of Cape May
(A Component Unit of the County of Cape May)
Statement of Net Position
June 30, 2014

	Governmental Activities	Business-Type Activities	Total
ASSETS			
Cash and Cash Equivalents	$ 1,895,921.34	$ 227,488.71	$ 2,123,410.05
Due from Payroll Agency Fund	3,700.00	-	3,700.00
Receivables, Net	388,719.22	11,752.50	400,471.72
Restricted Assets:			
Capital Reserve Account	2,042,199.63	-	2,042,199.63
Inventory	-	3,735.97	3,735.97
Capital Assets:			
Construction in Progress	54,704.83		54,704.83
Capital Assets Being Depreciated, Net	18,327,853.95	96,935.69	18,424,789.64
Total Assets	22,713,098.97	339,912.87	23,053,011.84
LIABILITIES			
Accounts Payable	652,115.14	2,918.84	655,033.98
Unearned Revenue	56,162.28	10,260.06	66,422.34
Noncurrent Liabilities			
Due Beyond One Year	727,759.82	-	727,759.82
Total Liabilities	1,436,037.24	13,178.90	1,449,216.14
NET POSITION			
Net Investment in Capital Assets	18,382,558.78	96,935.69	18,479,494.47
Restricted for:			
Capital Projects	2,230,166.97	-	2,230,166.97
Maintenance Reserve	866,264.00	-	866,264.00
Other Purposes	183,868.25	-	183,868.25
Unrestricted	(385,796.27)	229,798.28	(155,997.99)
Total Net Position	$ 21,277,061.73	$ 326,733.97	$ 21,603,795.70

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

Board of Education for Vocational Schools, County of Cape May
(A Component Unit of the County of Cape May)
Statement of Activities
For the Fiscal Year Ended June 30, 2014

			Program Revenue			Net (Expense Revenue and Changes in Net Position)		
Function/Programs	Expenses	Indirect Expense Allocation	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities	Business-Type Activities	Total
Governmental Activities:								
Instruction:								
Regular Instruction	$ 2,405,644.84	$ 1,195,702.65	$ 2,428,608.24	$ 796,925.62	$ -	$ (375,813.63)	$ -	$ (375,813.63)
Vocational Education	2,598,093.74	1,396,144.38	2,613,171.02	360,026.53	-	(1,021,040.57)	-	(1,021,040.57)
Other Instruction	283,545.36	116,694.18	291,046.74	31,938.38	-	(77,254.42)	-	(77,254.42)
Support Services:						-		
Student & Instruction Related Services	1,137,066.74	551,202.53	-	401,126.78	-	(1,287,142.49)	-	(1,287,142.49)
School Administrative Services	432,370.66	220,191.11	-	67,907.07	-	(584,654.70)	-	(584,654.70)
General Administrative and Business Services	1,045,761.18	578,250.69	-	131,394.26	-	(1,492,617.61)	-	(1,492,617.61)
Plant Operation and Maintenance	1,917,706.57	1,133,767.03	-	3,157.60	-	(3,048,316.00)	-	(3,048,316.00)
Pupil Transportation	86,209.90	39,612.04	-		-	(125,821.94)	-	(125,821.94)
Unallocated Benefits	3,783,894.57	(3,783,894.57)				-	-	-
Adult and Continuing Education	1,121,359.23	1,888.40	385,110.72	-	-	(738,136.91)	-	(738,136.91)
Unallocated depreciation	1,449,558.44	(1,449,558.44)	-	-	-	-	-	-
Total Governmental Activities	16,261,211.23	-	5,717,936.72	1,792,476.24	-	(8,750,798.27)	-	(8,750,798.27)
Business-Type Activities:								
Food Service	299,974.60		203,889.19	87,585.81			(8,499.60)	(8,499.60)
Early Childhood/Summertime Advertures	101,369.14		25,273.00				(76,096.14)	(76,096.14)
Job Cards	16,658.13		18,927.85				2,269.72	2,269.72
Education Technology Training Center	39,189.79		6,565.00				(32,624.79)	(32,624.79)
Total Business-Type Activities	457,191.66	-	254,655.04	87,585.81	-	-	(114,950.81)	(114,950.81)
Total Primary Government	$ 16,718,402.89	$ -	$ 5,972,591.76	$ 1,880,062.05	$ -	$ (8,750,798.27)	$ (114,950.81)	$ (8,865,749.08)
General Revenues:								
County Appropriation, Levied for General Purposes						$ 7,314,862.00	$ -	$ 7,314,862.00
Federal and State Aid not Restricted						1,370,786.00	-	1,370,786.00
Investment Earnings						1,733.97	16.43	1,750.40
Miscellaneous Income						115,657.70	-	115,657.70
Special Items: Loss on Disposal of Capital Assets						(14,425.42)	-	(14,425.42)
Transfers						(172,300.00)	172,300.00	-
Total General Revenues, Special Items, Extraordinary Items and Transfers						8,616,314.25	172,316.43	8,788,630.68
Change in Net Position						(134,484.02)	57,365.62	(77,118.40)
Net Position - Beginning						21,411,545.75	269,368.35	21,680,914.10
Net Position - Ending						$ 21,277,061.73	$ 326,733.97	$ 21,603,795.70

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

FUND FINANCIAL STATEMENTS

The individual fund financial statements present more detailed information for the individual funds in a format that segregates information by fund type.

Board of Education for Vocational Schools, County of Cape May
(A Component Unit of the County of Cape May)
Governmental Funds
Balance Sheet
June 30, 2014

	General Fund	Special Revenue Fund	Capital Projects Fund	Total Governmental Funds
ASSETS				
Cash and Cash Equivalents	$ 1,546,910.64	$ -	$ 349,010.70	$ 1,895,921.34
Receivables, Net	192,219.08	-	-	192,219.08
Due from Other Funds	149,934.78	-	-	149,934.78
Due from Payroll Agency Fund	3,700.00	-	-	3,700.00
Receivables from Other Governments	-	196,500.14	-	196,500.14
Restricted Cash & Cash Equivalents	2,042,199.63	-	-	2,042,199.63
Total Assets	$ 3,934,964.13	$ 196,500.14	$ 349,010.70	$ 4,480,474.97
LIABILITIES AND FUND BALANCES				
Liabilities:				
Accounts Payable	$ 626,459.06	$ 25,656.08	$ -	$ 652,115.14
Due to Other Funds	-	149,934.78	-	149,934.78
Unearned Revenue	35,253.00	20,909.28	-	56,162.28
Total Liabilities	661,712.06	196,500.14	-	858,212.20
Fund Balances:				
Restricted for:				
Capital Projects	-	-	187,967.34	187,967.34
Committed to:				
Capital Reserve Account	2,042,199.63			2,042,199.63
Maintenance Reserve Account	866,264.00			866,264.00
Other Purposes	-	-	161,043.36	161,043.36
Assigned to:				
Designated by the BOE for Subsequent Year's Expenditures	-	-	-	-
Other Purposes	22,824.89	-	-	22,824.89
Unassigned:				
General Fund	341,963.55	-	-	341,963.55
Total Fund Balances	3,273,252.07	-	349,010.70	3,622,262.77
Total Liabilities and Fund Balances	$ 3,934,964.13	$ 196,500.14	$ 349,010.70	

Amounts reported for *governmental activities* in the statement of net assets (A-1) are different because:

Capital assets used in governmental activities are not resources and therefore are not reported in the funds. The cost of the assets is $39,351,111.09 and the accumulated depreciation is $20,134,876.03	18,382,558.78
Long-term liabilities are not due and payable in the current period and therefore are not reported as liabilities in the funds.	(727,759.82)
Net position of governmental activities	$21,277,061.73

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

Board of Education for Vocational Schools, County of Cape May
(A Component Unit of the County of Cape May)
Governmental Funds
Statement of Revenues, Expenditures, and Changes in Fund Balance
For the Year Ended June 30, 2014

	General Fund	Special Revenue Fund	Capital Projects Fund	Total Governmental Funds
REVENUES				
Local Sources:				
County Line Item Appropriation	$ 7,314,862.00	$ -	$ -	$ 7,314,862.00
Tuition Charges	5,332,826.00			5,332,826.00
Miscellaneous	502,502.39	3,891.64	-	506,394.03
Total Local Sources	13,150,190.39	3,891.64	-	13,154,082.03
State Sources	2,460,487.60	117,546.69		2,578,034.29
Federal Sources	-	581,336.31		581,336.31
Total Revenues	$15,610,677.99	$ 702,774.64	$ -	$16,313,452.63
EXPENDITURES				
Current:				
Regular Instruction	$ 2,402,737.51	$ 422,007.28	$ -	$ 2,824,744.79
Vocational Instruction	2,608,123.04			2,608,123.04
Other Instruction	284,435.07			284,435.07
Support Services:				
Student & Instruction Related Serv.	863,176.38	277,609.76		1,140,786.14
School Administrative Services	434,262.35			434,262.35
Other Administrative Services	1,049,421.44			1,049,421.44
Plant Operation and Maintenance	1,920,251.19	450.00		1,920,701.19
Transportation Services	86,210.28			86,210.28
Employee Benefits	3,783,894.57			3,783,894.57
Capital Outlay	531,285.30	2,707.60	(312,619.70)	221,373.20
Adult and Continuing Education	1,125,134.18			1,125,134.18
Total Expenditures	15,088,931.31	702,774.64	(312,619.70)	15,479,086.25
Excess (Deficiency) of Revenues Over Expenditures	521,746.68	-	312,619.70	834,366.38
OTHER FINANCING SOURCES (USES)				
Transfer out	(172,300.00)			(172,300.00)
Total Other Financing Sources and Uses	(172,300.00)	-	-	(172,300.00)
Net Changes in Fund Balance	349,446.68	-	312,619.70	662,066.38
Fund Balance - July 1	2,923,805.39	-	36,391.00	2,960,196.39
Fund Balance - June 30	$ 3,273,252.07	$ -	$ 349,010.70	$ 3,622,262.77

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

Board of Education for Vocational Schools, County of Cape May
(A Component Unit of the County of Cape May)
Reconciliation of the Statement of Revenues, Expenditures, and Changes in Fund Balance
of Governmental Funds to the Statement of Activities
For the Year Ended June 30, 2014

Total Net Change in Fund Balance - Governmental Funds (from B-2)		$ 662,066.38
Amounts reported for governmental activities in the statement of activities (A-2) are different because:		
Capital outlays are reported in governmental funds as expenditures. However, in the statement of activities, the cost of those assets is allocated over their estimated useful lives as depreciation expense. This is the amount capital outlays exceeded depreciation for the period.		
Depreciation expense	$ (1,449,558.44)	
Capital Outlays	630,307.58	
		(819,250.86)
In the statement of activities, only the loss on disposal of capital assets is reported, whereas in the governmental funds, the proceeds from the sale (if any) increases financial resources. Thus, the change in net assets differs from the change in fund balance by book value of the assets disposed.		(14,425.42)
In the statement of activities, certain operating expenses, e.g., compensated absences (vacations) are measured by the amounts earned during the year. In the governmental funds, however, expenditures for these items are reported in the amount of financial resources used (paid). When the earned amount exceeds the paid amount, the difference is a reduction in the reconciliation (-); when the paid amount exceeds the earned amount, the difference is an addition to the reconciliation (+).		37,125.88
Change in Net Position of Governmental Activities		$ (134,484.02)

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

Board of Education for Vocational Schools, County of Cape May
(A Component Unit of the County of Cape May)
Proprietary Funds
Statement of Net Position
June 30, 2014

	Non-Major Funds	Total 2014
ASSETS		
Current Assets:		
Cash and Cash Equivalents	$ 227,488.71	$ 227,488.71
Intergovernmental Accounts Receivable	4,370.50	4,370.50
Other Accounts Receivable	7,382.00	7,382.00
Inventory	3,735.97	3,735.97
Total Current Assets	242,977.18	242,977.18
Noncurrent Assets:		
Furniture, Machinery & Equipment		-
Less Accumulated Depreciation	96,935.69	96,935.69
Total Noncurrent Assets	96,935.69	96,935.69
Total Assets	$ 339,912.87	$ 339,912.87
LIABILITIES		
Current Liabilities:		
Accounts Payable	2,918.84	$ 2,918.84
Unearned Revenue	10,260.06	10,260.06
Total Current Liabilities	13,178.90	13,178.90
NET POSITION		
Invested in Capital Assets Net of Related Debt	96,935.69	96,935.69
Unrestricted	229,798.28	229,798.28
Total Net Position	$ 326,733.97	$ 326,733.97

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

Board of Education for Vocational Schools, County of Cape May
(A Component Unit of the County of Cape May)
Proprietary Funds
Statement of Revenues, Expenses, and Changes in Fund Net Position
For the Year Ended June 30, 2014

	Non-Major Funds	Total 2014
Operating Revenue:		
Charges for Service:		
Daily Sales - Non-reimbursable Programs	$ 95,946.20	$ 95,946.20
Daily Sales - Reimbursable Programs	105,150.35	105,150.35
Special Functions	2,103.93	2,103.93
Early Childhood Program Fees	18,665.00	18,665.00
Summertime Adventure Fees	6,608.00	6,608.00
Cosmetology Revenue	5,379.00	5,379.00
Hotel/Motel	39.58	39.58
Bake Shop	3,857.50	3,857.50
Culinary Arts	9,651.77	9,651.77
ETTC Revenues	6,565.00	6,565.00
Miscellaneous	688.71	688.71
Total Operating Revenue	254,655.04	254,655.04
Operating Expenses:		
Cost of Sales	120,526.31	120,526.31
Salaries	135,762.47	135,762.47
Fringe Benefits	2,041.15	2,041.15
Other Purchased Services	138,443.81	138,443.81
Miscellaneous Expenditures	8,482.83	8,482.83
General Supplies	39,088.32	39,088.32
Depreciation	12,846.77	12,846.77
Total Operating Expenses	457,191.66	457,191.66
Operating Income (Loss)	(202,536.62)	(202,536.62)
Nonoperating Revenues (Expenses):		
State Sources:		
State School Lunch Program	2,314.52	2,314.52
Federal Sources:		
National School Lunch Program	58,977.35	58,977.35
School Breakfast Program	9,936.04	9,936.04
Food Distribution Program	16,357.90	16,357.90
Interest and Investment Income	16.43	16.43
Total Nonoperating Revenues (Expenses)	87,602.24	87,602.24
Income (loss) before Contributions & Transfers	(114,934.38)	(114,934.38)
Capital Contributions (Uses)	-	-
Transfers In (Out)	172,300.00	172,300.00
Changes in Net Position	57,365.62	57,365.62
Total Net Position - Beginning	269,368.35	269,368.35
Total Net Position - Ending	$ 326,733.97	$ 326,733.97

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

Board of Education for Vocational Schools, County of Cape May
(A Component Unit of the County of Cape May)
Proprietary Funds
Comparative Statement of Cash Flows
For the Year Ended June 30, 2014

	Non-Major Funds	Total 2014
CASH FLOWS FROM OPERATING ACTIVITIES		
Receipts from Customers	271,702.08	$ 271,702.08
Payments to Employees	(135,762.47)	(135,762.47)
Payments for Employee Benefits	(2,041.15)	(2,041.15)
Payments for Supplies and Services	(289,204.36)	(289,204.36)
Net Cash Provided by (Used for) Operating Activities	(155,305.90)	(155,305.90)
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES		
State Sources	2,279.21	2,279.21
Federal Sources	100,531.56	100,531.56
Operating Subsidies and Transfers to Other Funds	172,300.00	172,300.00
Net Cash Provided by (Used for) Noncapital Financing Activities	275,110.77	275,110.77
CASH FLOW FROM INVESTING ACTIVITIES		
Interest and Dividends	16.43	16.43
Net Cash Provided by (Used for) Investing Activities	16.43	16.43
Net Increase (Decrease) in Cash and Cash Equivalents	119,821.30	119,821.30
Balance - Beginning of Year	148,010.27	148,010.27
Balance - End of Year	$ 267,831.57	$ 267,831.57
Reconciliation of Operating Income (Loss) to Net Cash Provided (Used) by Operating Activities:		
Operating Income (Loss)	(202,536.62)	$ (202,536.62)
Adjustments to Reconcile Operating (Loss) to Net Cash Provided by (Used for) Operating Activities		
Depreciation	12,846.77	12,846.77
Federal Commodities - Non-Cash	16,357.90	16,357.90
(Increase) Decrease in Accounts Receivable	14,133.56	14,133.56
(Increase) Decrease in Inventories	981.60	981.60
Increase (Decrease) in Accounts Payable	(2.59)	(2.59)
Increase (Decrease) in Deferred Revenue	2,913.48	2,913.48
Increase (Decrease) in Interfund Payable	-	-
Total Adjustments	47,230.72	47,230.72
Net Cash Provided by (Used for) Operating Activities	$ (155,305.90)	$ (155,305.90)

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

Board of Education for Vocational Schools, County of Cape May
(A Component Unit of the County of Cape May)
Fiduciary Funds
Statement of Net Position
June 30, 2014

	Unemployment Compensation	Private Purpose Scholarship Fund	Agency Fund
ASSETS			
Cash and Cash Equivalents	$ 4,328.70	$ 40,614.25	$ 174,345.95
Total Assets	$ 4,328.70	$ 40,614.25	$ 174,345.95
LIABILITIES			
Interfunds Payable	$ -	$ -	$ 3,700.00
Flexible Spending Account			1,083.63
Payable to Student Groups	-		85,893.11
Payroll Deductions and Withholdings	-		83,669.21
Total Liabilities	-	-	$ 174,345.95
NET POSITION			
Held in Trust for Unemployment Claims and Other Purposes	$ 4,328.70		
Reserved for Scholarships		$ 40,614.25	

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

Board of Education for Vocational Schools, County of Cape May
(A Component Unit of the County of Cape May)
Fiduciary Funds
Statement of Changes in Fiduciary Net Position
For the Year Ended June 30, 2014

	Unemployment Compensation	Private Purpose Scholarship Fund
ADDITIONS		
Contributions:		
Other	$ -	$ 6,373.00
Total Contributions	-	6,373.00
Investment Earnings:		
Interest	1.81	16.75
Net Investment Earnings	1.81	16.75
Total Additions	1.81	6,389.75
DEDUCTIONS		
Scholarships Awarded	-	3,475.00
Total Deductions	-	3,475.00
Changes in Net Position	1.81	2,914.75
Net Position - Beginning of the Year	4,326.89	37,699.50
Net Position - End of the Year	$ 4,328.70	$ 40,614.25

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

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The financial statements of the Board of Education (Board) of the Cape May County Technical School District (District) have been prepared in conformity with generally accepted accounting principles (GAAP) as applied to governmental units. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. In its accounting and financial reporting, the District follows the pronouncements of the Governmental Accounting Standards Board (GASB). The more significant accounting policies established in GAAP and used by the District are discussed below.

A. REPORTING ENTITY

The District is an instrumentality of the State of New Jersey, established to function as an educational institution. The Cape May County Technical School District is a Type I District located in the County of Cape May, State of New Jersey. As a Type I District, the School District functions independently through a Board of Education. The Board is comprised of four members appointed to four-year terms, appointed by the Board of Chosen Freeholders, and the County Superintendent of Schools as an ex-officio member. A superintendent is appointed by the Board and is responsible for the administrative control of the District. The purpose of the District is to educate students in grades 9-12 for both regular and vocational programs and operate the adult and continuing education programs. The District had an enrollment at June 30, 2014 of 654 students.

In evaluating how to define the governmental reporting entity, the District follows the provisions of GASB Statement No. 14, *The Financial Reporting Entity,* under which the financial statements include all the organizations, activities, functions, and component units for which the District is financially accountable. Financial accountability is defined as the appointment of a voting majority of the component unit's board and either (1) the District's ability to impose its will over the component unit, or (2) the possibility that the component unit will provide a financial benefit to or impose a financial burden on the District. On this basis, the District's financial reporting entity has no component units. But, as a Type I District, would be considered a component unit of the County of Cape May. The County of Cape May however reports on the regulatory basis of accounting which does not recognize component units. If the County followed Generally Accepted Accounting Principles (GAAP) reporting, the Board of Education would be a component unit of the County of Cape May.

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The primary criterion for including activities within the District's reporting entity, as set forth in Section 2100 of the GASB Codification of Governmental Accounting and Financial Reporting Standards, is whether:

- the organization is legally separate (can sue or be sued in their own name)
- the District holds the corporate powers of the organization
- the District appoints a voting majority of the organization's board
- the District is able to impose its will on the organization
- the organization has the potential to impose a financial benefit/burden on the District
- there is a fiscal dependency by the organization on the District

Based on the aforementioned criteria, the District has no component units.

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - Continued

B. BASIC FINANCIAL STATEMENTS – GOVERNMENT-WIDE STATEMENTS

The District's basic financial statements include both government-wide (reporting the District as a whole) and fund financial statements (reporting the District's major funds). Both the government-wide and fund financial statements categorize primary activities as either governmental or business type. The District's general and special revenue activities are classified as governmental activities. The District's food service program, Early Childhood/Summertime Adventure/Lab School, Job Cards and Education Technology Training Center are classified as business-type activities.

In the governmental-wide Statement of Net Position, both the governmental and business-type activities columns (a) are presented on a consolidated basis by column, (b) and are reported on a full accrual, economic resource basis, which recognizes all long-term assets and receivables as well as long-term debt and obligations. The District's net position are reported in three parts-invested in capital assets, net of related debt; restricted net position; and unrestricted net position. The District first utilizes restricted resources to finance qualifying activities.

The government-wide Statement of Activities reports both the gross and net cost of each of the District's functions and business-type activities. The functions are also supported by general government revenues (property taxes, tuition, certain intergovernmental revenues, etc.). The Statement of Activities reduces gross expenses (including depreciation) by related program revenues, operating and capital grants. Program revenues must be directly associated with the function (regular instruction, vocational programs, student & instruction related services, etc.) or a business-type activity. Operating grants include operating-specific and discretionary (either operating or capital) grants while the capital grants column reflects capital-specific grants.

The net costs (by function or business-type activity) are normally covered by general revenue (property taxes, interest income, etc.).

a. The District does allocate indirect costs such as depreciation expense, compensated absences, On-behalf TPAF Pension Contributions, and Reimbursed TPAF Social Security Contributions.

The government-wide focus is more on the sustainability of the District as an entity and the change in the District's net position resulting from the current year's activities. Fiduciary funds are not included in the government-wide statements.

C. BASIC FINANCIAL STATEMENTS – FUND FINANCIAL STATEMENTS

The financial transactions of the District are reported in individual funds in the fund financial statements. Each fund is accounted for by providing a separate set of self-balancing accounts that comprise its assets, liabilities, reserves, fund equity, revenues and expenditures/expenses. The various funds are reported by generic classification within the financial statements.

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - Continued

C. BASIC FINANCIAL STATEMENTS – FUND FINANCIAL STATEMENTS - Continued

The emphasis in fund financial statements is on the major funds in either the governmental or business-type activities categories. Nonmajor funds by category are summarized into a single column. GASB standards set forth minimum criteria (percentage of the assets, liabilities, revenues or expenditures/expenses of either fund category or the governmental and enterprise combined) for the determination of major funds. The nonmajor funds are combined in a column in the fund financial statements. The State of New Jersey Department of Education has mandated that all New Jersey School Districts must report all governmental funds as major, regardless of the fund meeting the GASB definition of a major fund. However, the criteria are applied to proprietary funds.

The following fund types are used by the District:

1. Governmental Funds:

The focus of the governmental funds' measurement (in the fund statements) is upon determination of financial position and changes in financial position (sources, uses, and balances of financial resources) rather than upon net income. The following is a description of the governmental funds of the District.

a. **General fund** is the general operating fund of the District. It is used to account for all financial resources except those required to be accounted for in another fund.
b. **Special revenue** funds are used to account for the proceeds of specific revenue sources that are legally restricted to expenditures for a specific purpose. The special revenue fund is specifically used to account for state and federal grant monies that have been allocated to the District.
c. **Capital projects** funds are used to account for all financial resources to be used for the acquisition or construction of major capital facilities. The financial resources are derived from temporary notes or serial bonds that are specifically authorized by the voters as a separate question on the ballot either during the annual election or at a special election.

Fund Balances – Governmental Funds

In the fund financial statements, governmental funds report the following classifications of fund balance:

Nonspendable – includes amounts that cannot be spent because they are either not spendable in form or are legally or contractually required to be maintained intact.

Restricted – includes amounts restricted by external sources (creditors, laws of other governments, etc.) or by constitutional provision or enabling legislation.

Committed – includes amounts that can only be used for specific purposes. Committed fund balance is reported pursuant to resolutions passed by the Board of Education, the District's highest level of decision making authority. Commitments may be modified or rescinded only through resolutions approved by the Board of Education.

Assigned – includes amounts that the District intends to use for a specific purpose, but do not meet the definition of restricted or committed fund balance. Under the District's policy, amounts may be assigned by the Business Administrator.

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - Continued

C. BASIC FINANCIAL STATEMENTS – FUND FINANCIAL STATEMENTS - Continued

Fund Balances – Governmental Funds – Continued

Unassigned – includes amounts that have not been assigned to other funds or restricted, committed or assigned to a specific purpose within the General Fund. The District reports all amounts that meet the unrestricted General Fund Balance Policy described below as unassigned:

The details of the fund balances are included in the Governmental Funds Balance Sheet. When an expenditure is incurred for purposes for which both restricted and unrestricted fund balance is available, the District considers restricted funds to have been spent first. When an expenditure is incurred for which committed, assigned, or unassigned fund balance are available, the District considers amounts to have been spent first out of committed funds, then assigned funds, and finally unassigned funds, as needed.

2. Proprietary Funds:

The focus of proprietary fund measurement is upon determination of operating income, changes in net position, financial position, and cash flows. The generally accepted accounting principles applicable are those similar to businesses in the private sector. The following is a description of the proprietary funds of the District:

a. **Enterprise funds** are required to be used to account for operations for which a fee is charged to external users for goods or services and the activity (a) is financed with debt that is solely secured by a pledge of the net revenues, (b) has third party requirements that the cost of providing services, including capital costs, be recovered with fees and charges or (c) establishes fees and charges based on a pricing policy designated to recover similar costs.

   The District's Enterprise Fund is comprised of the following;

   A Food Service Fund, which accounts for all revenues and expenses pertaining to the District's cafeteria operations.

   An Early Childhood/Summertime Adventures Fund, which accounts for all revenues and expenses pertaining to these separate programs.

   A Job Card Fund, which accounts for all revenues and expenses pertaining to the job cards operated by the district for different vocations such as culinary arts, the bake shop, auto mechanics, etc.

   An Educational Technology Training Center Fund, which accounts for all revenues and expenses pertaining to the training center programs.

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - Continued

C. BASIC FINANCIAL STATEMENTS – FUND FINANCIAL STATEMENTS - Continued

3. Fiduciary Funds:

Fiduciary funds are used to report assets held in a trustee or agency capacity for others and therefore are not available to support District programs. The reporting focus is on net position and changes in net position, and are reported using accounting principles similar to proprietary funds.

The District's fiduciary funds are presented in the fiduciary fund financial statements by type (pension, private purpose and agency). Since by definition these assets are being held for the benefit of a third party (other local governments, private parties, pension participants, etc.), and cannot be used to address activities or obligations of the government, these funds are not incorporated into the government-wide statements.

All fund internal activity is eliminated when carried to the Government-wide statements.

D. BASIS OF ACCOUNTING

Basis of accounting refers to the point at which revenues or expenditures/expenses are recognized in the accounts and reported in the financial statements. It relates to the timing of the measurements made regardless of the measurement focus applied.

1. Accrual:

Both governmental and business-type activities in the government-wide financial statements and the proprietary and fiduciary fund financial statements are presented on the accrual basis of accounting. Revenues are recognized when earned and expenses are recognized when incurred.

2. Modified Accrual:

The governmental fund financial statements are presented on the modified accrual basis of accounting. Under the modified accrual basis of accounting, revenues are recorded when susceptible to accrual; i.e., both measurable and available. "Available" means collectible within the current period or within 60 days after year end. Expenditures are generally recognized under the modified accrual basis of accounting when the related liability is incurred. The exception to this general rule is that principal and interest on general obligation long-term debt, if any, is recognized when due.

E. FINANCIAL STATEMENT AMOUNTS

1. Cash and Cash Equivalents:

Cash and cash equivalents include petty cash, change funds, cash in banks and all highly liquid investments with a maturity of three months or less at the time of purchase and are stated at cost plus accrued interest. U.S. Treasury and agency obligations and certificates of deposit with maturities of one year or less when purchased are stated at cost. All other investments are stated at fair value.

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - Continued

E. FINANCIAL STATEMENT AMOUNTS - Continued

1. Cash and Cash Equivalents: - Continued

New Jersey school districts are limited as to the types of investments and types of financial institutions they may invest in. New Jersey statute 18A:20-37 provides a list of permissible investments that may be purchased by New Jersey school districts.

Additionally, the District has adopted a cash management plan that requires it to deposit public funds in public depositories protected from loss under the provisions of the Governmental Unit Deposit Protection Act ("GUDPA"). GUDPA was enacted in 1970 to protect Governmental Units from a loss of funds on deposit with a failed banking institution in New Jersey.

NJSA 17:9-41 et. seq. establishes the requirements for the security of deposits of governmental units. The statute requires that no governmental unit shall deposit public funds in a public depository unless such funds are secured in accordance with the Act. Public depositories include Savings and Loan institutions, banks (both state and national banks) and savings banks the deposits of which are federally insured. All public depositories must pledge collateral, having a market value at least equal to five percent of the average daily balance of collected public funds, to secure the deposits of Governmental Units. If a public depository fails, the collateral it has pledged, plus the collateral of all other public depositories, is available to pay the full amount of their deposits to the Governmental units.

2. Investments:

Investments, including deferred compensation and pension funds, are stated at fair value, (quoted market price or the best available estimate). Interest earned on investments in the Capital Projects Fund is recognized as a reserve to pay future debt service or transferred to the general fund.

3. Inventories:

Inventories in the general fund consist of expendable supplies held for the District's use and are carried at cost using the first-in, first-out method. Inventories in the enterprise fund are valued at cost, which approximates market, using the first-in, first –out method. As of June 30, 2014, the District did not have inventory in the general fund and had the following inventory in the enterprise fund:

Food	$	2,638.29
Supplies		1,097.68
	$	3,735.97

The value of Federal donated commodities is the difference between market value and cost of the commodities at the date of purchase and has been included as an item of nonoperating revenue in the financial statements. The value of commodities included in the food inventory on June 30, 2014 is $296.19.

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - Continued

E. FINANCIAL STATEMENT AMOUNTS - Continued

4. Capital Assets:

Capital assets purchased or acquired with an original cost of $2,000.00 or more are reported at historical cost or estimated historical cost. Contributed assets are reported at fair market value as of the date received. Additions, improvements and other capital outlays that significantly extend the useful life of an asset are capitalized. Other costs incurred for repairs and maintenance are expensed as incurred. Depreciation on all assets is provided on the straight-line basis over the following estimated useful lives:

Buildings	20-50 years
Machinery and equipment	5-10 years
Improvements	10-20 years
Infrastructure Assests	50-65 years

Infrastructure assets include roads, parking lots, underground pipe, etc. The District includes all infrastructure assets as depreciable assets in the financial statements.

5. Revenues:

Substantially all governmental fund revenues are accrued. Property taxes are susceptible to accrual and under New Jersey State Statutes a municipality is required to remit to its school district the entire balance of taxes in the amount certified, prior to the end of the school year. The District records the entire approved tax levy as revenue (accrued) at the start of the fiscal year, since the revenue is both measurable and available. Subsidies and grants to proprietary funds, which finance either capital or current operations, are reported as non operating revenue. In respect to grant revenues, the provider recognizes liabilities and expenses and the recipient recognizes receivables and revenue when the applicable eligibility requirements, including time requirements are met. Resources transmitted before the eligibility requirements are met are reported as advances by the provider and unearned revenue by the recipient. Program revenues, including tuition revenue are reported as reductions to expenses in the statement of activities.

6. Expenditures:

Expenses are recognized when the related fund liability is incurred. Inventory costs are reported in the period when inventory items are used, rather than in the period purchased.

7. Compensated absences:

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

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - Continued

E. FINANCIAL STATEMENT AMOUNTS - Continued

7. Compensated Absences: - Continued

In governmental and similar trust funds, compensated absences that are expected to be liquidated with expendable available financial resources are reported as both an expenditure and a fund liability in the fund that will pay for the compensated absences. The remainder of the compensated absences liability is reported in the District-Wide Financial Statements as a Governmental Activity.

In proprietary and similar trust funds, compensated absences are recorded as an expense and liability of the fund that will pay for them.

8. Interfund Activity:

Interfund activity is reported as loans, services provided, reimbursements or transfers. Loans are reported as interfund receivables and payables as appropriate and are subject to elimination upon consolidation. Services provided, deemed to be at market or near market rates, are treated as revenues and expenditures/expenses. Reimbursements are when one fund incurs a cost, charges the appropriate benefiting fund and reduces its related costs as reimbursement. All other interfund transactions are treated as transfers. Transfers between governmental or proprietary funds are netted as part of the reconciliation to the government-wide financial statements.

9. Budgets/Budgetary Control:

Annual appropriated budgets are prepared in the spring of each year for the general and special revenue funds. The budgets are submitted to the county office for approval and, as long as the District budget is within State mandated CAPs, there is no public vote on the budget. If the budget exceeds State mandated CAPs, the board of school estimates have an opportunity to approve or reject the budget at the regular election held in November. Budgets are prepared using the modified accrual basis of accounting, except for the special revenue fund as described later. The legal level of budgetary control is established at line item accounts within each fund. Line item accounts are defined as the lowest (most specific) level of detail as established pursuant to the minimum chart of accounts referenced in N.J.A.C. 6:23-2(g). Transfers of appropriations may be made by School Board resolution at any time during the fiscal year and are subject to two-thirds majority vote by the School Board and under certain circumstances require approval by the County Superintendent of Schools.

Significant transfers approved by the Board of Education during the fiscal year were as follows:

Regular Vocational Programs - Instruction		
Salaries of Teachers	$	(103,178.18)
Undistributed Expenditures - Custodial Services		
Energy (Electricity)	$	(79,332.57)
Unalocated Benefits - Employee Benefits		
Health Benefits	$	(145,639.90)

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - Continued

E. FINANCIAL STATEMENT AMOUNTS - Continued

9. Budgets/Budgetary Control: - Continued

Formal budgetary integration into the accounting system is employed as a management control device during the year. For governmental funds there are no substantial differences between the budgetary basis of accounting and generally accepted accounting principles with the exception of the legally mandated revenue recognition of the last state aid payments for budgetary purposes only and the special revenue fund as noted below. Encumbrance accounting is also employed as an extension of formal budgetary integration in the governmental fund types. Unencumbered appropriations lapse at fiscal year end.

The accounting records of the special revenue fund are maintained on the grant accounting budgetary basis. The grant accounting budgetary basis differs from GAAP in that the grant accounting budgetary basis recognizes encumbrances as expenditures and also recognizes the related revenues, whereas the GAAP basis does not. Sufficient supplemental records are maintained to allow for the presentation of GAAP basis financial reports.

10. Tuition Receivable:

Tuition charges were established by the Board of Education based on estimated costs. The charges to the various sending districts are subject to adjustment when the final costs have been determined by the State of New Jersey.

11. Use of Estimates:

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

12. Allocation of Costs:

In the government-wide statement of activities, the District has allocated unallocated benefits to various programs based on the budgetary expenditures by program.

F. RECENT ACCOUNTING PRONOUNCEMENTS NOT YET EFFECTIVE

In June 2012, GASB issued Statement No. 68 “Accounting and Financial Reporting for Pensions – an amendment of GASB Statement No. 27”. This statement, which is effective for fiscal periods beginning after June 15, 2014, which will have significant effect on the District’s financial reporting.

In January 2013, GASB issued Statement No. 69 “Government Combinations and Disposals of Government Operations”. This statement, which is effective for fiscal periods beginning after December 15, 2013, will not have any effect on the District’s financial reporting.

In April 2013, GASB issued Statement No. 70 “Accounting and Financial Reporting for Nonexchange Financial Guarantees”. This statement, which is effective for fiscal periods beginning after June 15, 2013, will have impact on the District’s financial statements.

In November 2013, GASB issued Statement No. 71 “Pension Transition for Contributions Made Subsequent to the Measurement Date--an amendment of GASB Statement No. 68”. The provisions of this statement are required to be applied simultaneously with the provisions of Statement 68 which is

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - Continued

F. RECENT ACCOUNTING PRONOUNCEMENTS NOT YET EFFECTIVE (CONTINUED)

effective for periods beginning after June 15, 2014. Although not determinable, the impact of this statement on the net position of the entity is anticipated to be significant.

NOTE 2. CASH

Custodial Credit Risk—Deposits. Custodial credit risk is the risk that in the event of a bank failure, the government's deposits may not be returned to it. The district's policy is based on New Jersey Statutes requiring cash be deposited only in New Jersey based banking institutions that participate in the New Jersey Governmental Depository Protection Act (GUDPA) or in qualified investments established in New Jersey Statutes 18A:20-37 that are treated as cash equivalents. As of June 30, 2014, $112,738.78 of the government's bank balance of $4,644,173.78 was exposed to custodial credit risk.

NOTE 3. FIXED ASSETS

Capital Asset activity for the year ended June 30, 2014 was as follows:

	Balance June 30, 2013	Additions	Disposals/ Adjustments	Balance June 30, 2014
Governmental Activities:				
Capital assets that are not being depreciated:				
Construction in process	$ 54,704.83	$	$	$ 54,704.83
Total capital assets not being depreciated	54,704.83	-	-	54,704.83
Land Improvements	750,180.00			750,180.00
Bldg and bldg improve	35,030,231.72	493,161.66	(49,500.00)	35,473,893.38
Machinery & equipment	3,552,874.84	100,265.62	(113,582.90)	3,539,557.56
Total at historical cost	39,333,286.56	593,427.28	(163,082.90)	39,763,630.94
Less accum depr for:				
Land Improvements	(738,279.00)	(10,643.09)		(748,922.09)
Bldg and bldg improve	(17,339,614.71)	(1,224,838.02)	40,095.00	(18,524,357.73)
Equipment	(2,056,982.32)	(214,077.33)	108,562.48	(2,162,497.17)
Total accum deprec	(20,134,876.03)	(1,449,558.44)	148,657.48	(21,435,776.99)
Total capital assets being depr, net of accum depr	19,198,410.53	(856,131.16)	(14,425.42)	18,327,853.95
Governmental Activities Capital Assets, net	$ 19,253,115.36	$ (856,131.16)	$ (14,425.42)	$ 18,382,558.78
Business-Type Activities:				
Equipment	$ 126,278.00	$ 8,760.00	$	$ 135,038.00
Less accum depr for:				
Equipment	(25,255.54)	(12,846.77)		(38,102.31)
Business-Type Activities Capital Assets, net	$ 101,022.46	$ (4,086.77)	$ -	$ 96,935.69

NOTE 3. FIXED ASSETS (CONTINUED)

Depreciation expense was charged to governmental functions as follows:

INSTRUCTION	
Regular Instruction	$ 42,348.35
Vocational Instruction	258,251.04
Other Instruction	15,750.33
SUPPORT SERVICES	
Student & instruction related Services	129,211.04
School Administration	5,565.26
General & Business Services	162,968.38
Plant Operations	794,006.74
Pupil Transportation	39,568.90
Adult and Continuing Education	1,888.40
	$ 1,449,558.44

NOTE 4. PENSION PLANS

Description of Plans

All required employees of the District are covered by either the Public Employees' Retirement System or the Teacher's Pension and Annuity Fund cost-sharing multiple-employer defined benefit pension plans which have been established by state statute and are administered by the New Jersey Division of Pension and Benefits (Division). According to the State of New Jersey Administrative Code, all obligations of both Systems will be assumed by the State of New Jersey should the Systems terminate. The Division issues a publicly available financial report that includes the financial statements and required supplementary information for the Public Employees Retirement System and the Teachers' Pension and Annuity Fund. These reports may be obtained by writing to the Division of Pensions and Benefits, PO Box 295, Trenton, New Jersey, 08625 or the reports can be accessed on the internet at http://www.state.nj.us/treasury/pensions/annrpts_archive.htm.

Teachers' Pension and Annuity Fund

The Teachers' Pension and Annuity Fund was established in January, 1955 under the provisions of N.J.S.A. 18A:66 to provide retirement benefits, death, disability and medical benefits to certain qualified members. The Teachers' Pension and Annuity Fund is considered a cost-sharing multiple-employer plan with a special funding situation, as under current statute, all employer contributions are made by the State of New Jersey on behalf of the District and the system's other related non-contributing employers. Membership is mandatory for substantially all teachers or members of the professional staff certified by the State Board of Examiners, and employees of the Department of Education who have titles that are unclassified, professional and certified.

Public Employees' Retirement System

The Public Employees' Retirement System was established in January, 1955 under the provisions of N.J.S.A. 43:15A to provide retirement, death, disability and medical benefits to certain qualified members. The Public Employees' Retirement System is a cost-sharing multiple-employer plan. Membership is mandatory for substantially all full time employees of the State or any county, municipality, school district or public agency provided the employee is not required to be a member of another State-administered

NOTE 4. PENSION PLANS - Continued

retirement system or other state or local jurisdiction.

Defined Contribution Retirement Program (DCRP)

The Defined Contribution Retirement Program (DCRP) was established as of July 1, 2008 under the provisions of Chapter 92, P.L. 2008 and Chapter 103, P.L. 2008 (N.J.S.A. 43:15C-1 et seq.). The DCRP is a cost sharing multiple employer defined contribution pension fund. The DCRP provides eligible members, and their beneficiaries with a tax-sheltered, defined contribution retirement benefit, along with life insurance and disability coverage. Vesting and benefit provisions are established by N. J.S.A. 43:15C-1 et. seq.

Funding Policy

The contribution policy is set by N.J.S.A. 43:15A, Chapter 62, P.L. of 1994, Chapter 115, P.L. of 1997 and N.J.S.A. 18:66, and requires contributions by active members and contributing employers. Plan member and employer contributions may be amended by State of New Jersey legislation. TPAF and PERS provide for employee contributions of 5.5% of employees' annual compensation, as defined. Employers are required to contribute at an actuarially determined rate in both TPAF and PERS. The current TPAF rate is 6.5% and the PERS rate is 6.5% of covered payroll. The School District's contributions to TPAF for the years ending June 30, 2014, 2013 and 2012 were $253,082.00, $388,800.02, and $182,358.00 respectively, and paid by the State of New Jersey on behalf of the board, equal to the required contributions for each year. The State of New Jersey did not make the required contributions for 2011. The School District's contributions to PERS for the years ending June 30, 2014, 2013 and 2012 were $205,899.00, $213,266.00 and $216,566.00 respectively, equal to the required contributions for each year.

During the fiscal years ended June 30, 2014, 2013 and 2012, the State of New Jersey contributed $414,960.00, $439,631.00, and $366,588.00, respectively, to the TPAF for post-retirement medical benefits on behalf of the Board. Also, in accordance with NJSA 18A:66-66 the State of New Jersey reimbursed the Board $421,659.60, $475,092.13, and $440,319.81, during the same fiscal years for the employer's share of social security contributions for TPAF members as calculated on their base salaries. These amounts, which are not required to be budgeted, have been included in the financial statements, and the combining and individual fund and account group statements and schedules as revenues and expenditures in accordance in GASB 27.

For the DCRP, members contribute at a uniform rate of 5.5% of their base salary. Employers are required to contribute at a set rate of 3.0% of base salary. There were two employees enrolled in the DCRP for the year ended June 30, 2014.

Vesting and Benefit Provisions

The vesting and benefit provisions for PERS are set by N.J.S.A. 43:15A and 43.3B, and N.J.S.A. 18A:6C for TPAF. All benefits vest after eight to ten years of service, except for medical benefits that vest after 25 years of service. Retirement benefits for age and service are available at age 60 and are generally determined to be 1/60 of the final average salary for each year of service credit, as defined. Final average salary equals the average salary for the final three years of service prior to retirement (or highest three years' compensation if other than the final three years). Members may seek early retirement after achieving 25 years of service credit or they may elect deferred retirement after achieving eight to ten years of service in which case benefits would begin the first day of the month after the member attains normal retirement age. The TPAF and PERS provides for specified medical benefits for members who retire after achieving 25 years of qualified service, as defined, or under the disability provisions of the System. Members are always fully vested for their own contributions and, after three years of service

NOTE 4. PENSION PLANS - Continued

credit, become vested for 2% of related interest earned on the contributions. In the case of death before retirement, members' beneficiaries are entitled to full interest credited to the members' accounts.

Significant Legislation

Chapter 78, P.L. 2011, effective June 28, 2011 made various changes to the manner in which the Public Employees' Retirement System (PERS) and the Police and Firemen's Retirement System (PFRS) operate and to the benefit provisions of those systems.

Chapter 78's provisions impacting employee pension and health benefits include:

- New members of the PERS hired on or after June 28, 2011 (Tier 5 members) will need 30 years of creditable service and age 65 for receipt of the early retirement benefit without a reduction of ¼ of 1% for each month that the member is under age 65.
- The eligibility age to qualify or a service retirement in the PERS is increased from age 63 to 65 for Tier 5 members.
- The annual benefit under special retirement for new PFRS members enrolled after June 28, 2011 (Tier 3 members), will be 60% instead of 65% of the member's final compensation plus 1% for each year of creditable service over 25 years but not to exceed 30 years.
- Increases in active member contribution rates. PERS active member rates increase from 5.5% of annual compensation to 6.5% plus an additional 1% phased-in over 7 years; PFRS active member rate increase from 8.5% to 10%. For fiscal year 2012, the member contribution rates increased in October 2011. The phase-in of the additional incremental member contribution rates for PES members will take place July of each subsequent fiscal year.
- The payment of automatic cost-of-living adjustment (COLA) additional increases to current ad future retirees and beneficiaries is suspended until reactivated as permitted by this law.
- New employee contribution requirements towards the cost of employer-provided health benefit coverage. Employees are required to contribute a certain percentage of the cost of coverage. The rate of contribution is determined based on the employee's annual salary and the selected level of coverage. The increased employee contributions will be phased in over 4-year period for those employed prior to Chapter 78's effective date with a minimum contribution required to be at least 1.5% of salary.
- In addition, this new legislation changes the method for amortizing the pension systems' unfunded accrued liability (from a level percent of pay method to a level dollar of pay).

Chapter 1, P.L. 2010, effective May 21, 2010, made a number of changes to the State-administered retirement systems concerning eligibility, the retirement allowance formula, the definition of compensation, the positions eligible for service credit, the non-forfeitable right to a pension, the prosecutor's part of the PERS, special retirement under the PFRS, and employer contributions to the retirement systems.

NOTE 4. PENSION PLANS - Continued

Significant Legislation - Continued

Also, Chapter 1, P.L. 2010 changed the membership eligibility criteria for new members of PERS from the amount of annual compensation to the number of hours worked weekly. Also, it returned the benefit multiplier for new members of PERS to 1/60th from 1/55th, and it provided that new members of PERS have the retirement allowance calculated using the average annual compensation for the last five years of service instead of the last three years of service. New members of PERS will no longer receive pension service credit from more than one employer. Pension service credit will be earned for the highest paid position only. For new members of the PFRS, the law capped the maximum compensation that can be used to calculate a pension from these plans at the annual wage contribution base for social security, and requires the pension to be calculated using a three year average annual compensation instead of the last year's salary. This law also closed the Prosecutors Part of the PERS to new members and repealed the law for new members that provided a non-forfeitable right to receive a pension based on the laws of the retirement system in place at the time 5 years of pension service credit is attained. The law also required the State to make its full pension contribution, defined at 1/7th of the required amount, beginning in fiscal year 2012.

Chapter 3, P.L. 2010, effective May 21, 2010, replaced the accidental and ordinary disability retirement for new members of the PERS with disability insurance coverage similar to that provided by the State to individuals enrolled in the State's Defined Contribution Retirement Program.

Chapter 92, P.L. 2007 implemented certain recommendations contained in the December 1, 2006 report of the Joint Legislative Committee on Public Employee Benefits Reform; established a DCRP for elected and certain appointed officials, effective July 1, 2007; the new pension loan interest rate became 4.69% per year, and an $8.00 processing fee per loan was charges, effective January 1, 2008. The legislation also removed language from existing law that permits the State Treasurer to reduce employer pension contributions needed to fund the Funds and Systems when excess assets are available.

NOTE 5. POST-RETIREMENT BENEFITS

P.L. 1987, Chapter 384 and P.L. 1990 Chapter 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 post-retirement medical benefits through the TPAF and PERS. It created separate funds outside of the pension plans for funding and payment of post-retirement medical benefits for retired State employees and educational employees. As of June 30, 2013, there were 100,134 retirees eligible for post-retirement medical benefits. The cost of these benefits is funded through contributions by the State in accordance with Chapter 62, P.L. 1994.

The State is also responsible for the cost attributable to Chapter 126, P.L. 1992, which provides free health benefits to members of PERS and the Alternate Benefit Program who retired from a board of education or county college with 25 years of service. The State paid $173.8 million toward Chapter 126 benefits for 17,356 eligible retired members in Fiscal Year 2013. The State also makes on-behalf payment for Teachers Pension and Annuity program retirees for health benefits. The on-behalf amount paid by the State of New Jersey in fiscal year 2014 was $414,960.

NOTE 6. DEFERRED COMPENSATION

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

Lincoln Investment Planning
AXA Equitable
ABCO-ING

NOTE 7. COMPENSATED ABSENCES

The District accounts for compensated absences (e.g. sick leave) as directed by Governmental Accounting Standards Board Statement No. 16 (GASB 16), "Accounting for Compensated Absences". A liability for compensated absences attributable to services already rendered and not contingent on a specific event that is outside the control of the employer and employee is accrued as employees earn the rights to the benefits.

District employees are granted varying amounts of vacation and sick leave in accordance with the district's personnel policy. Upon termination, employees are paid for accrued vacation. Sick leave benefits provide for ordinary sick pay and is capped based on the various employee contracts.

In the district-wide Statement of Net position, the liabilities whose average maturities are greater than one year are reported in two components – the amount due within one year and the amount due in more than one year.

NOTE 8. OPERATING LEASES

The District has commitments to lease certain office equipment under operating leases that expire in 2016. Total operating lease payments made during the year ended June 30, 2014 were $23,378.57. Future minimum lease payments are as follows:

Fiscal Year End June 30,		Payment
2015		26,282.79
2016		23,392.40
2017		20,801.16
Total	$	70,476.35

NOTE 9. CAPITAL RESERVE ACCOUNT

A capital reserve account was established by the Board of Education by inclusion of $1.00 on October 17, 2000 retroactive to October 13, 2000 for the accumulation of funds for use as capital outlay expenditures in subsequent fiscal years. A capital reserve account is maintained in the general fund and its activity is included in the general fund annual budget.

NOTE 9. CAPITAL RESERVE ACCOUNT - Continued

Funds placed in the capital reserve account are restricted to capital projects in the district's approved Long Range Facilities Plan (LRFP). Upon submission of the LRFP to the department, a district may increase the balance in the capital reserve by appropriating funds in the annual general fund budget certified for taxes or by transfer by board resolution at year end (June 1 to June 30) of any unanticipated revenue or unexpended line-item appropriation amounts, or both. A district may also appropriate additional amounts when the express approval of the voters has been obtained either by a separate proposal at budget time or by a special question at on of the four special elections authorized pursuant to NJSA 19:60-2. Pursuant to NJAC 6A:23A-14.1(g), the balance in the account cannot at any time exceed the local support costs of uncompleted capital projects in its approved LRFP.

The activity of the capital reserve for the July 1, 2013 to June 30, 2014 fiscal year is as follows:

Beginning balance, July 1, 2013	$ 1,143,811.57
Interest earnings	499.21
Deposits:	
Transfer of Current Year Surplus	897,888.85
	$ 2,042,199.63
Withdrawals:	
Budgeted Withdrawal	-
Ending balance, June 30, 2014	$ 2,042,199.63

NOTE 10. MAINTENANCE RESERVE ACCOUNT

New Jersey Administrative Code 6A:23A-14.2 permits school districts to establish a maintenance reserve account for required maintenance of the District's facilities, in accordance with the Commissioner approved plan. The District can only increase the balance in this reserve account by appropriating funds in the annual general fund budget certified for taxes.

Beginning balance, July 1, 2013	$ 672,361.00
Interest earnings	
Deposits:	
Transfer of Current Year Surplus	193,903.00
	$ 866,264.00
Withdrawals:	
Budgeted Withdrawal	-
Ending balance, June 30, 2014	$ 866,264.00

NOTE 11. GENERAL LONG-TERM DEBT

Long-term liability activity for the year ended June 30, 2014 was as follows:

	Balance June 30, 2013	Issued	Retired	Balance June 30, 2014	Amounts Due Within One Year
Governmental Activities					
Payable	$ 764,885.70	$ 363,065.66	$ 400,191.54	$ 727,759.82	$
Total Governmental Activities	764,885.70	363,065.66	400,191.54	727,759.82	-
Total Debt	$ 764,885.70	$ 363,065.66	$ 400,191.54	$ 727,759.82	$ -

Compensated absences are liquidated in the General Fund.

NOTE 12. INTERFUND RECEIVABLES AND PAYABLES

The following interfund balances remained on the balance sheet at June 30, 2014:

Fund	Interfund Receivable	Interfund Payable
General Fund	$ 153,634.78	$
Special Revenue Fund		149,934.78
Agency Fund		3,700.00
Total	$ 153,634.78	$ 153,634.78

Interfunds were created throughout the year due to short term borrowings to cover cash flow needs in the various funds and to cover cash overdrafts for pooled funds. The governmental fund interfunds were eliminated in the governmental-wide statements.

NOTE 13. FUND BALANCE APPROPRIATED

General Fund – Of the $3,416,077.23 General Fund fund balance, at June 30, 2014, $0.00 is reserved as excess surplus in accordance with NJSA 18A:7F-7, $2,042,199.63 has been reserved in the Capital Reserve Account; $866,264 has been reserved in the Maintenance Reserve Account; $0 has been appropriated and included as anticipated revenue for the year ending June 30, 2015; $22,824.89 has been assigned for other purposes and $341,963.55 is classified as Unassigned.

Capital Projects Fund – Of the $349,010.70 Capital Projects Fund fund balance, at June 30, 2014, $187,967.34 is restricted for a Capital project for additions and renovations to the Technical High School, approved on August 23, 2005; $161,043.36 has been committed for construction contracts payable authorized by the Board of Education for various capital projects.

NOTE 14. CALCULATION OF EXCESS SURPLUS

In accordance with NJSA 18A:7F-7, as amended by P.L. 2004, c.73, the designation for Reserved Fund Balance – Excess Surplus is a required calculation. New Jersey school districts are required to reserve General Fund fund balance at the fiscal year end of June 30 if they did not appropriate a required

NOTE 14. CALCULATION OF EXCESS SURPLUS - Continued

minimum amount as budgeted fund balance in their subsequent years' budget. The excess fund balance at June 30, 2014 is $0.00.

NOTE 15. RISK MANAGEMENT

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

Property and Liability Insurance – The District maintains commercial insurance coverage for property, liability and surety bonds. During the fiscal year ended June 30, 2014, the District did not incur claims in excess of their coverage and the amount of coverage did not significantly decrease.

New Jersey Unemployment Compensation Insurance - The District converted from the "Benefit Reimbursement Method" to the "Contributory Method" beginning in January 2005. The following is a summary of District contributions, employee contributions, reimbursements to the State for benefits paid and the ending balance of the District's expendable trust fund for the current and prior year:

Fiscal Year	Beginning Balance	District Contributions	Employee Contributions	Interest Earnings	Ending Balance
2013-2014	$ 4,326.89	-	$ -	$ 1.81	$ 4,328.70
2012-2013	4,324.87	-	-	2.02	4,326.89
2011-2012	4,319.59	-	-	5.28	4,324.87

NOTE 16. LITIGATION

From time to time, the District is a defendant or plaintiff in legal proceedings relating to its operations as a school district. The District is involved in two litigations and the matters are ongoing and an estimate of damages cannot be determined at this time.

NOTE 17. SUBSEQUENT EVENTS

The District has evaluated subsequent events through October 22, 2014, the date which the financial statements were available to be issued and no items were noted for disclosure or adjustment.

REQUIRED SUPPLEMENTARY INFORMATION – PART II

BUDGETARY COMPARISON SCHEDULES

Board of Education for Vocational Schools, County of Cape May
(A Component Unit of the County of Cape May)
General Fund
Budgetary Comparison Schedule
For the Year ended June 30, 2014

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final to Actual Under/(Over)
REVENUES:					
Local Sources:					
County Line Item Appropriation	$ 7,314,862.00	$ -	$ 7,314,862.00	$ 7,314,862.00	$ -
Tuition	5,327,213.00	-	5,327,213.00	5,332,826.00	5,613.00
Nonresident Fees	57,034.00	-	57,034.00	44,634.25	(12,399.75)
GED Testing Center Fees	7,900.00	-	7,900.00	8,328.00	428.00
Interest on Capital Reserve	500.00	-	500.00	-	(500.00)
Other Restricted Miscellaneous Revenue	402,555.00	-	402,555.00	340,476.47	(62,078.53)
Unrestricted Miscellaneous Revenue	85,649.00	-	85,649.00	109,063.67	23,414.67
Total Local Sources	13,195,713.00	-	13,195,713.00	13,150,190.39	(45,522.61)
State Sources:					
Adult Education Aid	-	-	-	-	-
Categorical Special Education Aid	342,978.00	-	342,978.00	342,978.00	-
Categorical Security Aid	74,374.00	-	74,374.00	74,374.00	-
Adjustment Aid	952,562.00	-	952,562.00	952,562.00	-
TPAF Pension (On-Behalf - Non-Budgeted)					
TPAF - Post Retirement Medical	-	-	-	414,960.00	414,960.00
Teachers Pension and Annuity Fund	-	-	-	253,082.00	253,082.00
TPAF Social Security (Reimbursed-Non-Budgeted)	-	-	-	421,659.60	421,659.60
Total State Sources	1,369,914.00	-	1,369,914.00	2,459,615.60	1,089,701.60
Total Revenues	14,565,627.00	-	14,565,627.00	15,609,805.99	1,044,178.99
EXPENDITURES:					
CURRENT EXPENSE					
REGULAR PROGRAMS - INSTRUCTION GRADES 9-12					
Salaries of Teachers	2,322,190.00	(24,230.19)	2,297,959.81	2,241,692.09	56,267.72
Other Purchased Services (400-500 series)	33,696.00	802.04	34,498.04	30,665.65	3,832.39
General Supplies	79,707.40	16,177.57	95,884.97	91,911.46	3,973.51
Textbooks	12,000.00	10,284.73	22,284.73	22,268.77	15.96
Other Objects	250.00		250.00	80.00	170.00
Regular Programs - Home Instruction			-		
Salaries of Teachers	6,600.00	7,567.50	14,167.50	14,167.50	-
Purchased Professional - Educational Services	1,000.00	(613.26)	386.74	340.48	46.26
Other Purchased Services (400-500 series)	750.00	861.56	1,611.56	1,611.56	-
TOTAL REGULAR PROGRAMS - INSTRUCTION	2,456,193.40	10,849.95	2,467,043.35	2,402,737.51	64,305.84
VOCATIONAL PROGRAMS - INSTRUCTION					
Regular Vocational Programs - Instruction					
Salaries of Teachers	1,510,462.00	(103,178.18)	1,407,283.82	1,407,230.95	52.87
Other Salaries for Instruction	162,695.00	(1,110.37)	161,584.63	159,271.64	2,312.99
Other Purchased Services (400-500 series)	81,629.00	1,408.33	83,037.33	80,888.69	2,148.64
General Supplies	153,306.45	95,480.79	248,787.24	237,010.94	11,776.30
Textbooks	14,000.00	(10,739.91)	3,260.09	1,143.45	2,116.64
Other Objects	8,500.00	692.00	9,192.00	8,309.00	883.00
Total Regular Vocational Programs - Instruction	1,930,592.45	(17,447.34)	1,913,145.11	1,893,854.67	19,290.44
Special Vocational Programs - Instruction					
Salaries of Teachers	697,473.00	(23,043.46)	674,429.54	662,425.04	12,004.50
Other Salaries for Instruction	-		-		-
General Supplies	35,481.91	22,521.85	58,003.76	51,843.33	6,160.43
Textbooks	500.00		500.00	-	500.00
Total Special Vocational Programs - Instruction	733,454.91	(521.61)	732,933.30	714,268.37	18,664.93
TOTAL VOCATIONAL PROGRAMS - INSTRUCTION	2,664,047.36	(17,968.95)	2,646,078.41	2,608,123.04	37,955.37

Board of Education for Vocational Schools, County of Cape May
(A Component Unit of the County of Cape May)
General Fund
Budgetary Comparison Schedule
For the Year ended June 30, 2014

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final to Actual Under/(Over)
School-Spon. Cocurricular Activities - Instruction					
Salaries	$ 45,100.00	$ (140.30)	44,959.70	$ 34,435.00	$ 10,524.70
Purchased Services (300-500 series)	8,800.00	140.30	8,940.30	7,506.82	1,433.48
Supplies & Materials	3,000.00		3,000.00	2,684.90	315.10
Other Objects	19,000.00		19,000.00	11,898.50	7,101.50
Total School-Spon. Cocurricular Activities - Inst.	75,900.00	-	75,900.00	56,525.22	19,374.78
School-Spon. Cocurricular Athletics - Instruction					
Salaries	164,035.00	(3,801.32)	160,233.68	158,658.50	1,575.18
Purchased Services (300-500 series)	33,650.00	(2,410.65)	31,239.35	29,268.93	1,970.42
Supplies & Materials	25,500.00	2,414.97	27,914.97	27,870.01	44.96
Other Objects	9,475.00	1,102.00	10,577.00	10,272.00	305.00
Total School-Spon. Cocurricular Athletics - Inst.	232,660.00	(2,695.00)	229,965.00	226,069.44	3,895.56
Other Instructional Programs - Instruction					
Supplies & Materials	3,000.00		3,000.00	1,840.41	1,159.59
Total Other Instructional Programs - Inst.	3,000.00	-	3,000.00	1,840.41	1,159.59
TOTAL INSTRUCTION	5,431,800.76	(9,814.00)	5,421,986.76	5,295,295.62	126,691.14
UNDISTRIBUTED EXPENDITURES					
Undistributed Expend. - Attendence & Social Work					
Salaries	46,403.00	5,749.99	52,152.99	52,152.99	-
Total Undistributed Expend. - Attend & Social Work	46,403.00	5,749.99	52,152.99	52,152.99	-
Undistributed Expend. - Health Services					
Salaries	77,960.00		77,960.00	77,369.96	590.04
Purchased Professional and Technical Services	675.00		675.00	320.00	355.00
Other Purchased Services (400-500 series)	1,750.00		1,750.00	-	1,750.00
Supplies & Materials	3,543.55	-	3,543.55	3,352.96	190.59
Other Objects	150.00		150.00	-	150.00
Total Undistributed Expend. - Health Services	84,078.55	-	84,078.55	81,042.92	3,035.63
Undistributed Expend. - Speech, OT, PT, and Related Services					
Purchased Professional - Educational Services	-	1,750.00	1,750.00	1,750.00	-
Total Undistributed Expend. - Speech, OT, PT, and Related Services	-	1,750.00	1,750.00	1,750.00	-
Undistributed Expend. - Guidance					
Salaries of Other Professional Staff	227,274.00	(1,993.49)	225,280.51	216,671.83	8,608.68
Salaries of Secretarial and Clerical Assistants	124,452.00	-	124,452.00	106,370.00	18,082.00
Purchased Professional and Technical Services	2,800.00	-	2,800.00	1,481.25	1,318.75
Other Purchased Services (400-500 series)	350.00	-	350.00	109.20	240.80
Supplies & Materials	9,700.00	-	9,700.00	9,170.94	529.06
Other Objects	2,800.00	-	2,800.00	2,783.85	16.15
Total Undistributed Expend. - Guidance	367,376.00	(1,993.49)	365,382.51	336,587.07	28,795.44
Undist. Expend. - Child Study Teams					
Salaries of Other Professional Staff	126,302.00	(3,123.98)	123,178.02	120,717.64	2,460.38
Purchased Professional - Educational Services	2,000.00	3,123.98	5,123.98	1,740.24	3,383.74
Other Purchased Services (400-500 series)	250.00		250.00	-	250.00
Supplies & Materials	2,000.00	-	2,000.00	477.14	1,522.86
Other Objects	800.00		800.00	535.00	265.00
Total Undist. Expend. - Child Study Teams	131,352.00	-	131,352.00	123,470.02	7,881.98

Board of Education for Vocational Schools, County of Cape May
(A Component Unit of the County of Cape May)
General Fund
Budgetary Comparison Schedule
For the Year ended June 30, 2014

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final to Actual Under/(Over)
Undist. Expend. - Improvement of Inst. Services					
Salaries of Supervisor of Instruction	$ 96,930.00		96,930.00	$ 96,929.93	$ 0.07
Salaries of Other Professional Staff	10,500.00		10,500.00	1,000.00	9,500.00
Salaries of Secretarial and Clerical Assistants	66,852.00		66,852.00	43,330.35	23,521.65
Other Purchased Services (400-500 series)	3,250.00	(27.63)	3,222.37	2,155.89	1,066.48
Supplies & Materials	3,500.00	27.63	3,527.63	3,527.63	-
Other Objects	2,000.00		2,000.00	1,070.00	930.00
Total Undist. Expend. - Improvement of Inst. Serv.	183,032.00	0.00	183,032.00	148,013.80	35,018.20
Undist. Expend. - Edu. Media Serv./Sch. Library					
Salaries	99,094.00	(2,663.68)	96,430.32	90,373.51	6,056.81
Other Purchased Services (400-500 series)	2,300.00		2,300.00	-	2,300.00
Supplies & Materials	10,000.00	2,663.68	12,663.68	12,583.73	79.95
Total Undistributed Expenditures - Educational Media Services - School Library	111,394.00	-	111,394.00	102,957.24	8,436.76
Undist. Expend. - Instructional Staff Training Serv.					
Salaries of Supervisor of Instruction	10,770.00	0.07	10,770.07	10,770.07	-
Salaries of Other Professional Staff	-		-	-	-
Salaries of Secretarial and Clerical Assistants	2,685.00	(0.07)	2,684.93	2,555.88	129.05
Purchased Professional - Educational Services			-	-	-
Other Purchased Services (400-500 series)	5,000.00	-	5,000.00	3,876.39	1,123.61
Total Undistributed Expenditures - Instructional Staff Training Services	18,455.00	-	18,455.00	17,202.34	1,252.66
Undist. Expend. - Supp. Serv. - General Admin.					
Salaries	266,683.00	(2,000.00)	264,683.00	263,643.04	1,039.96
Legal Services	28,000.00		28,000.00	24,197.39	3,802.61
Audit Fees	25,000.00		25,000.00	24,900.00	100.00
Other Purchased Professional Services	15,000.00	10,846.11	25,846.11	24,100.11	1,746.00
Communications/Telephone	33,321.94	(5,109.83)	28,212.11	25,066.69	3,145.42
BOE Other Purchased Services	6,500.00	(651.10)	5,848.90	1,460.85	4,388.05
Other Purchased Services (400-500 series)	37,800.00	5,760.93	43,560.93	40,209.68	3,351.25
General Supplies	13,507.70	(199.61)	13,308.09	5,723.45	7,584.64
BOE In-House Training/Meeting Supplies	1,500.00	199.61	1,699.61	1,699.61	-
Judgements Against the School District			-	-	-
Miscellaneous Expenditures	26,500.00	-	26,500.00	23,565.10	2,934.90
BOE Membership Dues and Fees	7,000.00	-	7,000.00	-	7,000.00
Total Undistributed Expenditures - Support Services - General Administration	460,812.64	8,846.11	469,658.75	434,565.92	35,092.83
Undist. Expend. - Supp. Serv. - School Admin.				-	
Salaries of Principals/Assistant Principals	348,138.00		348,138.00	348,138.00	-
Salaries of Secretarial and Clerical Assistants	84,151.00	(6,112.50)	78,038.50	65,910.54	12,127.96
Other Purchased Services (400-500 series)	12,600.00		12,600.00	3,416.24	9,183.76
Supplies & Materials	13,000.00	(132.11)	12,867.89	9,818.77	3,049.12
Other Objects	7,000.00	132.11	7,132.11	6,978.80	153.31
Total Undistributed Expenditures - Support Services - School Administration	464,889.00	(6,112.50)	458,776.50	434,262.35	24,514.15
Undist. Expend. - Central Services					
Salaries	310,570.00		310,570.00	297,550.20	13,019.80
Purchased Technical Services	75.00		75.00	75.00	-
Misc. Purchased Services (400-500 series)	21,987.07		21,987.07	20,038.26	1,948.81
Supplies & Materials	13,492.93		13,492.93	12,538.55	954.38
Miscellaneous Expenditures	2,000.00		2,000.00	1,135.00	865.00
Total Undistributed Expenditures - Central Services	348,125.00	-	348,125.00	331,337.01	16,787.99

Board of Education for Vocational Schools, County of Cape May
(A Component Unit of the County of Cape May)
General Fund
Budgetary Comparison Schedule
For the Year ended June 30, 2014

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final to Actual Under/(Over)
Undist. Expend. - Admin. Info. Tech					
Salaries	$ 241,561.00		241,561.00	$ 234,121.06	$ 7,439.94
Purchased Technical Services	39,441.00	(6,817.00)	32,624.00	29,369.41	3,254.59
Other Purchased Services (400-500 series)	9,837.00	6,817.00	16,654.00	14,529.00	2,125.00
Supplies & Materials	12,930.71	-	12,930.71	5,499.04	7,431.67
Other Objects	350.00		350.00	-	350.00
Total Undistributed Expenditures - Admin Info Tech	304,119.71	-	304,119.71	283,518.51	20,601.20
Undist. Expend. - Required Maint. School Facilities					
Salaries	162,256.00	(1,956.23)	160,299.77	159,133.24	1,166.53
Cleaning, Repair and Maintenance Service	32,000.00	29,715.89	61,715.89	61,715.89	-
General Supplies	51,613.20	(1,767.71)	49,845.49	45,616.69	4,228.80
Total Undistributed Expenditures - Required Maintenance for School Facilities	245,869.20	25,991.95	271,861.15	266,465.82	5,395.33
Undist. Expend. - Custodial Services					
Salaries	571,659.00	(33,958.22)	537,700.78	504,523.65	33,177.13
Other Salaries			-	-	-
Purchased Professional and Technical Services	125,957.27	(2,045.00)	123,912.27	114,307.47	9,604.80
Cleaning, Repair and Maintenance Service	69,670.00	36,003.22	105,673.22	104,633.22	1,040.00
Rental of Land and Buildings	8,700.00		8,700.00	1,388.20	7,311.80
Other Purchased Property Services	47,529.00		47,529.00	41,334.45	6,194.55
Insurance	162,127.00	2,884.65	165,011.65	164,100.88	910.77
General Supplies	60,557.52	34,739.49	95,297.01	91,770.84	3,526.17
Energy (Natural Gas)	200,000.00	10,366.85	210,366.85	210,366.85	-
Energy (Electricity)	482,890.00	(79,332.57)	403,557.43	384,311.53	19,245.90
Energy (Oil)	28,314.00	4,350.28	32,664.28	32,664.28	-
Other Objects	1,500.00	2,884.00	4,384.00	4,384.00	-
Total Undist. Expend. - Custodial Services	1,758,903.79	(24,107.30)	1,734,796.49	1,653,785.37	81,011.12
Total Undistributed Expenditures Operations and Maintenance of Plant	2,004,772.99	1,884.65	2,006,657.64	1,920,251.19	86,406.45
Undist. Expend. - Student Transportation Serv.					
Salaries - Non-Instructional Aides	-		-	-	-
Salaries - (Oth Bet. Home & School)	1,500.00		1,500.00	82.50	1,417.50
Cleaning, Repair and Maintenance Service	6,000.00	(808.57)	5,191.43	2,396.03	2,795.40
Contracted Services - (Oth Bet. Home & School)	11,000.00	11,416.83	22,416.83	22,416.83	-
Cont Services - (Bet Home & School) - Joint	5,500.00		5,500.00	5,120.00	380.00
Contracted Services - (ESC's & CTSA's)	68,000.00	(10,608.26)	57,391.74	53,061.68	4,330.06
General Supplies	4,500.00		4,500.00	2,872.24	1,627.76
Miscellaneous Expenditures	400.00		400.00	261.00	139.00
Total Undistributed Expenditures - Student Transportation Services	96,900.00	-	96,900.00	86,210.28	10,689.72
Unallocated Benefits - Employee Benefits					
Group Insurance	4,200.00	-	4,200.00	2,882.30	1,317.70
Social Security Contribution	247,402.97	-	247,402.97	200,760.02	46,642.95
Other Retirement Contributions - PERS	265,000.00	(18,106.25)	246,893.75	206,828.52	40,065.23
Unemployment Compensation	36,245.00	-	36,245.00	32,333.18	3,911.82
Workmen's Compensation	199,356.00	(5,730.76)	193,625.24	161,027.06	32,598.18
Health Benefits	2,212,791.00	(145,639.90)	2,067,151.10	1,976,574.33	90,576.77
Tuition Reimbursement	23,450.00	(11,055.62)	12,394.38	8,555.00	3,839.38
Other Employee Benefits	76,550.00	28,682.56	105,232.56	105,232.56	-
Total Unallocated Benefits - Employee Benefits	3,064,994.97	(151,849.97)	2,913,145.00	2,694,192.97	218,952.03

Board of Education for Vocational Schools, County of Cape May
(A Component Unit of the County of Cape May)
General Fund
Budgetary Comparison Schedule
For the Year ended June 30, 2014

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final to Actual Under/(Over)
On-Behalf Contributions					
On-Behalf TPAF Pension (nonbudgeted)					
TPAF - Post Retirement Medical	$ -	$ -	$ -	$ 414,960.00	$ (414,960.00)
Teachers Pension and Annuity Fund				253,082.00	(253,082.00)
Reimbursed TPAF Social Security Cont.(non-bud)			-	421,659.60	(421,659.60)
Total On-Behalf Contributions	-	-	-	1,089,701.60	(1,089,701.60)
Total Personal Services - Employee Benefits	3,064,994.97	(151,849.97)	2,913,145.00	3,783,894.57	(870,749.57)
TOTAL UNDISTRIBUTED EXPENDITURES	7,686,704.86	(141,725.21)	7,544,979.65	8,137,216.21	(592,236.56)
TOTAL GENERAL CURRENT EXPENSE	13,118,505.62	(151,539.21)	12,966,966.41	13,432,511.83	(465,545.42)
CAPITAL OUTLAY					
Equipment					
Grades 9-12	7,250.00	23,037.00	30,287.00	23,037.00	7,250.00
Vocational Programs - Regular	5,800.00	40,033.17	45,833.17	40,033.17	5,800.00
Vocational Programs - Special	1,450.00		1,450.00	-	1,450.00
Vocational Programs - Post Secondary		-	-	-	-
Undistributed Expenditures:			-		
Instruction		5,814.00	5,814.00	5,814.00	-
Undistributed Expenditures:			-		
General Administration			-	-	-
Central Services			-	-	-
Admin. Info. Technology			-	-	-
Required Maintenance of School Facilities	5,902.99	2,280.96	8,183.95	8,183.95	-
Special Schools (All Programs)		3,195.00	3,195.00	3,195.00	-
Total Equipment	20,402.99	74,360.13	94,763.12	80,263.12	14,500.00
Facilities Acquisition and Construction Services:					
Construction Services	1,025,562.03	-	1,025,562.03	441,262.18	584,299.85
Other Objects	15,048.00	(15,048.00)	-	-	-
Assessment of debt on SDA Funding	-	11,016.08	11,016.08	9,760.00	1,256.08
Total Facilities Acquisition and Construction Services	1,040,610.03	(4,031.92)	1,036,578.11	451,022.18	585,555.93
TOTAL CAPITAL OUTLAY	1,061,013.02	70,328.21	1,131,341.23	531,285.30	600,055.93
SPECIAL SCHOOLS					
Post-Secondary - Instruction:					
Salaries of Teachers	440,000.00	(1,800.00)	438,200.00	423,723.14	14,476.86
Other Salaries for Instruction	28,953.00		28,953.00	28,862.20	90.80
Other Purchased Services (400-500 series)	500.00	1,800.00	2,300.00	2,053.24	246.76
General Supplies	92,181.47	(4,599.07)	87,582.40	79,272.27	8,310.13
Textbooks	10,000.00	3,254.40	13,254.40	13,254.40	-
Other Objects	25,500.00	-	25,500.00	10,380.79	15,119.21
Total Post-Secondary - Instruction	597,134.47	(1,344.67)	595,789.80	557,546.04	38,243.76
Post-Secondary - Support Services:					
Salaries of Principals/Assistant Principals	18,862.00	(9,162.72)	9,699.28	1,172.00	8,527.28
Salaries of Secretarial and Clerical Assistants	22,359.00	-	22,359.00	15,982.08	6,376.92
Other Salaries	30,268.00	6,062.72	36,330.72	33,306.80	3,023.92
Personal Services - Employee Benefits	111,130.00		111,130.00	105,607.93	5,522.07
Supplies and Materials	1,200.00	1,344.67	2,544.67	2,347.57	197.10
Total Post-Secondary - Support Services	183,819.00	(1,755.33)	182,063.67	158,416.38	23,647.29
Total Post-Secondary Programs	780,953.47	(3,100.00)	777,853.47	715,962.42	61,891.05
Summer School - Instruction:					
Salaries of Teachers	25,000.00	(1,997.00)	23,003.00	6,941.75	16,061.25
Supplies and Materials	-	-	-	-	-
Total Summer School - Instruction	25,000.00	(1,997.00)	23,003.00	6,941.75	16,061.25

Board of Education for Vocational Schools, County of Cape May
(A Component Unit of the County of Cape May)
General Fund
Budgetary Comparison Schedule
For the Year ended June 30, 2014

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final to Actual Under/(Over)
Summer School - Support Services:					
Salaries	$ 8,290.00	$ -	$ 8,290.00	$ 4,565.00	$ 3,725.00
Total Summer School - Support Services	8,290.00	-	8,290.00	4,565.00	3,725.00
Total Summer School	33,290.00	(1,997.00)	31,293.00	11,506.75	19,786.25
Accredited Evening/Adult H.S./Post-Grad. - Instruction:					
Salaries of Teachers	43,300.00	(727.85)	42,572.15	28,340.25	14,231.90
General Supplies	250.00	2,724.85	2,974.85	2,974.85	-
Textbooks	1,500.00		1,500.00	-	1,500.00
Other Objects	100.00		100.00	-	100.00
Total Accredited Evening/Adult H.S./Post-Grad. - Instruction	45,150.00	1,997.00	47,147.00	31,315.10	15,831.90
Accredited Evening/Adult H.S./Post-Grad. - Support Services:					
Salaries	154,233.00	(3,233.51)	150,999.49	97,358.97	53,640.52
Other Salaries	-		-	-	-
Personal Services - Employee Benefits	41,000.00		41,000.00	28,904.28	12,095.72
Other Purchased Services (400-500 series)	400.00	113.51	513.51	401.39	112.12
Supplies and Materials	2,600.00		2,600.00	1,873.85	726.15
Total Accredited Evening/Adult H.S./Post-Grad. - Support Services	198,233.00	(3,120.00)	195,113.00	128,538.49	66,574.51
Total Accredited Evening/Adult H.S./Post-Grad.	243,383.00	(1,123.00)	242,260.00	159,853.59	82,406.41
Adult Education - Local - Instruction:					
Salaries of Teachers	60,000.00		60,000.00	36,085.50	23,914.50
General Supplies	12,159.07		12,159.07	11,428.38	730.69
Textbooks	-		-	-	-
Other Objects	500.00		500.00	416.80	83.20
Total Adult Education - Local - Instruction	72,659.07	-	72,659.07	47,930.68	24,728.39
Adult Education - Local - Support Services:					
Salaries	12,950.00	10.50	12,960.50	11,831.30	1,129.20
Salaries of Principals/Assistant Principals	44,958.00	(10.50)	44,947.50	-	44,947.50
Salaries of Secretarial and Clerical Assistants	26,973.00		26,973.00	26,361.51	611.49
Personal Services - Employee Benefits	12,348.00		12,348.00	-	12,348.00
Other Purchased Services (400-500 series)	10,500.00		10,500.00	6,803.67	3,696.33
Supplies & Materials	750.00		750.00	243.89	506.11
Total Adult Education - Local - Support Services	108,479.00	-	108,479.00	45,240.37	63,238.63
Total Adult Education	181,138.07	-	181,138.07	93,171.05	87,967.02
Vocational Evening - Local - Instruction:					
Salaries of Teachers	75,000.00		75,000.00	56,838.75	18,161.25
General Supplies	14,533.28		14,533.28	8,810.64	5,722.64
Textbooks	9,000.00		9,000.00	5,321.46	3,678.54
Total Vocational Evening - Local - Instruction	98,533.28	-	98,533.28	70,970.85	27,562.43
Vocational Evening - Support Services:					
Salaries	33,935.00		33,935.00	12,892.01	21,042.99
Salaries of Principals/Assistant Principals	41,498.00	(20,339.72)	21,158.28	-	21,158.28
Salaries of Secretarial and Clerical Assistants	26,973.00		26,973.00	26,295.73	677.27
Personal Services - Employee Benefits	12,348.00		12,348.00	5,888.13	6,459.87
Other Purchased Services (400-500 series)	10,550.00	(107.25)	10,442.75	7,466.29	2,976.46
Supplies and Materials	250.00	1,362.17	1,612.17	1,612.17	-
Other Objects	5,000.00	(5.00)	4,995.00	1,460.32	3,534.68
Total Vocational Evening - Support	130,554.00	(19,089.80)	111,464.20	55,614.65	55,849.55
Total Vocational Evening	229,087.28	(19,089.80)	209,997.48	126,585.50	83,411.98

Board of Education for Vocational Schools, County of Cape May
(A Component Unit of the County of Cape May)
General Fund
Budgetary Comparison Schedule
For the Year ended June 30, 2014

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final to Actual Under/(Over)
GED Test Centers:					
Salaries	$ 4,700.00	$ 3,601.25	$ 8,301.25	$ 8,301.25	$ -
Salaries of Secretarial and Clerical Assistants	-	14,952.30	14,952.30	9,753.62	5,198.68
Supplies & Materials	3,200.00	(1,832.75)	1,367.25	-	1,367.25
Total GED Test Centers	7,900.00	16,720.80	24,620.80	18,054.87	6,565.93
TOTAL SPECIAL SCHOOLS	1,475,751.82	(8,589.00)	1,467,162.82	1,125,134.18	342,028.64
TOTAL EXPENDITURES	15,655,270.46	(89,800.00)	15,565,470.46	15,088,931.31	476,539.15
EXCESS (DEFEICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	(1,089,643.46)	89,800.00	(999,843.46)	520,874.68	1,520,718.14
Other Financing Sources/(Uses):					
Operating Transfers Out:					
Transfer to Enterprise Funds	(82,500.00)	(89,800.00)	(172,300.00)	(172,300.00)	-
Total Other Financing Sources:	(82,500.00)	(89,800.00)	(172,300.00)	(172,300.00)	-
Excess (Deficiency) of Revenues and Other Financing Sources Over (Under) Expenditures and Other Financing Sources (Uses)	(1,172,143.46)	-	(1,172,143.46)	348,574.68	1,520,718.14
Fund Balance July 1	3,059,815.39	-	3,059,815.39	3,059,815.39	-
Fund Balance June 30	$ 1,887,671.93	$ -	$ 1,887,671.93	$ 3,408,390.07	$ 1,520,718.14

Recapitulation of Fund Balance:	
Nonspendable Fund Balance:	
None	$ -
Restricted Fund Balance:	
None	-
Committed Fund Balance:	
Capital Reserve Account	2,042,199.63
Maintenance Reserve	866,264.00
Assigned Fund Balance:	
Year End Encumbrances	22,824.89
Designated for Subsequent Year's Expenditures	-
Unassigned Fund Balance	477,101.55
	3,408,390.07
Reconcilation to Governmental Funds Statements (GAAP):	
Last State Aid Payment not recognized on GAAP Basis	(135,138.00)
Fund Balance per Governmental Funds (GAAP)	$ 3,273,252.07

Board of Education for Vocational Schools, County of Cape May
(A Component Unit of the County of Cape May)
Special Revenue Fund
Budgetary Comparison Schedule
For the Year Ended June 30, 2014

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final to Actual
REVENUES:					
Local Sources	$ 10,432.00	$ 22,770.20	$ 33,202.20	$ 5,088.65	$ (28,113.55)
State Sources	13,236.00	108,063.04	121,299.04	117,552.06	(3,746.98)
Federal Sources	360,405.00	236,557.70	596,962.70	575,638.27	(21,324.43)
Total Revenues	384,073.00	367,390.94	751,463.94	698,278.98	(53,184.96)
EXPENDITURES:					
Instruction:					
Salaries	59,448.00	39,707.09	99,155.09	98,355.09	800.00
Salaries of Teachers	240,631.00	(65,861.50)	174,769.50	155,453.50	19,316.00
Purchased Professional - Technical Services	7,875.00	15,060.62	22,935.62	22,560.62	375.00
Other Purchased Services (400-500 series)	-	8,694.45	8,694.45	8,694.45	-
General Supplies	2,000.00	114,366.24	116,366.24	101,719.38	14,646.86
Other Objects	-	36,481.65	36,481.65	36,481.65	-
Total Instruction	309,954.00	148,448.55	458,402.55	423,264.69	35,137.86
Support Services:					
Salaries	69,478.00	59,694.26	129,172.26	123,442.40	5,729.86
Salaries - Supervisor of Instruction	-	6,054.00	6,054.00	6,054.00	-
Personal Services - Employee Benefits	-	85,160.92	85,160.92	83,828.79	1,332.13
Purchased Professional - Technical Services	-	27,004.68	27,004.68	26,719.68	285.00
Travel	-	3,152.87	3,152.87	2,617.78	535.09
Other Purchased Services (400-500 series)	4,641.00	17,839.05	22,480.05	20,990.05	1,490.00
Supplies & Materials	-	5,393.29	5,393.29	3,979.78	1,413.51
Other Objects	-	7,565.72	7,565.72	4,224.21	3,341.51
Total Support Services	74,119.00	211,864.79	285,983.79	271,856.69	14,127.10
Custodial Services:					
Electricity	-	1,485.00	1,485.00	450.00	1,035.00
Total Custodial Services	-	1,485.00	1,485.00	450.00	1,035.00
Facilities Acquisition and Constr. Services:					
Instructional Equipment	-	2,707.60	2,707.60	2,707.60	-
Construction Services	-	2,885.00	2,885.00	-	2,885.00
Total Facilities Acquisition and Constr. Services	-	5,592.60	5,592.60	2,707.60	2,885.00
Total Outflows	384,073.00	367,390.94	751,463.94	698,278.98	53,184.96
Excess (Deficiency) of Revenues Over (Under) Expenditures and Other Financing Sources (Uses)	$ -	$ -	$ -	$ -	$ -

NOTES TO THE REQUIRED SUPPLEMENTARY INFORMATION

Board of Education for Vocational Schools, County of Cape May
(A Component Unit of the County of Cape May)
Required Supplementary Information
Budget to GAAP Reconciliation
Note to RSI
For the Year Ended June 30, 2014

Note A - Explanation of Differences Between Budgetary Inflows and Outflows GAAP Revenue and Expenditures

		General Fund		Special Revenue Fund
Sources/inflows of resources				
Actual amounts (budgetary basis) "revenue" from the budgetary comparison schedule	[C-1]	$ 15,609,805.99	[C-2]	$ 698,278.98
Difference - budget to GAAP:				
Grant accounting budgetary basis differs from GAAP in that encumbrances are recognized as expenditures, and the related revenue is recognized				
Encumbrances at June 30, 2014		-		(1,696.37)
Encumbrances at June 30, 2013		-		6,192.03
Final State Aid payment was delayed until July 2013 is recorded as GAAP revenue but is not recognized as budgetary revenue.		136,010.00		-
Final State Aid payment was delayed until July 2014 is recorded as budgetary revenue but is not recognized under GAAP.		(135,138.00)		-
Total revenues reported on the statement of revenues, expenditures and changes in fund balances - governmental funds	[B-2]	$ 15,610,677.99	[B-2]	$ 702,774.64
Uses/outflows of resources				
Actual amounts (budgetary basis) "total outlfows" from the budgetary comparison schedule	[C-1]	$ 15,088,931.31	[C-2]	$ 698,278.98
Difference - budget to GAAP:				
Encumbrances for supplies and equipment ordered but not received are reported in the year the order is placed for budgetary purposes, but in the year the supplies are received for financial reporting purposes.				
Encumbrances at June 30, 2014		-		(1,696.37)
Encumbrances at June 30, 2013		-		6,192.03
	[B-2]	$ 15,088,931.31	[B-2]	$ 702,774.64

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OTHER SUPPLEMENTARY INFORMATION

SPECIAL REVENUE FUND
DETAIL STATEMENTS

The Special Revenue Fund is used to account for the proceeds of specific revenue sources (other than expendable trusts or major capital projects) that are legally restricted to expenditures for specific purposes.

Board of Education for Vocational Schools, County of Cape May
(A Component Unit of the County of Cape May)
Special Revenue Fund
Combining Schedule of Program Revenues and Expenditures - Budgetary Basis
For the Year Ended June 30, 2014

	Total Brought Forward (Ex. E-1a)	Carl Perkins Secondary	Carl Perkins Secondary Reserve Funds	Carl Perkins Post Secondary	2014 WIB Summer Youth	WIB Summer Youth Carryover	2014 WIB	Totals 2014
REVENUES:								
Local Sources	$ 5,088.65	$ -	$ -	$ -	$ -	$ -	$ -	$ 5,088.65
State Sources	17,632.06		16,464.00	83,456.00	-	-	-	117,552.06
Federal Sources	488,784.88	67,036.00	-	-	4,841.94	7,475.45	7,500.00	575,638.27
Total Revenues	511,505.59	67,036.00	16,464.00	83,456.00	4,841.94	7,475.45	7,500.00	698,278.98
EXPENDITURES:								
Instruction:								
Salaries	94,913.74	495.00	-	2,946.35	-	-	-	98,355.09
Salaries of Teachers	148,899.50	-	-	-	1,044.00	5,510.00	-	155,453.50
Purchased Professional - Technical Services	-	4,010.62	110.00	10,940.00	-	-	7,500.00	22,560.62
Other Purchased Services (400-500 series)	-	6,571.50	-	2,122.95	-	-	-	8,694.45
General Supplies	24,979.39	26,473.37	8,448.28	38,300.26	3,518.08	-	-	101,719.38
Other Objects	34,708.65	-	-	1,773.00	-	-	-	36,481.65
Total Instruction	303,501.28	37,550.49	8,558.28	56,082.56	4,562.08	5,510.00	7,500.00	423,264.69
Support Services:								
Salaries	83,628.42	19,057.32	-	20,756.66	-	-	-	123,442.40
Salaries - Supervisor of Instruction	-	3,028.00	606.00	2,420.00	-	-	-	6,054.00
Personal Services - Employee Benefits	79,580.79	1,689.89	47.00	1,606.80	79.86	824.45	-	83,828.79
Purchased Professional - Technical Services	19,859.68	2,080.00	4,000.00	780.00	-	-	-	26,719.68
Travel	793.32	727.17	237.12	860.17	-	-	-	2,617.78
Other Purchased Services (400-500 series)	18,056.05	2,200.00	199.00	535.00	-	-	-	20,990.05
Supplies & Materials	2,452.84	703.13	109.00	414.81	200.00	100.00	-	3,979.78
Other Objects	3,633.21	-	-	-	-	591.00	-	4,224.21
Total Support Services	208,004.31	29,485.51	5,198.12	27,373.44	279.86	1,515.45	-	271,856.69
Custodial Services:								
Electricity	-	-	-	-	-	450.00	-	450.00
Total Custodial Services	-	-	-	-	-	450.00	-	450.00
Facilities Acquisition and Constr. Services:								
Instructional Equipment	-	-	2,707.60	-	-		-	2,707.60
Construction Services	-	-	-	-	-		-	-
Total Facilities Acquisition and Constr. Services	-	-	2,707.60	-	-	-	-	2,707.60
Contribution to Charter Schools	-							-
Total Expenditures	511,505.59	67,036.00	16,464.00	83,456.00	4,841.94	7,475.45	7,500.00	698,278.98
Excess (Deficiency) of Revenues Over (Under) Expenditures and Other Financing Sources (Uses)	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -

Board of Education for Vocational Schools, County of Cape May
(A Component Unit of the County of Cape May)
Special Revenue Fund
Combining Schedule of Program Revenues and Expenditures - Budgetary Basis
For the Year Ended June 30, 2014

	Total Brought Forward (Ex. E-1b)	WIB JST	ABE GED	Civics GED	I.D.E.A. Part B	Eisenhower Title IIA	Eisenhower Title IIA Carryover	Total Carried Forward
REVENUES:								
Local Sources	$ 5,088.65	$ -	$ -	$ -	$ -	$ -		$ 5,088.65
State Sources	17,632.06	-	-					17,632.06
Federal Sources	94,179.86	16,212.02	200,500.00	75,100.00	94,582.00	7,223.00	988.00	488,784.88
Total Revenues	116,900.57	16,212.02	200,500.00	75,100.00	94,582.00	7,223.00	988.00	511,505.59
EXPENDITURES:								
Instruction:								
Salaries	21,623.00	-	53,243.62	19,957.12	-	90.00	-	94,913.74
Salaries of Teachers	45,032.00	10,536.00	57,108.42	36,223.08	-	-	-	148,899.50
Purchased Professional - Technical Services	-	-	-	-	-	-	-	-
Other Purchased Services (400-500 series)	-	-	-	-	-	-	-	-
General Supplies	12,506.79	3,490.00	4,685.04	590.79	-	3,706.77	-	24,979.39
Other Objects	-	-	32,845.20	1,863.45	-	-	-	34,708.65
Total Instruction	79,161.79	14,026.00	147,882.28	58,634.44	-	3,796.77	-	303,501.28
Support Services:								
Salaries	10,600.00	1,200.00	4,580.00	-	66,848.42	400.00	-	83,628.42
Salaries - Supervisor of Instruction	-	-	-	-	-	-	-	-
Personal Services - Employee Benefits	5,145.02	897.81	43,984.33	15,374.01	14,142.13	37.49	-	79,580.79
Purchased Professional - Technical Services	285.00	-	3,814.62	1,091.55	13,168.51	1,500.00	-	19,859.68
Travel	554.55	-	238.77	-	-	-	-	793.32
Other Purchased Services (400-500 series)	17,068.05	-	-	-	-	-	988.00	18,056.05
Supplies & Materials	873.16	-	-	-	422.94	1,156.74	-	2,452.84
Other Objects	3,213.00	88.21	-	-	-	332.00	-	3,633.21
Total Support Services	37,738.78	2,186.02	52,617.72	16,465.56	94,582.00	3,426.23	988.00	208,004.31
Custodial Services:								
Electricity	-	-	-	-	-	-	-	-
Total Custodial Services	-	-	-	-	-	-	-	-
Facilities Acquisition and Constr. Services:								
Instructional Equipment	-	-	-	-	-	-	-	-
Construction Services	-	-	-	-	-	-	-	-
Total Facilities Acquisition and Constr. Services	-		-	-	-	-	-	-
Contribution to Charter Schools	-							
Total Expenditures	116,900.57	16,212.02	200,500.00	75,100.00	94,582.00	7,223.00	988.00	511,505.59
Excess (Deficiency) of Revenues Over (Under) Expenditures and Other Financing Sources (Uses)	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -

Board of Education for Vocational Schools, County of Cape May
(A Component Unit of the County of Cape May)
Special Revenue Fund
Combining Schedule of Program Revenues and Expenditures - Budgetary Basis
For the Year Ended June 30, 2014

	Total Brought Forward (Ex. E-1c)	Four Year Green Program Year 3	Apprentice	Four Year Green Program Year 4	NJSBA Safety Grant	Dollar General Year 4	Total Carried Forward
REVENUES:							
Local Sources	$ 4,345.97	$ -	$ -	$ -	$ 541.40	$ 201.28	$ 5,088.65
State Sources	-	5,320.51	10,000.00	2,311.55	-		17,632.06
Federal Sources	94,179.86	-		-			94,179.86
Total Revenues	98,525.83	5,320.51	10,000.00	2,311.55	541.40	201.28	116,900.57
EXPENDITURES:							
Instruction:							-
Salaries	21,353.00	270.00	-	-	-	-	21,623.00
Salaries of Teachers	45,032.00	-		-	-	-	45,032.00
Purchased Professional - Technical Services	-	-		-	-	-	-
Other Purchased Services (400-500 series)	-	-		-	-	-	-
General Supplies	6,649.57	3,497.83		2,158.11	-	201.28	12,506.79
Other Objects	-	-		-	-	-	-
Total Instruction	73,034.57	3,767.83	-	2,158.11	-	201.28	79,161.79
Support Services:							
Salaries	-	600.00	10,000.00	-	-	-	10,600.00
Salaries - Supervisor of Instruction	-	-	-	-	-	-	-
Personal Services - Employee Benefits	5,078.45	66.57	-	-	-	-	5,145.02
Purchased Professional - Technical Services	-	285.00	-	-	-	-	285.00
Travel	-	401.11	-	153.44	-	-	554.55
Other Purchased Services (400-500 series)	17,058.05	-	-	-	10.00	-	17,068.05
Supplies & Materials	141.76	200.00	-	-	531.40	-	873.16
Other Objects	3,213.00	-	-	-	-	-	3,213.00
Total Support Services	25,491.26	1,552.68	10,000.00	153.44	541.40	-	37,738.78
Custodial Services:							
Electricity	-	-		-	-	-	-
Total Custodial Services	-	-	-	-	-	-	-
Facilities Acquisition and Constr. Services:							
Instructional Equipment	-	-		-	-	-	-
Construction Services	-	-		-	-	-	-
Total Facilities Acquisition and Constr. Services	-	-	-	-	-	-	-
Contribution to Charter Schools	-						
Total Expenditures	98,525.83	5,320.51	10,000.00	2,311.55	541.40	201.28	116,900.57
Excess (Deficiency) of Revenues Over (Under) Expenditures and Other Financing Sources (Uses)	$ -	$ -	$ -	$ -	$ -	$ -	$ -

Board of Education for Vocational Schools, County of Cape May
(A Component Unit of the County of Cape May)
Special Revenue Fund
Combining Schedule of Program Revenues and Expenditures - Budgetary Basis
For the Year Ended June 30, 2014

	Total Brought Forward (Ex. E-1d)	Title I	Title I Carryover	East Meets West	Meet the Court	Total Carried Forward
REVENUES:						
Local Sources	$ 3,416.56	$ -	$ -	$ 500.00	$ 429.41	$ 4,345.97
State Sources	-				-	-
Federal Sources	-	70,766.00	23,413.86	-	-	94,179.86
Total Revenues	3,416.56	70,766.00	23,413.86	500.00	429.41	98,525.83
EXPENDITURES:						
Instruction:						-
Salaries	-	-	21,353.00	-	-	21,353.00
Salaries of Teachers	-	45,032.00	-	-	-	45,032.00
Purchased Professional - Technical Services	-	-	-	-	-	-
Other Purchased Services (400-500 series)	-	-	-	-	-	-
General Supplies	3,416.56	2,018.00	285.60	500.00	429.41	6,649.57
Other Objects	-	-	-	-	-	-
Total Instruction	3,416.56	47,050.00	21,638.60	500.00	429.41	73,034.57
Support Services:						
Salaries	-	-	-	-	-	-
Salaries - Supervisor of Instruction	-	-	-	-	-	-
Personal Services - Employee Benefits	-	3,444.95	1,633.50	-	-	5,078.45
Purchased Professional - Technical Services	-	-	-	-	-	-
Travel	-	-	-	-	-	-
Other Purchased Services (400-500 series)	-	17,058.05	-	-	-	17,058.05
Supplies & Materials	-	-	141.76	-	-	141.76
Other Objects	-	3,213.00	-	-	-	3,213.00
Total Support Services	-	23,716.00	1,775.26	-	-	25,491.26
Custodial Services:						
Electricity	-	-	-	-	-	-
Total Custodial Services	-	-	-	-	-	-
Facilities Acquisition and Constr. Services:						
Instructional Equipment	-	-	-	-	-	-
Construction Services	-	-	-	-	-	-
Total Facilities Acquisition and Constr. Services	-	-	-	-	-	-
Contribution to Charter Schools	-	-	-	-	-	
Total Expenditures	3,416.56	70,766.00	23,413.86	500.00	429.41	98,525.83
Excess (Deficiency) of Revenues Over (Under) Expenditures and Other Financing Sources (Uses)	$ -	$ -	$ -	$ -	$ -	$ -

Board of Education for Vocational Schools, County of Cape May
(A Component Unit of the County of Cape May)
Special Revenue Fund
Combining Schedule of Program Revenues and Expenditures - Budgetary Basis
For the Year Ended June 30, 2014

	Live to Serve 13/14	Solar Panels 13/14	Walden Fair 13/14	Biodiesel 13/14	Total Carried Forward
REVENUES:					
Local Sources	$ 2,000.00	$ 448.00	$ 500.00	$ 468.56	$ 3,416.56
State Sources	-	-	-	-	-
Federal Sources	-	-	-	-	-
Total Revenues	2,000.00	448.00	500.00	468.56	3,416.56
EXPENDITURES:					
Instruction:					-
Salaries	-	-	-	-	-
Salaries of Teachers	-	-	-	-	-
Purchased Professional - Technical Services	-	-	-	-	-
Other Purchased Services (400-500 series)	-	-	-	-	-
General Supplies	2,000.00	448.00	500.00	468.56	3,416.56
Other Objects	-	-	-	-	-
Total Instruction	2,000.00	448.00	500.00	468.56	3,416.56
Support Services:					
Salaries	-	-	-	-	-
Salaries - Supervisor of Instruction	-	-	-	-	-
Personal Services - Employee Benefits	-	-	-	-	-
Purchased Professional - Technical Services	-	-	-	-	-
Travel	-	-	-	-	-
Other Purchased Services (400-500 series)	-	-	-	-	-
Supplies & Materials	-	-	-	-	-
Other Objects	-	-	-	-	-
Total Support Services	-	-	-	-	-
Custodial Services:					
Electricity	-	-	-	-	-
Total Custodial Services	-	-	-	-	-
Facilities Acquisition and Constr. Services:					
Instructional Equipment	-	-	-	-	-
Construction Services	-	-	-	-	-
Total Facilities Acquisition and Constr. Services	-	-	-	-	-
Contribution to Charter Schools	-	-	-	-	-
Total Expenditures	2,000.00	448.00	500.00	468.56	3,416.56
Excess (Deficiency) of Revenues Over (Under) Expenditures and Other Financing Sources (Uses)	$ -	$ -	$ -	$ -	$ -

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CAPITAL PROJECTS FUND
DETAIL STATEMENTS

The Capital Projects Fund is used to account for the acquisition and construction of major capital facilities and equipment purchases other than those financed by proprietary funds.

EXHIBIT F-1

Board of Education for Vocational Schools, County of Cape May
(A Component Unit of the County of Cape May)
Capital Projects Fund
Summary Statement of Project Expenditures
For the Fiscal Year Ended June 30, 2014

Number	Issue / Project Title	Original Date	Appropriations	Expenditures to Date Prior Years	Expenditures to Date Current Year	Canceled	Unexpended Balance
	Whereas, the State of New Jersey Department of Education has pursuant to N.J.S.A. 18A:7G-5 and N.J.A.C. 6A:26-3.6, established the eligible costs at $14,761,419 Whereas, The Board of Education of the Cape May County Vocational School has accepted the project cost determination and pursuant to NJSA 18A:54-31 has determined the amount necessary to fund certain capital projects for the school district to be $14,769,143 Therefore Be It Resolved, that the Cape May Board of School Estimate herehby approve additions and renovations to the Technical High School in accordance with the application filed with the State of New Jersey. The project budget of $14,769,143 in approved.	8/9/2005	$ 14,769,143.00	$ 14,732,752.00	$ (312,619.70)	$	$ 349,010.70
			$ 14,769,143.00	$ 14,732,752.00	$ (312,619.70)	$ -	$ 349,010.70

Board of Education for Vocational Schools, County of Cape May
(A Component Unit of the County of Cape May)
Capital Projects Fund
Summary Schedule of Revenues, Expenditures and Changes in Fund Balance - Budgetary Basis
For the Year Ended June 30, 2014

REVENUES AND OTHER FINANCING SOURCES:		
State Sources:		
SCC Grants	$	-
Local Sources		
County Appropriation		-
Interest Earned on Deposits		
Total Revenues		-
EXPENDITURES		
Purchased Professional and Technical Services		3,041.48
Construction Services		(315,661.18)
Equipment purchases		-
Other Objects		-
Total Expenditures		(312,619.70)
Excess (Deficiency) of Revenues Over (Under) Expenditures		312,619.70
Fund Balances, July 1		36,391.00
Fund Balances, June 30	$	349,010.70

Board of Education for Vocational Schools, County of Cape May
(A Component Unit of the County of Cape May)
Capital Projects Fund
Schedule of Project Revenues, Expenditures, Project Balance and Project Status - Budgetary Basis
Additions and Renovations to the Technical High School
From Inception and for the Year Ended June 30, 2014

	Prior Periods	Current Year	Totals	Revised Authorized Costs
REVENUES AND OTHER FINANCING SOURCES:				
Local Sources				
County Appropriation	$14,769,143.00	$ -	$14,769,143.00	$14,769,143.00
Total Revenues	14,769,143.00	-	14,769,143.00	14,769,143.00
EXPENDITURES AND OTHER FINANCING USES:				
Purchased Professional/Technical Services	1,063,358.39	3,041.48	1,066,399.87	1,066,399.87
Construction Services	12,970,266.94	(315,661.18)	12,654,605.76	12,654,605.76
Purchase of Equipment	217,369.73	-	217,369.73	217,369.73
Other Objects	481,756.94	-	481,756.94	481,756.94
Total Expenditures	14,732,752.00	(312,619.70)	14,420,132.30	14,420,132.30
Excess (Deficiency) of Revenues Over Expenditures	$ 36,391.00	$ 312,619.70	$ 349,010.70	$ 349,010.70

ADDITIONAL PROJECT INFORMATION:

Project Number	
Grant Date	N/A
Bond Authorization Date	8/23/2005
Bonds Authorized	$14,769,143.00
Bonds Issued	14,769,000.00
Original Cost Authorized	14,769,143.00
Additional Authorized Cost	
Revised Authorized Cost	14,769,143.00
Percentage Increase over Original Authorized Cost	0%
Percentage Completion	97.64%
Original Target Completion Date	June 2007
Revised Target Completion Date	January, 2013

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PROPRIETARY FUNDS – DETAILED STATEMENTS

Food Service Fund - This fund provides for the operation of food services in all schools within the school district. .

Early Childhood/Lab School/Summertime Adventures Fund - This fund provides for the operation of the above listed programs within the school district.

Job Cards Fund - This fund provides for the operation of the various shops within the school district.

Education Technology Training Center - This fund provides for the operation of training center for technology for the school district.

Board of Education for Vocational Schools, County of Cape May
(A Component Unit of the County of Cape May)
Proprietary Funds
Combining Schedule of Net Position
June 30, 2014

	Non-Major Funds				
	Food Service	Early Childhood/ Lab School/ Summertime Adventures	Job Cards	Education Technology Training Center	Total Non-Major Funds
ASSETS					
Current Assets:					
Cash and Cash Equivalents	$ 15,836.45	$ 101,298.71	$ 78,164.11	$ 32,189.44	$ 227,488.71
Intergovernmental Accounts Receivable	4,370.50	-	-	-	4,370.50
Other Accounts Receivable	58.00	-	1,044.00	6,280.00	7,382.00
Inventory	3,735.97	-	-	-	3,735.97
Total Current Assets	24,000.92	101,298.71	79,208.11	38,469.44	242,977.18
Noncurrent Assets:					
Furniture, Machinery & Equipment					-
Less Accumulated Depreciation	96,935.69	-	-		96,935.69
Total Noncurrent Assets	96,935.69	-	-	-	96,935.69
Total Assets	$ 120,936.61	$ 101,298.71	$ 79,208.11	$ 38,469.44	$ 339,912.87
LIABILITIES					
Current Liabilities:					
Accounts Payable	$ -	$ 2,021.27	$ 20.16	$ 877.41	$ 2,918.84
Unearned Revenue	1,190.06	9,070.00	-	-	10,260.06
Total Current Liabilities	1,190.06	11,091.27	20.16	877.41	13,178.90
NET POSITION					
Invested in Capital Assets Net of Related Debt	96,935.69	-	-	-	96,935.69
Unrestricted	22,810.86	90,207.44	79,187.95	37,592.03	229,798.28
Total Net Position	$ 119,746.55	$ 90,207.44	$ 79,187.95	$ 37,592.03	$ 326,733.97

Board of Education for Vocational Schools, County of Cape May
(A Component Unit of the County of Cape May)
Proprietary Funds
Combining Schedule of Revenues, Expenses, and Changes in Fund Net Position
For the Year Ended June 30, 2014

	Non-Major Funds				
	Food Service	Early Childhood/ Summertime Adventures	Job Cards	Education Training Center	Total Non-Major Funds
Operating Revenue:					
Charges for Service:					
Daily Sales - Non-reimbursable Programs	$ 95,946.20	$ -	$ -	$ -	$ 95,946.20
Daily Sales - Reimbursable Programs	105,150.35	-	-	-	105,150.35
Special Functions	2,103.93	-	-	-	2,103.93
Early Childhood Program Fees	-	18,665.00	-	-	18,665.00
Summertime Adventure Fees	-	6,608.00	-	-	6,608.00
Cosmetology Revenue	-	-	5,379.00	-	5,379.00
Hotel/Motel	-	-	39.58	-	39.58
Bake Shop	-	-	3,857.50	-	3,857.50
Culinary Arts	-	-	9,651.77	-	9,651.77
ETTC Revenues	-	-	-	6,565.00	6,565.00
Miscellaneous	688.71				688.71
Total Operating Revenue	203,889.19	25,273.00	18,927.85	6,565.00	254,655.04
Operating Expenses:					
Cost of Sales	120,526.31	-	-	-	120,526.31
Salaries	-	96,586.45	-	39,176.02	135,762.47
Fringe Benefits	-	2,027.38	-	13.77	2,041.15
Other Purchased Services	138,443.81	-	-	-	138,443.81
Miscellaneous Expenditures	8,457.83	25.00	-	-	8,482.83
General Supplies	19,699.88	2,730.31	16,658.13	-	39,088.32
Depreciation	12,846.77	-	-	-	12,846.77
Total Operating Expenses	299,974.60	101,369.14	16,658.13	39,189.79	457,191.66
Operating Income (Loss)	(96,085.41)	(76,096.14)	2,269.72	(32,624.79)	(202,536.62)
Nonoperating Revenues (Expenses):					
State Sources:					
State School Lunch Program	2,314.52	-	-	-	2,314.52
Federal Sources:					
National School Lunch Program	58,977.35	-	-	-	58,977.35
School Breakfast Program	9,936.04	-	-	-	9,936.04
Food Distribution Program	16,357.90	-	-	-	16,357.90
Interest and Investment Income	16.43	-	-	-	16.43
Total Nonoperating Revenues (Expenses)	87,602.24	-	-	-	87,602.24
Income (loss) before Contributions & Transfers	(8,483.17)	(76,096.14)	2,269.72	(32,624.79)	(114,934.38)
Capital Contributions (Uses)					-
Transfers In (Out)		127,400.00		44,900.00	172,300.00
Changes in Net Position	(8,483.17)	51,303.86	2,269.72	12,275.21	57,365.62
Total Net Position - Beginning	128,229.72	38,903.58	76,918.23	25,316.82	269,368.35
Total Net Position - Ending	$ 119,746.55	$ 90,207.44	$ 79,187.95	$ 37,592.03	$ 326,733.97

Board of Education for Vocational Schools, County of Cape May
(A Component Unit of the County of Cape May)
Proprietary Funds
Combining Statement of Cash Flows
For the Year Ended June 30, 2014

	Non-Major Funds				
	Food Service	Early Childhood/ Lab School/ Summertime Adventures	Job Cards	Education Technology Training Center	Total
CASH FLOWS FROM OPERATING ACTIVITIES					
Receipts from Customers	$ 202,651.73	$ 28,501.00	$ 18,724.35	$ 21,825.00	$ 271,702.08
Payments to Employees	-	(96,586.45)	-	(39,176.02)	(135,762.47)
Payments for Employee Benefits	-	(2,027.38)	-	(13.77)	(2,041.15)
Payments for Supplies and Services	(269,788.33)	(2,755.31)	(16,660.72)	-	(289,204.36)
Net Cash Provided by (Used for) Operating Activities	(67,136.60)	(72,868.14)	2,063.63	(17,364.79)	(155,305.90)
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES					
State Sources	2,279.21				2,279.21
Federal Sources	100,531.56				100,531.56
Operating Subsidies and Transfers to Other Funds	-	127,400.00	-	44,900.00	172,300.00
Net Cash Provided by (Used for) Noncapital Financing Activities	102,810.77	127,400.00	-	44,900.00	275,110.77
CASH FLOW FROM INVESTING ACTIVITIES					
Interest and Dividends	16.43	-	-	-	16.43
Net Cash Provided by (Used for) Investing Activities	16.43	-	-	-	16.43
Net Increase (Decrease) in Cash and Cash Equivalents	35,690.60	54,531.86	2,063.63	27,535.21	119,821.30
Balance - Beginning of Year	20,488.71	46,766.85	76,100.48	4,654.23	148,010.27
Balance - End of Year	$ 56,179.31	$ 101,298.71	$ 78,164.11	$ 32,189.44	$ 267,831.57
Reconciliation of Operating Income (Loss) to Net Cash Provided (Used) by Operating Activities:					
Operating Income (Loss)	$ (96,085.41)	$ (76,096.14)	$ 2,269.72	$ (32,624.79)	$ (202,536.62)
Adjustments to Reconcile Operating (Loss) to Net Cash Provided by (Used for) Operating Activities					
Depreciation	12,846.77	-	-	-	12,846.77
Federal Commodities - Non-Cash	16,357.90	-	-	-	16,357.90
(Increase) Decrease in Accounts Receivable	(922.94)	-	(203.50)	15,260.00	14,133.56
(Increase) Decrease in Inventories	981.60	-	-	-	981.60
Increase (Decrease) in Accounts Payable	-	-	(2.59)	-	(2.59)
Increase (Decrease) in Deferred Revenue	(314.52)	3,228.00	-	-	2,913.48
Increase (Decrease) in Interfund Payable	-	-	-	-	-
Total Adjustments	28,948.81	3,228.00	(206.09)	15,260.00	47,230.72
Net Cash Provided by (Used for) Operating Activities	$ (67,136.60)	$ (72,868.14)	$ 2,063.63	$ (17,364.79)	$ (155,305.90)

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FIDUCIARY FUNDS
DETAIL STATEMENTS

Trust funds are used to account for gifts and bequests to the school district for a specific purpose.

Unemployment Fund - This trust fund is an expendable trust fund and limits expenses set aside for this purpose in current and prior budgets and contributions from employee withholding in prior years.

Scholarship Fund – this is an expendable trust fund that receives funds from private contributions and disburses funds for scholarships and graduation awards to students.

Agency funds are used to account for assets held by the school district as an agent for individuals, private organizations, other governments and/or other funds.

Student Activity Fund - This agency fund is used to account for student funds held at the schools.

Payroll Fund - This agency fund is used to account for the payroll transactions of the school district.

Board of Education for Vocational Schools, County of Cape May
(A Component Unit of the County of Cape May)
Fiduciary Funds
Combining Statement of Fiduciary Net Position
June 30, 2014

	Unemployment Compensation Trust	Private Purpose Trust	Agency Funds	Totals
ASSETS				
Cash and Cash Equivalents	$ 4,328.70	$ 40,614.25	$ 174,345.95	$ 219,288.90
Total Assets	4,328.70	40,614.25	174,345.95	219,288.90
LIABILITIES				
Interfunds Payable			3,700.00	3,700.00
Flexible Spending Account			1,083.63	1,083.63
Payable to Student Groups			85,893.11	85,893.11
Payroll Deductions & Withholdings			83,669.21	83,669.21
Total Liabilities	-	-	174,345.95	174,345.95
NET POSITION				
Held in Trust for Unemployment Claims and Other Purposes	$ 4,328.70			4,328.70
Reserved for Scholarships		$ 40,614.25		40,614.25
Total Net Position				44,942.95
Total Liabilities and Net Position				$ 219,288.90

Board of Education for Vocational Schools, County of Cape May
(A Component Unit of the County of Cape May)
Fiduciary Funds
Combining Statement of Changes in Fiduciary Net Position
For the Year Ended June 30, 2014

	Unemployment Compensation Trust	Private Purpose Trust	Totals
ADDITIONS			
Contributions:			
Other	$ -	$ 6,373.00	$ 6,373.00
Total Contributions	-	6,373.00	6,373.00
Investments Earnings:			
Interest	1.81	16.75	18.56
Net Investment Earnings	1.81	16.75	18.56
Total Additions	1.81	6,389.75	6,391.56
Deductions			
Scholarships Awarded	-	3,475.00	3,475.00
Total Deductions	-	3,475.00	3,475.00
Change in Net Position	1.81	2,914.75	2,916.56
Net Position - Beginning of the Year	4,326.89	37,699.50	42,026.39
Net Position - End of the Year	$ 4,328.70	$ 40,614.25	$ 44,942.95

Board of Education for Vocational Schools, County of Cape May
(A Component Unit of the County of Cape May)
Student Activity Agency Fund
Schedule of Receipts and Disbursements
As of June 30, 2014

	Balance July 1, 2013	Cash Receipts	Cash Disbursements	Balance June 30, 2014
Agri-Science	$ 4,267.24	$ 12,398.28	$ 11,255.95	$ 5,409.57
Boys Baseball	1,135.54	2,186.78	3,042.52	279.80
Boys Basketball	2,621.10	5,771.00	7,474.61	917.49
Boys Soccer	273.60	0.12	-	273.72
Cheerleading	52.94	-	-	52.94
Class of 1995	82.29	-	-	82.29
Class of 1996	439.07	0.19	-	439.26
Class of 1997	351.04	0.13	-	351.17
Class of 1998	831.84	0.36	-	832.20
Class of 1999	1,290.29	0.55	-	1,290.84
Class of 2001	1,305.98	0.57	-	1,306.55
Class of 2002	3,933.26	1.69	-	3,934.95
Class of 2003	246.23	0.12	-	246.35
Class of 2004	349.21	0.13	-	349.34
Class of 2007	5,250.41	2.23	-	5,252.64
Class of 2008	115.37	0.01	-	115.38
Class of 2009	7,073.87	3.03	-	7,076.90
Class of 2011	48.50	-	-	48.50
Class of 2012	3,660.19	1.57	-	3,661.76
Class of 2013	4,575.37	1.97	-	4,577.34
Class of 2014	8,523.79	26,391.10	34,566.45	348.44
Class of 2015	2,548.76	10,077.61	5,773.42	6,852.95
Class of 2016	20.50	458.60	-	479.10
Class of 2017	-	4,460.31	2,277.78	2,182.53
Cross Country	2,037.87	1,500.95	359.45	3,179.37

Board of Education for Vocational Schools, County of Cape May
(A Component Unit of the County of Cape May)
Student Activity Agency Fund
Schedule of Receipts and Disbursements
As of June 30, 2014

	Balance July 1, 2013	Cash Receipts	Cash Disbursements	Balance June 30, 2014
Culinary Gratuities	170.42	2,447.05	2,520.00	97.47
Drama Club	1,658.33	0.71	-	1,659.04
Field Trips	11,125.69	4.77	-	11,130.46
Future Farmers	1,551.33	10,640.68	9,295.64	2,896.37
Girls Basketball	227.33	4,143.57	3,355.00	1,015.90
Girls Soccer	(54.02)	-	-	(54.02)
Girls Softball	$ 768.22	$ 2,087.23	2,615.00	$ 240.45
Golf	56.05	-	-	56.05
Hosa	475.67	0.22	-	475.89
Interact Club	(113.24)	113.24	-	-
Key Club	4,583.68	5,052.40	4,063.78	5,572.30
Library	1,864.67	1,539.06	310.21	3,093.52
Miscellaneous	1,532.00	839.37	1,126.21	1,245.16
National Honor Society	1,491.69	2,629.51	2,284.48	1,836.72
Ripken Experience	-	27,620.17	24,299.31	3,320.86
Skills USA	514.96	0.25	-	515.21
Spanish Club	(187.89)	187.89	-	-
Student Council	3,015.36	5,188.12	8,253.39	(49.91)
Swim Team	0.06	3,611.07	3,518.00	93.13
Travel and Tourism	840.06	173.36	276.39	737.03
Yearbook	300.28	15,299.37	15,352.00	247.65
Total Senior High Schools	$ 80,854.91	$ 144,835.34	$ 142,019.59	$ 83,670.66
ATHLETICS:				
All Sports	$ 1,805.87	$ 12,093.58	$ 11,677.00	$ 2,222.45

Board of Education for Vocational Schools, County of Cape May
(A Component Unit of the County of Cape May)
Payroll Agency Fund
Schedule of Receipts and Disbursements
As of June 30, 2014

	Balance July 1, 2013	Additions	Deletions	Balance June 30, 2014
ASSETS:				
Cash and Cash Equivalents	$ 89,911.21	$ 9,243,502.63	$ 9,244,961.00	$ 88,452.84
Total Assets	$ 89,911.21	$ 9,243,502.63	$ 9,244,961.00	$ 88,452.84
LIABILITIES:				
Payroll Deductions & Withholding	$ 83,511.10	$ 3,720,161.51	3,720,003.40	$ 83,669.21
Flexible Spending Account	45.07	8,487.20	7,448.64	1,083.63
Interfunds Payable	6,355.04	3,753.33	6,408.37	3,700.00
Net Payroll Payable	-	5,511,100.59	5,511,100.59	-
Total Liabilities	$ 89,911.21	$ 9,243,502.63	$ 9,244,961.00	$ 88,452.84

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Statistical Section

Board of Education for Vocational Schools, County of Cape May
(A Component Unit of the County of Cape May)
Net Position by Component,
Last Ten Fiscal Years
(accrual basis of accounting)

Exhibit J-1

	Fiscal Year Ending June 30									
	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014
Governmental activities										
Invested in capital assets, net of related debt	10,865,099	11,052,786	18,161,735	22,367,920	23,499,385	22,206,679	21,268,988	20,418,591	19,216,235	18,382,559
Restricted	879,628	15,316,509	7,374,926	2,843,566	1,743,403	2,018,241	1,238,104	2,525,929	2,460,707	3,280,299
Unrestricted	288,253	503,737	346,628	311,090	(118,000)	(161,238)	531,251	(522,695)	(265,396)	(385,796)
Total governmental activities net position	12,032,980	26,873,033	25,883,289	25,522,576	25,124,788	24,063,682	23,038,342	22,421,825	21,411,546	21,277,062
Business-type activities										
Invested in capital assets, net of related debt	-	-	-	-	-	-	126,278	113,650	101,022	96,936
Restricted	-	-	-	-	-	-	-	-	-	-
Unrestricted	86,895	114,450	123,338	115,753	141,495	142,431	152,031	172,190	168,346	229,798
Total business-type activities net position	86,895	114,450	123,338	115,753	141,495	142,431	278,309	285,840	269,368	326,734
District-wide										
Invested in capital assets, net of related debt	10,865,099	11,052,786	18,161,735	22,367,920	23,499,385	22,206,679	21,395,266	20,532,241	19,317,258	18,479,495
Restricted	879,628	15,316,509	7,374,926	2,843,566	1,743,403	2,018,241	1,238,104	2,525,929	2,460,707	3,280,299
Unrestricted	375,149	618,187	469,966	426,843	23,496	(18,807)	683,281	(350,505)	(97,050)	(155,998)
Total district net position	$ 12,119,876	$ 26,987,483	$ 26,006,627	$ 25,638,329	$ 25,266,283	$ 24,206,113	$ 23,316,651	$ 22,707,665	$ 21,680,914	$ 21,603,796

Source: CAFR Schedule A-1

Board of Education for Vocational Schools, County of Cape May
(A Component Unit of the County of Cape May)
Changes in Net Position
Last Ten Fiscal Years
(accrual basis of accounting)

Exhibit J-2

	Fiscal Year Ending June 30,									
	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014
Expenses										
Governmental activities:										
Instruction:										
Regular instruction	$ 2,683,022	$ 2,760,112	$ 3,417,090	$ 3,458,706	$ 3,504,721	$ 3,840,145	$ 3,735,544	$ 3,512,201	$ 3,865,107	$ 3,601,347
Vocational education	$ 2,669,408	$ 2,732,446	$ 3,124,319	$ 3,488,532	$ 3,871,446	$ 3,920,491	$ 3,595,551	$ 3,788,324	$ 4,054,943	$ 3,994,238
Other instruction	$ 242,573	$ 245,284	$ 375,715	$ 359,774	$ 369,385	$ 396,714	$ 337,471	$ 330,808	$ 368,115	$ 400,240
Support Services:										
Student & instruction related services	$ 1,528,395	$ 1,775,058	$ 1,903,489	$ 1,653,914	$ 1,798,835	$ 1,755,253	$ 1,621,984	$ 1,642,640	$ 1,646,610	$ 1,688,269
General administrative/Business services	$ 977,022	$ 967,912	$ 1,050,032	$ 1,167,724	$ 1,185,751	$ 1,281,542	$ 1,332,058	$ 1,488,326	$ 1,684,814	$ 1,624,012
School administrative services	$ 475,894	$ 537,159	$ 639,291	$ 624,440	$ 622,456	$ 669,511	$ 598,567	$ 625,338	$ 653,088	$ 652,562
Plant operations and maintenance	$ 1,320,827	$ 1,342,331	$ 1,404,488	$ 1,604,658	$ 1,664,335	$ 1,725,051	$ 2,367,044	$ 2,314,312	$ 2,949,385	$ 3,051,474
Pupil transportation	$ 98,599	$ 105,851	$ 115,424	$ 137,960	$ 142,380	$ 133,840	$ 107,605	$ 107,522	$ 159,149	$ 125,822
Adult and continuing education	$ 1,606,740	$ 1,507,871	$ 1,782,391	$ 1,855,286	$ 1,969,628	$ 1,956,028	$ 1,290,863	$ 1,314,845	$ 1,282,632	$ 1,123,248
Unallocated depreciation	$ 538,290	$ 514,797	$ 491,343	$ 471,268	$ 469,141	$ 1,097,209	$ 1,076,312	$ 1,065,554	$ -	$ -
Total governmental activities expenses	$ 12,140,769	$ 12,488,821	$ 14,303,582	$ 14,822,262	$ 15,598,080	$ 16,775,784	$ 16,063,000	$ 16,189,870	$ 16,663,844	$ 16,261,211
Business-type activities:										
Food service	$ 223,856	$ 247,683	$ 251,645	$ 274,343	$ 276,431	$ 287,529	$ 287,827	$ 306,039	$ 288,469	$ 299,975
Early childhood/Summertime adventures	$ 109,334	$ 100,090	$ 120,753	$ 103,570	$ 130,055	$ 110,996	$ 103,368	$ 104,143	$ 103,274	$ 101,369
Job cards	$ 18,138	$ 24,579	$ 25,574	$ 23,095	$ 20,896	$ 15,753	$ 17,178	$ 20,688	$ 19,126	$ 16,658
Educational technology training center	$ 23,474	$ 23,494	$ 25,989	$ 19,265	$ 29,279	$ 36,912	$ 28,574	$ 30,239	$ 45,248	$ 39,190
Total business-type activities expenses	$ 374,802	$ 395,845	$ 423,961	$ 420,273	$ 456,661	$ 451,190	$ 436,947	$ 461,109	$ 456,117	$ 457,192
Total district expenses	$ 12,515,571	$ 12,884,666	$ 14,727,543	$ 15,242,535	$ 16,054,741	$ 17,226,974	$ 16,499,947	$ 16,650,979	$ 17,119,960	$ 16,718,403
Program Revenues										
Governmental activities:										
Charges for services	$ 3,737,984	$ 3,712,336	$ 3,984,797	$ 4,391,729	$ 4,508,589	$ 5,318,444	$ 5,194,406	$ 5,396,500	$ 5,102,653	$ 5,717,937
Operating grants and contributions	$ 2,594,283	$ 2,968,403	$ 3,690,931	$ 2,812,549	$ 1,766,280	$ 1,785,081	$ 1,611,105	$ 1,610,050	$ 1,848,118	$ 1,792,476
Total governmental activities program revenues	$ 6,332,267	$ 6,680,738	$ 7,675,728	$ 7,204,277	$ 6,274,869	$ 7,103,525	$ 6,805,510	$ 7,006,549	$ 6,950,771	$ 7,510,413
Business-type activities:										
Charges for services:										
Food service	$ 192,530	$ 204,252	$ 204,851	$ 207,903	$ 210,812	$ 197,056	$ 189,594	$ 195,145	$ 194,400	$ 203,889
Early childhood/Summertime adventures	$ 77,246	$ 89,707	$ 84,455	$ 36,179	$ 93,759	$ 22,100	$ 27,973	$ 27,929	$ 34,490	$ 25,273
Job cards	$ 23,169	$ 32,175	$ 31,779	$ 29,140	$ 26,349	$ 18,591	$ 24,181	$ 17,494	$ 21,661	$ 18,928
Educational technology training center	$ 21,086	$ 7,803	$ 23,590	$ 16,848	$ 41,018	$ 38,697	$ 7,384	$ 13,686	$ 7,825	$ 6,565
Operating grants and contributions	$ 36,698	$ 36,842	$ 38,389	$ 52,451	$ 75,097	$ 95,479	$ 77,975	$ 82,985	$ 89,260	$ 87,586
Capital grants and contributions										
Total business-type activities program revenue	$ 350,728	$ 370,778	$ 383,064	$ 342,521	$ 447,036	$ 371,923	$ 327,107	$ 337,239	$ 347,636	$ 342,241
Total district program revenue	$ 6,682,995	$ 7,051,516	$ 8,058,792	$ 7,546,798	$ 6,721,905	$ 7,475,448	$ 7,132,618	$ 7,343,789	$ 7,298,407	$ 7,852,654

Board of Education for Vocational Schools, County of Cape May
(A Component Unit of the County of Cape May)
Changes in Net Position
Last Ten Fiscal Years
(accrual basis of accounting)

Exhibit J-2

	Fiscal Year Ending June 30,									
	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014
Net (Expense)/Revenue										
Governmental activities	$ (5,808,502)	$ (5,808,083)	$ (6,627,854)	$ (7,617,985)	$ (9,323,211)	$ (9,672,259)	$ (9,257,490)	$ (9,183,321)	$ (9,713,073)	$ (8,750,798)
Business-type activities	$ (24,074)	$ (25,067)	$ (40,897)	$ (77,752)	$ (9,626)	$ (79,267)	$ (109,840)	$ (123,870)	$ (108,481)	$ (114,951)
Total district-wide net expense	$ (5,832,576)	$ (5,833,150)	$ (6,668,751)	$ (7,695,737)	$ (9,332,836)	$ (9,751,526)	$ (9,367,330)	$ (9,307,190)	$ (9,821,553)	$ (8,865,749)
General Revenues and Other Changes in Net Position										
Governmental activities:										
County appropriation levied for general purposes	$ 4,623,124	$ 5,178,203	$ 5,281,804	$ 6,527,409	$ 7,314,862	$ 7,314,862	$ 7,314,862	$ 7,314,862	$ 7,314,862	$ 7,314,862
County appropriation for capital improvement	$ -	$ 14,769,143		$ -	$ -	$ -	$ -	$ -	$ -	$ -
Unrestricted grants and contributions	$ 630,272	$ 611,660	$ 206,936	$ 650,728	$ 1,543,080	$ 1,280,996	$ 1,052,117	$ 1,308,019	$ 1,361,147	$ 1,370,786
Investment earnings	$ 44,294	$ 92,819	$ 117,874	$ 82,397	$ 32,333	$ 16,697	$ 7,910	$ 4,490	$ 1,894	$ 1,734
Miscellaneous income	$ 68,950	$ 63,065	$ 85,535	$ 66,427	$ 70,148	$ 82,593	$ 108,755	$ 108,524	$ 124,147	$ 115,658
Transfers	$ (41,344)	$ (51,356)	$ (48,255)	$ (69,252)	$ (35,000)	$ (80,000)	$ (245,605)	$ (131,359)	$ (92,000)	$ (172,300)
Loss on disposal of capital assets	$ (8,679)	$ (15,399)	$ (5,784)	$ (437)	$ -	$ (3,994)	$ (2,884)	$ (37,733)	$ (7,256)	$ (14,425)
Unauthorized payments							$ (3,005)			
Total governmental activities	$ 5,316,615	$ 20,648,135	$ 5,638,110	$ 7,257,272	$ 8,925,422	$ 8,611,153	$ 8,232,150	$ 8,566,803	$ 8,702,794	$ 8,616,315
Business-type activities:										
Investment earnings	$ 534	$ 1,266	$ 1,530	$ 914	$ 368	$ 202	$ 113	$ 42	$ 9	$ 16
Transfers	$ 41,344	$ 51,356	$ 48,255	$ 69,252	$ 35,000	$ 80,000	$ 245,605	$ 131,359	$ 92,000	$ 172,300
Total business-type activities	$ 41,878	$ 52,621	$ 49,786	$ 70,167	$ 35,368	$ 80,202	$ 245,718	$ 131,401	$ 92,009	$ 172,316
Total district-wide	$ 5,358,494	$ 20,700,757	$ 5,687,895	$ 7,327,439	$ 8,960,791	$ 8,691,355	$ 8,477,868	$ 8,698,204	$ 8,794,803	$ 8,788,631
Changes in Net Position										
Governmental activities	$ (491,887)	$ 14,840,053	$ (989,744)	$ (360,713)	$ (397,788)	$ (1,061,106)	$ (1,025,340)	$ (616,518)	$ (1,010,279)	$ (134,483)
Business-type activities	$ 17,804	$ 27,554	$ 8,888	$ (7,586)	$ 25,743	$ 936	$ 135,878	$ 7,532	$ (16,472)	$ 57,365
Total district	$ (474,082)	$ 14,867,607	$ (980,856)	$ (368,298)	$ (372,046)	$ (1,060,171)	$ (889,462)	$ (608,986)	$ (1,026,751)	$ (77,118)

Source: CAFR Schedule A-2

Board of Education for Vocational Schools, County of Cape May
(A Component Unit of the County of Cape May)
Fund Balances, Governmental Funds,
Last Ten Fiscal Years
(modified accrual basis of accounting)

Exhibit J-3

	Fiscal Year Ending June 30,									
	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014
General Fund										
Restricted	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Committed							$ 1,277,255	$ 2,092,094	$ 1,816,173	$ 2,908,464
Assigned							$ 731,689	$ 397,444	$ 608,143	$ 22,825
Unassigned							$ 531,251	$ 304,915	$ 499,489	$ 341,964
Reserved	$ 879,628	$ 1,250,063	$ 1,052,699	$ 1,255,176	$ 1,047,386	$ 1,489,595	$ -	$ -	$ -	$ -
Unreserved	$ 820,965	$ 932,444	$ 927,759	$ 1,052,171	$ 1,262,498	$ 1,129,209	$ -	$ -	$ -	$ -
Total general fund	$ 1,700,593	$ 2,182,507	$ 1,980,458	$ 2,307,347	$ 2,309,884	$ 2,618,805	$ 2,540,194	$ 2,794,453	$ 2,923,805	$ 3,273,252
All Other Governmental Funds										
Restricted	$ -	$ -	$ -	$ -	$ -	$ -	$ 3,010	$ 3,010	$ 3,010	$ 161,043
Committed							$ 33,381	$ 33,381	$ 33,381	$ 187,967
Reserved	$ -	$ 156,203	$ 4,670,141	$ 1,080,872	$ 70,803	$ 33,381	$ -	$ -	$ -	$ -
Unreserved, reported in:										
Special revenue fund	$ (934)	$ (933)	$ (931)	$ (931)	$ -	$ -	$ -	$ -	$ -	$ -
Capital projects fund	$ -	$ 13,910,243	$ 1,652,085	$ 507,519	$ 11,577	$ 16,180	$ -	$ -	$ -	$ -
Total all other governmental funds	$ (934)	$ 14,065,513	$ 6,321,296	$ 1,587,460	$ 82,380	$ 49,561	$ 36,391	$ 36,391	$ 36,391	$ 349,010

The requirements related to reporting fund balance in the general fund were modified by the Governmental Accounting Standards Board (GASB) effective for fiscal years ending June 30, 2011.

Source: CAFR Schedule B-1

Board of Education for Vocational Schools, County of Cape May
(A Component Unit of the County of Cape May)
Changes in Fund Balances, Governmental Funds,
Last Ten Fiscal Years

Exhibit J-4

	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014
Revenues										
County appropriation	$ 4,728,203	$ 5,178,203	$ 5,281,804	$ 6,527,409	$ 7,314,862	$ 7,314,862	$ 7,314,862	$ 7,314,862	$ 7,314,862	$ 7,314,862
Tuition charges	3,481,177	3,440,566	3,660,910	4,073,128	4,132,972	4,893,628	4,787,433	4,948,419	4,694,193	5,332,826
Miscellaneous	370,050	438,133	528,127	468,227	493,409	530,827	524,767	593,832	546,369	506,394
County - capital		14,769,143	-	-	-					
State sources	2,164,724	2,174,895	2,505,597	2,620,618	2,467,896	2,189,229	1,988,880	2,365,290	2,748,198	2,578,034
Federal sources	1,129,247	1,394,689	1,391,439	841,856	826,152	870,126	673,213	520,041	449,199	581,336
Total revenue	11,873,401	27,395,629	13,367,877	14,531,238	15,235,291	15,798,672	15,289,155	15,742,444	15,752,821	16,313,452
Expenditures										
Instruction:										
Regular instruction	2,113,281	2,232,975	2,544,388	2,427,669	2,530,493	2,576,034	2,677,648	2,577,017	2,603,731	2,824,745
Special instruction										
Vocational instruction	1,953,220	1,913,711	2,147,206	2,321,067	2,681,883	2,559,095	2,531,393	2,583,494	2,602,455	2,608,123
Other instruction	196,355	187,089	283,971	269,644	279,506	295,501	259,703	246,111	258,286	284,435
Support Services:										
Student & instruction related services	1,234,063	1,397,641	1,497,238	1,222,282	1,335,641	1,272,259	1,196,042	1,182,106	1,114,475	1,140,786
General & business administrative services	760,846	737,906	750,140	812,422	834,884	883,111	948,694	1,058,287	1,084,165	1,049,421
School administrative services	353,175	361,225	417,346	404,188	412,252	434,281	417,857	424,761	433,965	434,262
Plant operations and maintenance	1,002,373	1,013,463	1,068,140	1,199,625	1,303,226	1,295,319	1,877,964	1,777,773	1,815,717	1,920,701
Pupil transportation	97,181	97,174	101,946	122,626	127,290	118,934	95,293	95,106	119,226	86,210
Unallocated employee benefits	2,108,197	2,467,705	2,911,115	3,320,451	3,387,210	3,816,664	3,268,426	3,594,815	3,918,191	3,783,896
Special schools	1,601,915	1,517,242	1,746,670	1,820,564	1,960,172	1,944,591	1,287,557	1,308,422	1,278,897	1,125,134
Capital outlay	168,702	869,780	7,797,728	4,948,395	1,850,277	246,782	571,748	508,935	302,360	221,373
Total Expenditures	11,589,308	12,795,911	21,265,888	18,868,933	16,702,834	15,442,571	15,132,325	15,356,827	15,531,468	15,479,086
Excess (Deficiency) of revenues over (under) expenditures	284,093	14,599,718	(7,898,011)	(4,337,695)	(1,467,543)	356,101	156,830	385,617	221,352	834,366
Other Financing Sources (Uses)										
Transfers in										
Transfers out	(41,344)	(51,356)	(48,255)	(69,252)	(35,000)	(80,000)	(245,605)	(131,359)	(92,000)	(172,300)
Cancellations	(174,495)									
Unauthorized payments							(3,005)			
Total other financing sources (uses)	(215,839)	(51,356)	(48,255)	(69,252)	(35,000)	(80,000)	(248,610)	(131,359)	(92,000)	(172,300)
Net change in fund balances	$ 68,254	$ 14,548,362	$ (7,946,266)	$ (4,406,947)	$ (1,502,543)	$ 276,101	$ (91,780)	$ 254,258	$ 129,352	$ 662,066

Source: CAFR Schedule B-2

Board of Education for Vocational Schools, County of Cape May
(A Component Unit of the County of Cape May)
General Fund Other Local Revenue by Source,
Last Ten Fiscal Years
Unaudited

Exhibit J-5

Fiscal Year Ended June 30,	Interest on Investments	Tuition Revenue	Non-Resident Fees	Registration Fees	Use of Facilities	Bookstore	Miscellaneous	Totals
2005	44,294	3,481,177	-	247,537	22,054	11,496	44,669	3,851,228
2006	92,819	3,440,566	17,800	265,608	6,162	11,032	34,233	3,868,220
2007	117,874	3,660,910	9,000	303,837	2,185	13,364	81,035	4,188,206
2008	82,397	4,073,128	-	318,601	-	19,940	46,487	4,540,552
2009	32,333	4,132,973	28,440	347,177	-	15,664	54,484	4,611,070
2010	16,697	4,893,628	42,429	368,722	-	20,429	75,829	5,417,733
2011	7,932	4,787,433	44,299	362,674		19,615	89,117	5,311,071
2012	4,490	4,948,419	36,648	411,432		13,013	95,510	5,509,514
2013	1,894	4,694,193	52,161	356,300	-	14,145	110,003	5,228,694
2014	1,734	5,332,826	44,634	350,338	-	15,674	76,094	5,821,300

Source: District Records

Board of Education for Vocational Schools, County of Cape May **Exhibit J-14**
(A Component Unit of the County of Cape May)
Demographic and Economic Statistics,
Last Ten Fiscal Years

Fiscal Year Ended June 30,	(a) Population	(b) Personal Income (thousands of dollars)	(c) Per Capita Personal Income	(d) Unemployment Rate
2005	98,558	3,943,896,928	40,016	6.4%
2006	97,814	4,101,145,392	41,928	6.8%
2007	96,700	4,289,612,000	44,360	6.5%
2008	96,470	4,509,683,090	46,747	8.0%
2009	96,091	4,420,666,455	46,005	11.4%
2010	97,250	4,619,180,500	47,498	13.3%
2011	96,601	4,703,889,094	48,694	12.5%
2012	96,304	4,689,426,976	48,694	13.4%
2013	96,304	4,689,426,976	48,694	13.4%
2014	96,304	5,034,387,904	52,276	7.8%

Source:
(a) U.S, Bureau of Census - Population Division - Cape May County
(b) Personal income has been estimated based upon the municipal population and per capital personal income presented
(c) Per capita personal income by municipality estimated based upon the 2000 Census published by the US Bureau of Economic Analysis
(d) Unemployment data provided by the NJ Dept of Labor and Workforce Development

Board of Education for Vocational Schools, County of Cape May
(A Component Unit of the County of Cape May)
Full-time Equivalent District Employees by Function/Program,
Last Ten Fiscal Years

Exhibit J-16

Function/Program	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014
Instruction:										
140 Regular instruction	27.0	29.0	31.0	32.0	33.0	33.5	33.50	33.50	33.90	33.40
N/A Special education instruction	-	-	-	-	-	-	-	-	-	-
320 Other special education instruction	7.0	8.0	9.5	10.5	11.5	12.5	10.50	10.50	10.50	10.00
310 Vocational education	24.5	22.0	24.0	29.0	28.4	27.5	26.91	26.91	26.91	25.91
150 Other instruction	-	-	-	-	-	-	-	-	-	-
N/A Nonpublic school programs	-	-	-	-	-	-	-	-	-	-
330 Adult/continuing education programs	7.0	8.5	2.0	6.0	7.6	7.8	8.34	8.34	8.34	8.34
Support Services:										
Tuition										
211-219,222 Student & instruction related services	10.0	10.0	9.0	10.4	10.4	9.4	11.50	11.50	11.50	11.50
230 General administrative services	4.0	4.0	4.0	4.0	4.0	4.0	3.00	3.50	3.50	3.50
240 School administrative services	8.0	8.0	9.0	6.0	6.0	6.0	5.00	5.00	5.00	5.00
221 Other administrative services	5.5	5.5	4.0	6.0	5.0	5.0	4.00	4.00	3.50	3.50
290,251 Business administrative services	5.0	5.0	5.0	5.0	5.0	5.0	5.00	5.00	5.00	5.00
252 Administrative Information Technology	3.0	3.0	3.0	4.0	4.0	4.0	4.00	4.00	4.00	4.00
261-262 Plant operations and maintenance	17.0	17.0	16.0	17.0	17.0	17.0	17.00	17.00	17.00	17.00
N/A Pupil transportation	-	-	-	-	-	-	-	-	-	-
Special schools				4.0	4.0	4.0	5.00	5.00	5.00	4.00
Food Service				0.5	0.5	0.5	0.50	0.50	0.50	-
Child Care				3.0	2.0	1.7	1.75	1.75	1.75	1.75
Various Other	3.0	3.0	3.0	-	-	-	-	-	-	-
Total	121.0	123.0	119.5	137.4	138.4	137.9	136.00	136.50	136.40	132.90

Source: District Personnel Records (Position Control Roster, Payroll Breakdown Reports)

Board of Education for Vocational Schools, County of Cape May
(A Component Unit of the County of Cape May)
Operating Statistics,
Last Ten Fiscal Years

Exhibit J-17

Fiscal Year Ended June 30,	Enrollment	Operating Expenditures	Cost per Pupil	% Change	Teaching Staff	Pupil/Teacher Ratio Overall District	Average Daily Enrollment (ADE)	Average Daily Attendance (ADA)	% Change in Average Daily Enrollment	Student Attendance Percentage
2005	785	11,630,652	14,816	7.18%	79	4.95:1	624	587	-0.13%	94.15%
2006	785	12,847,267	16,366	10.46%	80	7.8:1	629	601	0.82%	95.60%
2007	666	21,314,143	32,003	95.55%	80	8.33:1	624	566	-0.78%	90.71%
2008	672	18,938,185	28,182	-11.94%	82	8.20:1	648	604	3.85%	93.21%
2009	737	16,737,834	22,711	-19.41%	82	8.99:1	692	642	6.79%	92.77%
2010	742	15,522,571	20,920	-7.89%	83	8.94:1	705	656	1.88%	93.05%
2011	725	15,380,935	21,230	1.48%	80	9.06:1	691	644	-1.99%	93.20%
2012	719	15,488,186	21,556	1.54%	81	8.87:1	688	643	-0.43%	93.46%
2013	707	15,623,468	22,098	2.52%	81	8.73:1	680	635	-1.16%	93.38%
2014	654	15,651,386	23,932	8.30%	78	8.39:1	643	602	-5.44%	93.62%

Source: District records, ASSA and Schedule J-14

Board of Education for Vocational Schools, County of Cape May
(A Component Unit of the County of Cape May)
School Building Information,
Last Ten Fiscal Years

Exhibit J-18

	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014
District Buildings										
Technical School										
CMC VoTech H.S. Instructional-(100,200,300 Bldgs)(1969)										
Square Feet	181,724	181,724	181,724	224,724	224,724	224,724	224,724	224,724	224,724	224,724
Capacity (students)	652	652	652	652	652	652	652	652	652	652
Enrollment	561	635	624	648	692	705	691	688	680	643
Other										
Greenhouse [400] Building (1960 & 1985)										
Square Feet	4,032	4,032	4,032	4,032	4,032	4,032	4,032	4,032	4,032	4,032
Service Station [500] Building (1997)										
Square Feet	1,618	1,618	1,618	1,618	1,618	1,618	1,618	1,618	1,618	1,618
Broadley Administration [600] Building (1993)										
Square Feet	3,590	3,590	3,590	3,590	3,590	3,590	3,590	3,590	3,590	3,590
Senior Citizen House [700] Building (1972)										
Square Feet	1,700	1,700	1,700	1,700	1,700	1,700	1,700	1,700	1,700	1,700
Other Misc. Buildings (1970 & 1975)										
Square Feet	2,025	2,025	2,025	2,025	2,025	2,025	2,025	2,025	2,025	2,025

Number of Schools at June 30, 2014
Elementary - 0
Middle - 0
Other - 6

Source: District Records (LRFP), ASSA, School Register Summaries

Board of Education for Vocational Schools, County of Cape May
(A Component Unit of the County of Cape May)
General Fund
Schedule of Required Maintenance for School Facilities,
Last Ten Fiscal Years
(Unaudited)

Exhibit J-19

Undistributed Expenditures - Required Maintenance for School Facilities
11-000-261-XXX

School Facilities	Project # (s)	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014
Technical School - Only Building	N/A	130,647	129,203	119,878	142,812	140,569	179,714	270,760	297,881	253,152	266,466
Total School Facilities		130,647	129,203	119,878	142,812	140,569	179,714	270,760	297,881	253,152	266,466
Other Facilities		-	-	-	-	-	-	-	-	-	-
Grand Total		$ 130,647	$ 129,203	$ 119,878	$ 142,812	$ 140,569	$ 179,714	$ 270,760	$ 297,881	$ 253,152	$ 266,466

Source: District Records

Board of Education for Vocational Schools, County of Cape May **Exhibit J-20**
(A Component Unit of the County of Cape May)
Insurance Schedule
For the Fiscal Year Ended June 30, 2014
(Unaudited)

Company and Type of Coverage		Amount of Coverage	Deductible
New Jersey School Boards Association Insurance Group			
Package Policy			
Property			
Blanket Real & Personal Property - per occurrence		$ 350,000,000	$ 5,000
Blanket Extra Expense		50,000,000	5,000
Blanket Vaulable Papers & Records		10,000,000	5,000
Demolition & Increased Cost of Construction - per occurrence		10,000,000	
Loss of Business Income/Tuition		4,600,000	
Fire Department Service Charge		10,000	
Arson Award		10,000	
Pollutant Cleanup and Removal		250,000	
Sublimits: Flood Zones (SFHA)	per occurrence	10,000,000	
	NJSBAIG annual aggregate	10,000,000	
	per building - zones prefix A & V		500,000
	per building contents		500,000
Accounts Receivable - per occurrence		250,000	
All Other Flood Zones - per occurrence/NJSBAIG annual aggregate		50,000,000	
	per occurrence/per member (subject to max retained ded. Of $1,000,000 to NJSBAIG)		10,000
Earthquake	per occurrence	50,000,000	
	NJSBAIG annual aggregate	50,000,000	
Terrorism	per occurrence	1,000,000	
	NJSBAIG annual aggregate	1,000,000	
Electronic Data Processing			
Blanket Hardware/Software - per occurrence		3,297,000	1,000
Blanket Extra Expense		Included	
Coverage Extensions:	Transit	25,000	
	Loss of Income	10,000	
	Terrorism	Included in Property	
SFHA Flood Deductible:	per building contents		500,000
All Other Flood Zones:			
	per occurrence/per member (subject to max retained ded. Of $1,000,000 to NJSBAIG)		10,000
Equipment Breakdown			
Combined Single Limit per Accident for Property Damage & Business Income		100,000,000	
Sublimits:			
Property Damage	Deductible-per accident	Included	5,000
Off Premises Property Damage		100,000	
Business Income		Included	
Extra Expense	Deductible-per accident	10,000,000	12 Hours
Service Interruption	Deductible-per accident	10,000,000	12 Hours
Perishable Goods		500,000	
Data Restoration		100,000	
Contingent Business Income		100,000	
Demolition		1,000,000	
Ordinance or Law		1,000,000	
Expediting Expenses		500,000	
Hazardous Substances		500,000	
Newly Acquired Locations (60 days notice)	Deductible-Waiting Period 60 Days	250,000	
Terrorism		Included	
Interruption of Service Waiting Period 24 Hours			
Crime			
Faithful Performance Limit		25,000	500
Money & Securities Limit		25,000	500
Forgery or Alteration Limit		25,000	500
Computer Fraud Limit		25,000	500
Public Officials Bond - Paula Smith	Board Secretary	25,000	500

Board of Education for Vocational Schools, County of Cape May **Exhibit J-20**
(A Component Unit of the County of Cape May)
Insurance Schedule
For the Fiscal Year Ended June 30, 2014
(Unaudited)

Company and Type of Coverage		Amount of Coverage	Deductible
Public Officials Bond - James V. Craft	Treasurer	195,000	1,000
Comprehensive General Liability			
Bodily Injury & Property Damage		16,000,000	
Bodily Injury from Products & Operations - annual aggregate		16,000,000	
Personal Injury & Advertising Injury - per occurrence/annual aggregate		16,000,000	
Sexual Abuse	per occurrence	16,000,000	
	annual pool aggregate	17,000,000	
Employee Benefit Liability - per occurrence/annual aggregate		16,000,000	1,000
Premises Medical Payments	per accident	10,000	
	per person	5,000	
Terrorism	per occurrence	1,000,000	
	NJSBAIG annual aggregate	1,000,000	
Automobile			
Liablility			
Combined Single Limits for Bodily Injury & Property Damage		16,000,000	-
Uninsured/Underinsured Motorists	Private Passenger Auto	1,000,000	
Uninsured/Underinsured Motorists	All Other Vehicles - bodily injury per person	15,000	
	All Other Vehicles - bodily injury per accident	30,000	
	All Other Vehicles - property damage per accident	5,000	
Personal Injury Protection (including pedestrians)		250,000	
Medical Payments	Private Passenger Vehicles	10,000	
	All Other Vehicles	5,000	
Terrorism	per occurrence	1,000,000	
	NJSBAIG annual aggregate	1,000,000	
Physical Damage			
Comprehensive			1,000
Collision			1,000
Hired Car Physical Damage			1,000
Garage Keepers		Included	
Workers Compensation		Statutory	
Employers Liability	Each Accident,Employee, Aggregate Limit	2,000,000	
Errors & Omissions Policy			
Coverage A Limit of Liability - Each Policy Period	Deductible-each claim	16,000,000	5,000
Coverage B Limit of Liability - Each Policy Period	Deductible-each claim	300,000	5,000
Coverage B Limit of Liability - Each Claim		100,000	
Student Accident Policies			
Excess Medical		5,000,000	25,000
Accident Death & Dismemberment		20,000	
Catastrophic Injury		1,000,000	

Source: District records.

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Single Audit Section

FORD-SCOTT
& ASSOCIATES, L.L.C.
CERTIFIED PUBLIC ACCOUNTANTS
1535 HAVEN AVENUE • PO BOX 538 • OCEAN CITY, NJ • 08226-0538
PHONE 609.399.6333 • FAX 609.399.3710
www.ford-scott.com

Independent Auditor's Report

The Honorable President and
Members of the Board of Education
For Vocational Schools
County of Cape May, 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 the governmental activities, and each major fund of the Board of Education for Vocational Schools in the County of Cape May, as of and for the year ended June 30, 2014, and the related notes to the financial statements, which collectively comprise the Board's basic financial statements, and have issued our report thereon dated October 22, 2014.

Internal Control over Financial Reporting

In planning and performing our audit of the financial statements, we considered the Board of Education for Vocational Schools in the County of Cape May's 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 Board of Education for Vocational Schools in the County of Cape May's internal control. Accordingly, we do not express an opinion on the effectiveness of the Board of Education for Vocational Schools in the County of Cape May's internal control.

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

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

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Longport School District'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.

Ford Scott & Associates, LLC
FORD, SCOTT & ASSOCIATES, L.L.C.
CERTIFIED PUBLIC ACCOUNTANTS

Leon P. Costello

Leon P. Costello
Certified Public Accountant
Licensed Public School Accountant
No. 767

October 22, 2014

FORD-SCOTT
& ASSOCIATES, L.L.C.
CERTIFIED PUBLIC ACCOUNTANTS
1535 HAVEN AVENUE • PO BOX 538 • OCEAN CITY, NJ • 08226-0538
PHONE 609.399.6333 • FAX 609.399.3710
www.ford-scott.com

Independent Auditor's Report

Honorable President and
Members of the Board of Education
For Vocational Schools
County of Cape May, New Jersey

Report on Compliance for Each Major Federal and State Program

We have audited the Board of Education for Vocational Schools in the County of Cape May, State of New Jersey's compliance with the types of compliance requirements described in the *OMB Circular A-133 Compliance Supplement* and the New Jersey OMB *State Grant Compliance Supplement* that could have a direct and material effect on each of the Board of Education for Vocational Schools in the County of Cape May's major federal and state programs for the year ended June 30, 2014. The Board of Education for Vocational Schools in the County of Cape May's major federal and state programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

Management's Responsibility

Management is responsible for compliance with the requirements of laws, regulations, contracts, and grants applicable to its federal and state programs.

Auditor's Responsibility

Our responsibility is to express an opinion on compliance for each of the Board of Education for Vocational Schools in the County of Cape May's major federal and state programs based on our audit of the types of compliance requirements referred to above. We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations* and New Jersey OMB 04-04. Those standards, OMB Circular A-133 and NJ OMB 04-04 require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal or state program occurred. An audit includes examining, on a test basis, evidence about the Board of Education for Vocational Schools in the County of Cape May's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

We believe that our audit provides a reasonable basis for our opinion on compliance for each major federal and state program. However, our audit does not provide a legal determination of the Board of Education for Vocational Schools in the County of Cape May's compliance.

Opinion on Each Major Federal and State Program

In our opinion, the Board of Education for Vocational Schools in the County of Cape May complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal and state programs for the year ended June 30, 2014

Report on Internal Control Over Compliance

Management of the Board of Education for Vocational Schools in the County of Cape May is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements referred to above. In planning and performing our audit of compliance, we considered the Board of Education for Vocational Schools in the County of Cape May's internal control over compliance with the types of requirements that could have a direct and material effect on each major federal and state program to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance for each major federal program and to test and report on internal control over compliance in accordance with OMB Circular A-133 and NJ OMB 04-04, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the Board of Education for Vocational Schools in the County of Cape May's internal control over compliance.

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

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

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of OMB Circular A-133. Accordingly, this report is not suitable for any other purpose.

Report on Schedules of Expenditures of Federal Awards Required by OMB Circular A-133 and Expenditures of State Financial Assistance Required by NJ OMB 04-04

We have audited the financial statements of the governmental activities, the business-type activities and each major fund and the aggregate remaining fund of the Board of Education for Vocational Schools in the County of Cape May as of and for the year ended June 30, 2014, and have issued our report thereon dated October 22, 2014, 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 schedules of expenditures of federal awards and state financial assistance are presented for purposes of additional analysis as required by OMB Circular A-133 and NJ Circular 04-04 and are not a required part of the financial statements. 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 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 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 expenditure of federal awards is fairly stated in all material respects in relation to the financial statements as a whole.

Ford, Scott & Associates, L.L.C.

FORD, SCOTT & ASSOCIATES, L.L.C.
CERTIFIED PUBLIC ACCOUNTANTS

Leon P. Costello

Leon P. Costello
Certified Public Accountant
Licensed Public School Accountant
No. 767

October 22, 2014

Board of Education for Vocational Schools, County of Cape May
(A Component Unit of the County of Cape May)
Schedule of Expenditures of Federal Awards
For the Year Ended June 30, 2014

Federal Grantor/Pass-Through Grantor/ Program Title	Federal CFDA Number	Grant Period		Award Amount	Balance June 30, 2013	Carryover (Walkover) Amount	Cash Received	Budgetary Expenditures	Adjustments	Repayment of Prior Years' Balances	(Accounts Receivable) 06/30/2014	Deferred Revenue/ 06/30/2014	Due to Grantor June 30, 2014
U.S. Department of Education													
Passed-Through State Department of Education													
Special Revenue Fund:													
Title I, Part A Cluster:													
Title I, Part A	84.010A	9/1/2012	8/31/2013	68,942.00	(13,367.14)	(23,413.86)	36,781.00				-		
Title I, Part A (Carryover)	84.010A	9/1/2012	8/31/2013	68,942.00		23,413.86		(23,413.86)			-		
Title I, Part A	84.010A	7/1/2013	6/30/2014	70,766.00			39,684.00	(70,766.00)	-	-	(31,082.00)	-	-
Total I, Part A Cluster					(13,367.14)	-	76,465.00	(94,179.86)	-	-	(31,082.00)	-	-
Title IIA, Eisenhower	84.367	9/1/2012	8/31/2013	6,631.00	(4,528.00)	(988.00)	5,516.00	-	-	-	-	-	-
Title IIA, Eisenhower (Carryover)	84.367	9/1/2012	8/31/2013	6,631.00		988.00		(988.00)			-		
Title IIA, Eisenhower	84.367	7/1/2013	6/30/2014	7,223.00				(7,223.00)			(7,223.00)		
Vocational Education:													-
Carl Perkins Secondary	84.048A	7/1/2012	6/30/2013	65,695.00	(21,908.00)		21,908.00		-	-	-	-	-
Carl Perkins Secondary	84.048A	7/1/2013	6/30/2014	67,036.00			49,893.00	(67,036.00)	-	-	(17,143.00)	-	-
Special Education Cluster (IDEA):													
I.D.E.A. Part B	84.027A	9/1/2012	8/31/2013	98,633.00	(42,863.00)		42,863.00		-	-	-	-	-
I.D.E.A. Part B (Carryover)	84.027A	9/1/2012	8/31/2013	98,633.00							-		
I.D.E.A. Part B	84.027A	7/1/2013	6/30/2014	94,582.00			48,645.00	(94,582.00)			(45,937.00)		
Total Special Education Cluster (IDEA)					(42,863.00)	-	91,508.00	(94,582.00)	-	-	(45,937.00)	-	-
Sub-total - Passed thru State Department of Education					(82,666.14)	-	245,290.00	(264,008.86)	-	-	(101,385.00)	-	-
U.S. Department of Education (Passed-Through State Department of Labor and Workforce Development Passed-Through Atlantic Cape Community College):													
Consolidated Adult Basic Skills - GED	84.002A	7/1/2012	6/30/2013	138,445.00	(40,186.20)		40,186.00		0.20	-	0.00	-	-
Consolidated Adult Basic Skills - Civics	84.002A	7/1/2012	6/30/2013	39,999.00	(10,582.91)		10,582.91		-	-	-	-	-
Consolidated Adult Basic Skills - GED	84.002A	7/1/2013	6/30/2014	200,500.00			159,730.08	(200,500.00)			(40,769.92)		
Consolidated Adult Basic Skills - Civics	84.002A	7/1/2013	6/30/2014	75,100.00			61,774.18	(75,100.00)			(13,325.82)		
Sub-total Passed thru Atlantic Cape Community College					(50,769.11)	-	272,273.17	(275,600.00)	0.20	-	(54,095.74)	-	-

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

Board of Education for Vocational Schools, County of Cape May
(A Component Unit of the County of Cape May)
Schedule of Expenditures of Federal Awards
For the Year Ended June 30, 2014

Federal Grantor/Pass-Through Grantor/ Program Title	Federal CFDA Number	Grant Period		Award Amount	Balance June 30, 2013	Carryover (Walkover) Amount	Cash Received	Budgetary Expenditures	Adjustments	Repayment of Prior Years' Balances	(Accounts Receivable) 06/30/2014	Deferred Revenue/ 06/30/2014	Due to Grantor June 30, 2014
U.S. Department of Labor (Passed through Atlantic Cape May-Workforce Investment Board)													
Special Revenue Fund:													
Workforce Investment Board	17.259	7/1/2012	6/30/2013	$ 11,250.00	$ (907.50)	$ -	$ 907.50	$ -	$ -	$ -	$ -	$ -	$ -
Workforce Investment Board	17.259	7/1/2013	6/30/2014	7,500.00			7,500.00	(7,500.00)			-		
Workforce Investment Board - JST	17.259	7/1/2013	6/30/2014	22,750.28			13,697.31	(16,212.02)			(2,514.71)		
Workforce Investment Board - Summer													
Youth Academic program	17.259	5/1/2013	9/30/2013	8,860.00	(916.45)	(7,475.45)	8,391.90		-	-	-	-	-
Youth Academic program (Carryover)	17.259	5/1/2013	9/30/2013	8,860.00		7,475.45		(7,475.45)			-		
Youth Academic program	17.259	5/1/2014	9/30/2014	13,086.97				(4,841.94)			(4,841.94)		
Sub-total - Passed thru Atlantic Workforce Investment Board					(1,823.95)	-	30,496.71	(36,029.41)	-	-	(7,356.65)	-	-
Total Special Revenue Fund					(135,259.20)	-	548,059.88	(575,638.27)	0.20	-	(162,837.39)	-	-
U.S. Department of Agriculture Passed-Through State													
Enterprise Funds:													
Child Nutrition Cluster:													
Food Distribution Program	10.565	7/1/2012	6/30/2013	17,397.69	2,146.29	(2,146.29)	-	-	-	-	-	-	-
Food Distribution Program	10.565	7/1/2012	6/30/2013	17,397.69		2,146.29		(2,146.29)	-		-		
Food Distribution Program	10.565	7/1/2013	6/30/2014	16,357.90		-	14,507.80	(14,211.61)	-			296.19	
National School Lunch Program	10.555	7/1/2012	6/30/2013	58,883.19	(2,597.27)	-	2,597.27		-	-	-	-	-
National School Lunch Program	10.555	7/1/2013	6/30/2014	58,977.35			55,401.85	(58,977.35)			(3,575.50)		
School Breakfast Program	10.553	7/1/2012	6/30/2013	10,642.44	(541.14)	-	541.14		-	-	-	-	-
School Breakfast Program	10.553	7/1/2013	6/30/2014	9,936.04			9,275.50	(9,936.04)			(660.54)		
Total Child Nutrition Cluster					(3,138.41)	-	67,815.76	(68,913.39)	-	-	(4,236.04)	-	-
Total Enterprise Funds					(992.12)	-	82,323.56	(85,271.29)	-	-	(4,236.04)	296.19	-
Total Federal Financial Awards					$ (136,251.32)	$ -	$ 630,383.44	$ (660,909.56)	$ 0.20	$ -	$ (167,073.43)	$ 296.19	$ -

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

Board of Education for Vocational Schools, County of Cape May
(A Component Unit of the County of Cape May)
For the Year Ended June 30, 2014

State Grantor/Program Title	Grant or State Project Number	Grant Period		Award Amount	Balance at June 30, 2013 Deferred Revenue/ (Accts Receivable)	Balance at June 30, 2013 Due to Grantor	Carryover (Walkover) Amount	Cash Received	Budgetary Expenditures	Adjustments/ Repayment of Prior Years' Balances	Balance at June 30, 2014 (Accounts Receivable)	Balance at June 30, 2014 Deferred Revenue	Balance at June 30, 2014 Due to Grantor	MEMO Budgetary Receivable	MEMO Cumulative Total Expenditures
State Department of Education															
General Fund:															
Reimbursed TPAF Social Security Contributions	14-100-034-5095-004	7/1/2013	6/30/2014	$ 421,659.60	$ -	$	$	$ 421,659.60	$ (421,659.60)	$	$ -	$	$	$ -	$ 421,659.60
State Aid Public Cluster:															
Categorical Special Education Aid	14-495-034-5120-089	7/1/2013	6/30/2014	342,978.00	-	-		342,978.00	(342,978.00)		-			32,448.00	342,978.00
Adjustment Aid	14-495-034-5120-085	7/1/2013	6/30/2014	952,562.00	-	-		952,562.00	(952,562.00)		-			95,258.00	952,562.00
Categorical Security Aid	14-495-034-5120-084	7/1/2013	6/30/2014	74,374.00	-	-		74,374.00	(74,374.00)		-			7,432.00	74,374.00
Total State Aid Public Cluster					-	-	-	1,369,914.00	(1,369,914.00)	-	-	-	-	135,138.00	1,369,914.00
Total General Fund					-	-	-	1,791,573.60	(1,791,573.60)	-	-	-	-	135,138.00	1,791,573.60
Special Revenue Fund:															
Vocational Education:															
Vocational Aid - Apprenticeship Coordinator	14-100-034-5062-032	7/1/2013	6/30/2014	10,000.00	-			7,500.00	(10,000.00)		(2,500.00)				10,000.00
Vocational Aid - Apprenticeship Coordinator	13-100-034-5062-032	7/1/2012	6/30/2013	10,000.00	(2,500.00)			2,500.00			-				-
Vocational Aid - Four-Year Green Program of Study Pilot Program - Year 3	13-100-034-5062-032-H200	2/1/2013	1/31/2014	6,000.00	(679.49)			6,000.00	(5,320.51)		-	-			5,320.51
Vocational Aid - Four-Year Green Program of Study Pilot Program - Year 4	14-100-034-5062-032-H200	2/1/2014	1/31/2015	6,000.00					(2,311.55)		(2,311.55)				2,311.55
Carl Perkins Secondary Reserve	PSFS Reserves 72014	7/1/2013	6/30/2014	16,464.00				9,646.00	(16,464.00)		(6,818.00)				16,464.00
Carl Perkins Secondary Reserve	PSFS Reserves 72013	7/1/2012	6/30/2013	21,578.00	(5,888.00)			5,888.00			-				-
Carl Perkins Post Secondary	PSFSConsol072014	7/1/2013	6/30/2014	83,456.00				61,423.00	(83,456.00)		(22,033.00)				83,456.00
Sub-Total Special Revenue Fund					(9,067.49)	-	-	92,957.00	(117,552.06)	-	(33,662.55)	-	-	-	117,552.06
Total Special Revenue Fund					(9,067.49)	-	-	92,957.00	(117,552.06)	-	(33,662.55)	-	-	-	117,552.06
State Department of Agriculture															
Enterprise Fund:															
National School Lunch Program (State Share)	13-100-010-3350-023	7/1/2012	6/30/2013	2,336.19	(99.15)			99.15	-		-				-
National School Lunch Program (State Share)	14-100-010-3350-023	7/1/2013	6/30/2014	2,314.50	-			2,180.08	(2,314.52)		(134.44)			-	2,314.52
Total Enterprise Fund					(99.15)	-	-	2,279.23	(2,314.52)	-	(134.44)	-	-	-	2,314.52
Total State Financial Assistance					$ (9,166.64)	$ -	$ -	$ 1,886,809.83	$ (1,911,440.18)	$ -	$ (33,796.99)	$ -	$ -	$ 135,138.00	$ 1,911,440.18

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

BOARD OF EDUCATION FOR VOCATIONAL SCHOOLS
COUNTY OF CAPE MAY
(A COMPONENT UNIT OF THE COUNTY OF CAPE MAY)
K-5 NOTES TO SCHEDULES OF AWARDS AND FINANCIAL ASSISTANCE
JUNE 30, 2014

Note 1: General

The accompanying schedules of expenditures of awards and financial assistance present the activity of all federal and state award programs of the Board of Education for Vocational Schools in the County of Cape May. The Board of Education is defined in Note 1(A) to the Board's basic financial statements. All federal and state awards received directly from federal and state agencies, as well as federal awards and state financial assistance passed through other government agencies, is included on the schedule of federal awards and state financial assistance.

Note 2: Basis of Accounting

The accompanying schedules of expenditures of awards and financial assistance are presented using the modified accrual basis of accounting with the exception of programs recorded in the food service fund, which are presented using the accrual basis of accounting, and those recorded in the special revenue fund, which are presented using the budgetary basis of accounting. These bases of accounting are described in Notes 1(C) and 1(D) to the Board's basic financial statements.

Note 3: Relationship to Basic Financial Statements

The basic financial statements present the general fund and special revenue fund on a GAAP basis. Budgetary comparison statements or schedules (RSI) are presented for the general fund and special revenue fund to demonstrate finance-related legal compliance in which certain revenue is permitted by law or grant agreement to be recognized in the audit year whereas GAAP reporting, revenue is not recognized until the subsequent year or when the expenditures have been made.

The general fund is presented in the accompanying schedules on the modified accrual basis with the exception of the revenue recognition of the last state aid payment in the current budget year, which is mandated pursuant to P.L. 2003, c.97, (A3521). For GAAP purposes that payment is not recognized until the subsequent budget year due to the state deferral and recording of the last state aid payment in the subsequent year. The special revenue fund is presented in the accompanying schedules on the grant accounting budgetary basis, which recognizes encumbrances as expenditures and also recognizes the related revenues, whereas the GAAP basis does not. The special revenue fund also recognizes the last state aid payment in the current budget year, consistent with N.J.S.A. 18A:22-4.2.

The net adjustment to reconcile from the budgetary basis to the GAAP basis is $872.00 for the General Fund and $4,495.66 for the Special Revenue Fund. See the Notes to Required Supplementary Information for a reconciliation of the budgetary basis to the modified accrual basis of accounting for the general and special revenue funds. Awards and financial assistance revenues are reported in the Board's basic financial statements on a GAAP basis on the following page:

Note 3: Relationship to Basic Financial Statements - Continued

	Federal	State	Local	TPAF Pension	Total
General Fund	$ 0.00	$ 2,460,487.60	$ 0.00	$ (668,042.00)	$ 1,792,445.60
Special Revenue Fund	581,336.31	117,546.69	3,891.64		702,774.64
Food Service Fund	85,271.29	2,314.52			87,585.81
Total Financial Award Revenues	$ 666,607.60	$ 2,580,348.81	$ 3,891.64	$ (668,042.00)	$ 2,582,806.05

Note 4: Relationship to Federal and State Financial Reports

Amounts reported in the accompanying schedules agree with the amounts reported in the related federal and state financial reports.

Note 5: Other

Revenues and expenditures reported under the Food Distribution Program represent current year value received and current year distributions respectively. The amount reported as TPAF Pension Contributions represents the amount paid by the state on behalf of the district for the year ended June 30, 2014. TPAF Social Security Contributions represents the amount reimbursed by the state for the employer's share of social security contributions for TPAF members for the year ended June 30, 2014.

BOARD OF EDUCATION
FOR VOCATIONAL SCHOOLS, COUNTY OF CAPE MAY
(A COMPONENT UNIT OF THE COUNTY OF CAPE MAY)
K-6 SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2014

Section I - Summary of Auditor's Results

Financial Statements

Type of auditor's report issued: Unmodified Opinion

Internal control over financial reporting:

1) Material weakness(es) identified? _____ Yes ___X___ No

2) Significant deficiencies identified? _____ Yes ___X___ None reported

Non-compliance material to basic financial statements noted? _____ Yes ___X___ No

Federal Awards

Internal Control over major programs:

1) Material weakness(es) identified: _____ Yes ___X___ No

2) Significant deficiencies identified? _____ Yes ___X___ None reported

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

Any audit findings disclosed that are required to be reported in accordance with section .510(a) of Circular A-133? _____ Yes ___X___ No

Identification of major programs:

CFDA Number(s)	Name of Federal Program or Cluster
84.002	Adult Basic Education

Dollar threshold used to distinguish between type A and type B programs: $300,000

Auditee qualified as low-risk auditee? ___X___ Yes _____ No

BOARD OF EDUCATION
FOR VOCATIONAL SCHOOLS, COUNTY OF CAPE MAY
(A COMPONENT UNIT OF THE COUNTY OF CAPE MAY)
K-6 SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2014
(CONTINUED)

Section I - Summary of Auditor's Results (Continued)

State Awards

Dollar threshold used to distinguish between type A and type B programs: $300,000

Auditee qualified as low-risk auditee? X Yes ___ No

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

Internal Control over major programs:

1) Material weakness(es) identified? ___ Yes X No

2) Significant deficiencies identified? ___ Yes X None reported

Any audit findings disclosed that are required to be reported
In accordance with NJOMB Circular Letter 04-04? ___ Yes X No

Identification of major programs:

GMIS Number(s)	Name of State Program
State Aid – Public Cluster:	
14-495-034-5120-089	Special Education Categorical Aid
14-495-034-5120-085	Adjustment Aid
14-495-034-5120-084	Security Aid

Section II - Financial Statement Findings

None

Section III - Federal Awards and State Financial Assistance Statement Findings and Questioned Costs

FEDERAL AWARDS

None

STATE AWARDS

None

BOARD OF EDUCATION
FOR VOCATIONAL SCHOOLS, COUNTY OF CAPE MAY
(A COMPONENT UNIT OF THE COUNTY OF CAPE MAY)
K-7 SUMMARY SCHEDULE OF PRIOR-YEAR AUDIT FINDINGS
AND QUESTIONED COSTS AS PREPARED BY MANAGEMENT
FOR THE FISCAL YEAR ENDED JUNE 30, 2014

STATUS OF PRIOR YEAR FINDINGS

There were no prior year findings.

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