



ANNUAL COMPREHENSIVE FINANCIAL REPORT

FISCAL YEAR ENDED JUNE 30, 2024

Leslie A. Jamison, CPA
Chief Financial Officer

5100 Black Horse Pike · Mays Landing, New Jersey 08330 · 609-625-1111

**ATLANTIC CAPE COMMUNITY COLLEGE
ANNUAL COMPREHENSIVE FINANCIAL REPORT**

TABLE OF CONTENTS

Introductory Section	Page(s)
President's Letter	1
Transmittal Letter	2-6
Principal Officials	7
Organization Chart	8
Financial Section	
Independent Auditor's Report	9-11
Report on Internal Control Over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with Government Auditing Standards	12-13
Required Supplementary Information – Part I: Management's Discussion and Analysis (Unaudited)	14-25
Basic Financial Statements:	
Statements of Net Position	26
Statements of Revenues, Expenses, and Changes in Net Position	27
Statements of Cash Flows	28-29
Notes to Financial Statements	30-77
Required Supplementary Information – Part II:	
RSI-1 Schedule of the College's Proportionate Share of the Net Pension Liability – Public Employees' Retirement System	78
RSI-2 Schedule of College's Contributions – Public Employees' Retirement System	79
RSI-3 Notes to Required Supplementary Information – Part II	80
Required Supplementary Information – Part III:	
RSI-4 Schedule of Changes in the College's Total OPEB Liability And Related Ratios	81
RSI-5 Notes to Required Supplementary Information – Part III	82
Supplemental Financial Information:	
Balance Sheets	83-84
Statement of Changes in Fund Balances	85
Statement of Current Fund Revenues, Expenditures and Other Changes	86
Budget Comparison to Actual	87
Salary Expenditures	88
Single Audit Section	
Report on Compliance for Each Major Program and Report On Internal Control Over Compliance Required By The Uniform Guidance and State of New Jersey Circular 15-08 OMB	89-90
Schedule of Expenditures of Federal Awards	91-92
Schedule of Expenditures of State Financial Assistance	93-94
Notes to the Schedules of Expenditures of Financial Awards	95
Schedule of Findings and Questioned Costs	96-98
Summary Schedule of Prior Audit Findings	99
Statistical Section (Unaudited)	
Net Position	100
Capital Assets	101
Revenues by Source	102-103
Current Unrestricted Fund Revenues by Source	104-105
Expenditures by Natural Classification	106-107
Current Unrestricted Fund Expenditures by Function	108-109
Enrollment Data	110-114
Demographic and Economic Statistics	115
Principal Employers	116
College Staffing	117

INTRODUCTORY SECTION



President's Letter

Members of the Atlantic Cape Board of Trustees:

I am pleased to provide you and the college community with the Annual Comprehensive Financial Report for Fiscal Year 2024.

For Fiscal Year 2024, the College earned 102.7% of budgeted revenues and expended 98.9% of budgeted expenditures. Although enrolled credits were 4.5% less than the budgeted goal, the College exceeded its revenue goal for the fiscal year due to higher than budgeted state appropriations and interest income. On the expense side, strategies to use savings from open full-time positions helped offset increases in health benefits, insurance, and software. The College ended the fiscal year needing a fund balance transfer much lower than the approved amount, thus preserving our unrestricted, undesignated net position at a healthy level.

We are confident that by offering relevant, in demand programs and flexible options, our credit and workforce training enrollment will improve and meet or exceed sustainable levels. Utilizing Chapter 12 grant funds, the college is moving forward with facilities infrastructure renovations and upgrades to deliver a strong first impression to current and prospective students.

The *Innovation Center* on the Mays Landing Campus offers new programs in Cybersecurity, Game Design and Development, and Esports. As a Hispanic Serving Institution (HSI), outreach and services geared to the Hispanic population is key, and targeted outreach to stop-out and adult students allow us to reconnect and welcome students back to complete their educational goals. We continue to be responsive to the needs of students and leverage resources to institute high-impact initiatives to positively impact student outcomes. Additionally, our dual and concurrent enrollment partnerships with local high schools continue to grow. In fact, we have partnered with twenty-seven high schools this year.

Atlantic Cape held the Welcome Center Ribbon Cutting Ceremony for the college community on August 31, 2023. Trustees, faculty, and staff were on site as the Student Affairs and Enrollment Management division officially opened its doors to the Welcome Center on our Mays Landing Campus. The purpose of the Welcome Center is to provide a smooth enrollment experience for our students. Within the new space, we have made the operational changes incorporating the principles of the One Stop, which reduces the amount of time it takes for a student to complete the enrollment process.

The bizHub Ribbon Cutting Ceremony was held in September 2023 at the Cape May County Campus. The bizHub, funded by Federal and local grants, is a small business resource center that was developed to address the unique needs of Cape May County residents, as well as others interested in exploring opportunities in a pro-business community. Also, in May 2024 at the Cape May County Campus, jointly with the Cape May County Commissioners, the College hosted the ribbon cutting ceremony for the *Dr. Alex Ernst Memorial Education Center*, home of the Cape May County's Zoo Education Program. Housed at the Atlantic Cape's Cape May County Campus, the center features holding rooms for small mammals, reptiles and aviary and classrooms for their Zoo Education Center.

I would like to offer my thanks to our Finance Department, led by Leslie Jamison, Chief Financial Officer (CFO), for all their efforts to ensure the rigorous standards of the Annual Comprehensive Financial Report have been met.

Thank you to the County of Atlantic and the County of Cape May for their continued support; and many thanks to the Board of Trustees for your leadership and advocacy. We will continue to work together to meet the needs of our students at all three campuses and to provide a high-quality affordable education, as we navigate challenging times and create greater opportunities for the future.

Sincerely,

A handwritten signature in cursive script that reads 'Barbara Gaba'.

Dr. Barbara Gaba
President



February 19, 2025

The Board of Trustees
Atlantic Cape Community College
Mays Landing, New Jersey

We are pleased to provide you with the Annual Comprehensive Financial Report (ACFR) of Atlantic Cape Community College (the College) for the Fiscal Year ended June 30, 2024. The purpose of this report is to provide the Board of Trustees, college staff, citizens, and other interested parties with useful information concerning the College's operations and financial position.

The College's Finance Office prepared this report. The responsibility for both the accuracy of the data and the completeness and fairness of the presentation, including all disclosures, rests with the management of the College. To the best of our knowledge and belief, the enclosed data 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 College as of June 30, 2024, and for the Fiscal Year then ended. All disclosures necessary to enable the reader to gain an understanding of the College's financial activities in relation to its mission have been included.

The Annual Comprehensive Financial Report is organized in four sections, as follows:

1. The Introductory Section contains the President's letter, this letter of transmittal with an overview of the College that includes factors affecting the financial condition and required supplementary information, a listing of principal officials, and the organizational chart. This letter of transmittal is designed to complement the Management's Discussion and Analysis (MD&A) and should be read in conjunction with it.
2. The Financial Section includes the MD&A, the basic financial statements and accompanying notes, required supplementary information, supplemental financial and management information, as well as the independent auditor's reports.
3. The Single Audit Section contains the report of the independent auditor's, the schedules of expenditures of federal awards and state financial assistance and notes to the schedules of expenditures of financial awards.
4. The Statistical Section includes selected unaudited financial and demographic information, generally presented on a multi-year basis.

The organization, form and contents of this report were prepared in accordance with the standards prescribed by the Governmental Accounting Standards Board (GASB), the Government Finance Officers Association of the United States and Canada (GFOA), and the American Institute of Certified Public Accountants.

College Information

Atlantic Cape Community College is a two-year publicly supported community college operating under the provisions of N.J.S.A. 18A:64 A1, et seq. In December 1963, the State of New Jersey Department of Education granted approval for the establishment of the College, which became the second community college to be organized by the State on April 14, 1964. The College offers a wide range of programs to meet the needs of the surrounding community. Financial support is received from county and state governments.

The Board of Trustees of the College voted on August 28, 1998 to approve a resolution authorizing Atlantic Community College to enter into a joint venture college with Cape May County. Officials from the College, Atlantic County and Cape May County signed a contract outlining the terms of the agreement. The New Jersey Legislature approved changes to the New Jersey Community College funding formula. The jointure agreement became effective January 1, 1999, and the College was renamed Atlantic Cape Community College in February 1999.

The Counties of Atlantic and Cape May provide support to the College based upon the funding formula specified in the jointure agreement. Atlantic County has nine voting members on the Board of Trustees of the College, including the Atlantic County Superintendent of Schools. Cape May County has five voting members on the Board of Trustees of the College, including the Cape May County Superintendent of Schools. One voting alumnus member from Atlantic or Cape May County is elected for a one-year term by each year's graduating class. The College President serves as *Ex-Officio* on the Board of Trustees.

The College serves Atlantic and Cape May counties in southern New Jersey from three campuses. The College's main campus in Mays Landing is situated on 541 acres in the picturesque New Jersey Pinelands, 15 miles west of Atlantic City's boardwalk and 45 miles from Philadelphia. The Charles D. Worthington Campus in Atlantic City provides a broad range of educational and related services to students, especially those who live and/or work in the Atlantic City area. The College's Cape May County campus in Cape May Court House supports students and the business community of Cape May County.

For the Fiscal Year ended June 30, 2024, the College enrolled 6,093 credit students, compared to 6,324 in the prior year. The Fall 2023 unduplicated credit student headcount was 4,273, compared to 4,278 in Fall 2022. Of these, 92% of the students are from either Atlantic or Cape May county. Atlantic Cape Community College accounts for approximately 4% of the 18 New Jersey community college student credit hour enrollments.

The College's Workforce Development and Career Training programs provide students with training and necessary credentials to support business and industry needs. Under these programs, the College enrolled 2,124 students for the Fiscal Year ended June 30, 2024. Of these, 90% of the students are from either Atlantic or Cape May county.

College Mission

Atlantic Cape Community College provides inclusive, accessible and equitable educational programs and services to transform lives and empower students to successfully meet their academic, social and career goals, while also supporting the diverse needs of our community.

The College currently offers 46 academic programs, 13 on-line programs, and 10 certificate programs in addition to workforce and customized training for businesses. Students may choose from an Associate in Arts, Associate in Applied Science, Associate in Science, Associate in Fine Arts, industry certifications, professional series programs, and continuing education professional development and training services. Nationally recognized programs are the College's Casino Career Institute and the Academy of Culinary Arts.

The College is accredited by the Middle States Commission on Higher Education (MSCHE). Inquiries may be sent to: Middle States Commission on Higher Education at 1007 North Orange Street, 4th Floor, MB #166, Wilmington, DE 19801 E-mail: President@msche.org; or, visit www.msche.org

Professional associations have also accredited those professional-technical programs that require approval, such as culinary arts, hospitality management and numerous health science programs.

Long Term Strategic Financial and Operational Planning

The College engages in an annual strategic and operational planning cycle that involves all levels of the organization. This planning process provides a framework to advance the College's mission and goals in order to meet the needs of the students and the community.

Financial Information

The College maintains its accounts and prepares its financial statements in accordance with accounting principles generally accepted in the United States of America (GAAP) as set forth by the Governmental and Financial Accounting Standards Boards (GASB and FASB) and the National Association of College and University Business Officers (NACUBO). The College follows GASB Statement No. 35 Basic Financial Statements and Management Discussion and Analysis for Public Colleges and Universities. The financial records are maintained on the accrual basis of accounting whereby all revenues are recorded when earned and all expenses are recorded when a legal obligation to pay exists. The notes to the financial statements expand upon the accounting principles applied.

State statutes require an annual audit by an independent certified public accounting firm. The College's Board of Trustees selected the independent public accountants, Ford-Scott & Associates, L.L.C., to audit the College's financial statements. Their report is included as part of the financial presentation.

In accordance with GASB pronouncements, the College's financial statements include all funds and departments of the College (the primary government) and the Atlantic Cape Community College Foundation, Inc., its component unit. The Foundation is included in the College's reporting entity because of the significance of their operational and financial relationship with the College. Notes 2 and 23 to the financial statements give further information about the Foundation included in the financial statements.

Internal Controls

Management is responsible for establishing and maintaining an internal control structure designed to ensure that the assets of the College are protected from loss, theft, or misuse and to ensure adequate accounting information is available for the preparation of the financial statements in conformity with generally accepted accounting principles. 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 the cost of a control should not exceed the benefits likely to be derived and that the valuation of costs and benefits requires estimates and judgments by management.

Budgetary Controls

The College maintains budgetary controls. The objective of these budgetary controls is to ensure compliance with legal provisions embodied in the annual budget approved by the College's Board of Trustees. The budget is prepared on an annual basis as part of the College's strategic planning process, and the recommended budget parameters are presented to the Budget, Finance and Audit Committee of the Board of Trustees for review. After these parameters are established, the annual budget request is developed and approved by the College Board of Trustees. The Atlantic Cape Community College Board of School Estimate approves the Atlantic and Cape May Counties appropriations.

Cash Management

The College is governed by New Jersey statute when depositing funds or investing excess funds. The Board of Trustees approves all depositories and investment policies. All excess funds are invested in a prudent, conservative and secure manner with the intent to maximize investment income.

Financial Reporting

An automated financial record system captures all financial transactions and provides data for the preparation of this ACFR, including the audited financial statements. The ACFR is distributed to the College's Board of Trustees and executive management, federal and state agencies, and financial institutions as well as others throughout the general public.

The Budget, Finance and Audit Committee of the Board of Trustees routinely monitors and reports on revenue collections compared to budget and actual expenses compared to budget, carefully reviewing variances. Internal management reports, customized to meet the information and decision-making needs at all levels of the organization, aid in the management of financial resources.

Risk Management

Comprehensive business insurance is purchased through a cooperative pool. The pool provides its members with property, liability, motor vehicle, and other miscellaneous insurance. The pool is a risk sharing public entity that is both an insured and self-administered group established for the purpose of providing low cost insurance coverage to its members. In addition, the College participates in a self-insurance pool for workers' compensation.

Economic Condition and Outlook

On a national level, the COVID-19 pandemic and its widespread effects attributed to the lowest college enrollment levels in about 15 years in 2020, according to the U.S. Census Bureau data. Four years later, higher education continues to contend with its disruptive effects. Although the pandemic exacerbated a trend where fewer students were pursuing postsecondary education, the positive news, reported by the National Student Clearinghouse Research Center (NSCRC), is that undergraduate enrollment grew 1.2% in fall 2023. This was the first increase since the pandemic. Among the three largest sectors, community colleges had the highest growth, gaining 2.6% after sharp declines during the pandemic. Community colleges suffered larger losses, in part because they disproportionately serve low- and middle-income students whose enrollment dropped during the pandemic. Spring 2024 marked the second consecutive semester of enrollment growth with gains across all major sector groups. Community colleges yielded the highest increase at 4.7% above spring 2023.

Despite this recent trend, Higher Education is facing various challenges. These include a diminishing number of traditional-age students and the necessity to keep pace with technological advancements. Furthermore, students are choosing employment over college as employers attract workers in a competitive job market. Student retention is another factor as a growing number of stop-outs and fewer returning students contribute to enrollment declines and affect graduation rates. Institutions must adapt and explore innovative ways to recruit, retain and support students from diverse backgrounds and experiences. One effective approach is to offer programs in high-demand fields, such as computer science, which are above pre-pandemic levels at two-year institutions, according to the NSCRC. In Spring 2023, Atlantic Cape unveiled its new state-of-the-art Innovation Center. The center is geared towards providing instruction in Esports, Cybersecurity, Computer Forensics, Game Design and Computer Science supporting the field's growing interest. Course modality offerings with flexible instructional methods is also a priority for students' college experience. Atlantic Cape offers flexibility for its students with selections of in-person, online, remote and hybrid courses in a variety of programs.

The College is facing challenges that are shaped by the economic conditions of the State and counties. Since reaching its highest enrollment in Fiscal Year 2010, the College has experienced a downward trend in enrollment, which aligns with a forecasted decline in the number of high school graduates that began in 2009. In Fiscal Year 2024, the College reported a 5.7% reduction in fundable credits, decreasing from 94,354 to 89,016 credits, or a reduction of 5,338 credits. This decline follows a 1.5% increase in Fiscal Year 2023, which marked the first increase in fundable credits since 2010. The decrease observed this year underscores the aforementioned challenges. The College remains committed to implementing strategies aimed at enhancing enrollment and recovering from this year's downturn, adhering to its mission and values to inform decisions that support students and foster a sustained positive enrollment trajectory.

After reaching a historical high of 15.3% unemployment rate in May 2020, New Jersey's unemployment rate was 4.6% in June 2024, up from 3.7% in June 2023. In June 2024, Atlantic County's unemployment rate was 6.0% and Cape May County's unemployment rate was 5.2% (rates not seasonally adjusted). Atlantic County saw a 0.3% 12-month net change from June 2023 to June 2024, Cape May County's 12-month change was 0.1%, both of which are close to that of New Jersey's 0.2% 12-month change for the same time period. Atlantic and Cape May counties are heavily reliant on the hospitality, retail and leisure industry. The economy is an important driver of community college enrollment. Historically, during periods of high unemployment, enrollment improves to meet the need for upskilling or re-training for displaced workers.

The College's service area population has remained steady over the past several years, with the 2023 population of Atlantic and Cape May Counties' year-round residents estimated at 370,000. Service area high school enrollments are projected to decline by 6.1% over the next four years, highlighting the need for strong partnerships with local high schools. The College has broadened its offerings to current high school students throughout the two counties. Our Early College programming provides multiple avenues, including dual credit, concurrent courses, articulated credit, and associate pathways, to earn college credits, lessen the time and cost it takes to reach academic goals, and allow students to get a running start on earning an associate degree or explore transferring them to other colleges—all at reduced tuition. As the primary feeder market for the College, high school students are a critical component of our success.

The College plays a key role in regional economic development by providing the necessary workforce development and job training to meet the current and future employment needs of local business and industry. The College is closely aligned with the state, counties and local organizations, K-12 and four-year institutions to provide education and training opportunities for displaced and underemployed workers which is vital to our area's economic recovery, stabilization and workforce needs. Atlantic Cape offers training for the nation's hottest careers. Training for in-demand career programs are a priority as demonstrated by the construction of a new Innovation Center, which will offer Esports and cybersecurity programs. In addition, Atlantic Cape secured conditional state-level approval to begin the Licensed Practical Nursing Program in Fall 2023 which added to our health science offerings.

In addition to student tuition and fee revenue, the State of New Jersey and Counties of Atlantic and Cape May support the College. The counties have steadily supported the College with operating and capital appropriations. The State's Fiscal Year 2024 budget included a \$20 million increase in operating aid to the county college sector. This followed \$5 million and \$10 million increases to the sector for Fiscal Years 2023 and 2022, respectively. The increased support was predicated on the implementation of a new funding distribution model based on factors including enrollment, student completion and demographics. The State's investment in its community colleges is critical in providing high-quality, affordable education and workforce training. In Fiscal Year 2024, students paid 57.0% toward the cost of education, with the counties funding 21.1% and the State 18.7%.

The College is maintaining its program of cost containment, cost avoidance and revenue enhancement efforts, while continuing to operate within its resources. College administration remains focused on delivering quality educational offerings while being responsive to community and workforce needs.

Acknowledgments

The timely preparation of the College's annual comprehensive financial report was made possible by the dedicated service of the entire staff of the Finance Office. Each member of the department has our sincere appreciation for the contributions made in the preparation of this report.

Respectfully submitted,



Leslie A. Jamison
Chief Financial Officer

ATLANTIC CAPE COMMUNITY COLLEGE
(As of June 30, 2024)

BOARD OF TRUSTEES

Ellen Byrne, Esq., *Chairperson*
Daniel L. Money, *Vice Chairperson*
Donald Parker, *Treasurer*
Flora Castillo
Christina Clemans
Dave Coskey
Rev. Dr. Thomas Dawson
Dr. Judith DeStefano
Ambrose Gray
Monica Kyle
Mark Sandson
Maria Ivette Torres
Brigitte White
Leslie White-Coursey
Hailie Nguyen *Alumni Representative*
Dr. Barbara Gaba, *Atlantic Cape President, Ex-Officio*
William S. Donio, Esq., *Board Attorney*
Jean McAlister, *Board Secretary*

ATLANTIC COUNTY EXECUTIVE

Dennis Levinson

ATLANTIC COUNTY ADMINISTRATOR

Gerald DelRosso

ATLANTIC COUNTY BOARD OF COUNTY COMMISSIONERS

Maureen Kern, *Chairwoman*
James A. Bertino, *Vice-Chairman*
Frank X. Balles
June Byrnes
Ernest D. Coursey
Richard R. Dase
Amy L. Gatto
Andrew W. Parker, III
John W. Risley, Jr.

CAPE MAY COUNTY ADMINISTRATOR

Kevin Lare

CAPE MAY COUNTY BOARD OF COUNTY COMMISSIONERS

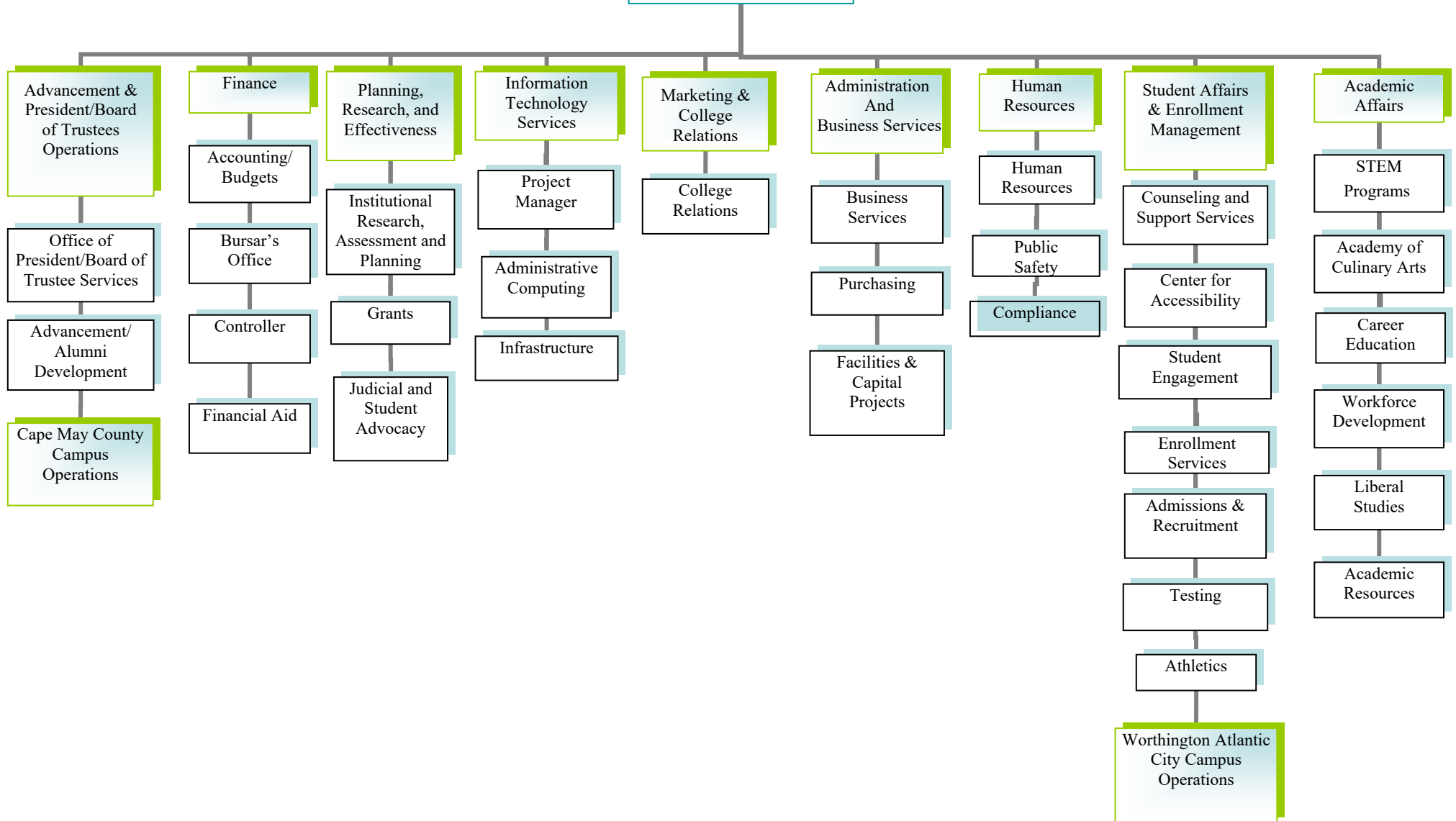
Leonard C. Desiderio, *Director*
Andrew Bulakowski, *Vice Director*
Bobby Barr
Melanie Collette
Will Morey

COLLEGE ADMINISTRATION

Dr. Barbara Gaba, President
Dr. Josette Katz, Senior Vice President of Academic Affairs
Laura Batchelor, Chief Marketing Officer
Dr. Natalie Devonish, Vice President of Student Affairs and Enrollment Management
Tom Hendrixson, Executive Director, Human Resources
Leslie Jamison, Chief Financial Officer
Jean McAlister, Chief of Staff and Chief Advancement Officer
Dr. Vanessa O'Brien-McMasters, Vice President, Institutional Effectiveness and Chief Strategy Officer
John Piazza, Chief Information Officer
Dominic Sambucci, Chief Business Officer

**Board of Trustees
As of June 30, 2024**

College President



FINANCIAL SECTION



FORD - SCOTT

& ASSOCIATES, L.L.C.

CERTIFIED PUBLIC ACCOUNTANTS

1535 HAVEN AVENUE • OCEAN CITY, NJ • 08226

PHONE 609.399.6333 • FAX 609.399.3710

www.ford-scott.com

Independent Auditor's Report

Board of Trustees
Atlantic Cape Community College
(a component unit of the County of Atlantic)
Mays Landing, New Jersey

Report on the Audit of Financial Statements

Opinions

We have audited the accompanying financial statements of the business-type activities of Atlantic Cape Community College (the "College"), a component unit of the County of Atlantic, State of New Jersey as of and for the years ended June 30, 2024 and 2023, and the related notes to the financial statements, which collectively comprise the College's basic financial statements as listed in the table of contents. In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the business-type activities of the College, as of June 30, 2024 and 2023, and the respective changes in financial position and, where applicable, cash flows thereof for the fiscal year then ended in accordance with accounting principles generally accepted in the United States of America.

The financial statements as of and for the year ended June 30, 2024 and 2023 of the Atlantic Cape Community College Foundation (the "Foundation"), a discretely presented component unit of the College were audited by other auditors whose reports dated February 19, 2025 and February 12, 2024, respectively, expressed an unmodified opinion on those financial statements in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinions

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS), and the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of Financial Statements section of our report. We are required to be independent of the College and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Responsibility of Management 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, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatements, whether due to fraud or error.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the College's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements, as a whole, are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS, and *Government Auditing Standards* will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from an error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgement made by a reasonable user based on the financial statements.

In performing an audit in accordance with GAAS, and *Government Auditing Standards*, we:

- exercise professional judgement and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of the internal control relevant to the audit 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, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether in our judgement there are conditions or events considered in the aggregate, that raise substantial doubt about the entity's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charge with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control – related matters that we identified during the audit.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the Required Supplementary 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.

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the College's basic financial statements. The supplemental financial information and schedule of expenditures of federal awards as required by Title 2 U.S. Code of Federal Regulations Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards (Uniform

Guidance) and the schedule of state financial assistance as required by NJ OMB 15-08 and the introductory and statistical sections are presented for purposes of additional analysis and are not a required part of the basic 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 basic financial statements. The 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 supplemental financial information, schedule of expenditures of federal awards, as required by the Uniform Guidance, and the schedule of state financial assistance as required by NJ OMB 15-08 is fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Other Information

Management is responsible for the other information included in the Annual Comprehensive Financial Report. The other information comprises of the introductory and statistical sections and 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 February 19, 2025 on our consideration of the College's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the entity's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the College's internal control over financial reporting and compliance.

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

February 19, 2025



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

Board of Trustees
Atlantic Cape Community College
(a component unit of the County of Atlantic)
Mays Landing, 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 business-type activities of Atlantic Cape Community College (a component unit of the County of Atlantic), as of and for the year ended June 30, 2024, and the related notes to the financial statements, which collectively comprise the College's basic financial statements, and have issued our report thereon dated February 19, 2025.

Report on Internal Control over Financial Reporting

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

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

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

Report on Compliance and Other Matters

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

Purpose of this Report

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

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

February 19, 2025

**ATLANTIC CAPE COMMUNITY COLLEGE
MANAGEMENT'S DISCUSSION AND ANALYSIS
(UNAUDITED)**

Management's discussion and analysis of the College's financial performance during the Fiscal Years ended June 30, 2024 and 2023, as well as Fiscal Year ended June 30, 2022 activity, is presented in this section of the annual financial report. Management prepared this discussion along with the financial statements and the related footnote disclosures, and this discussion should be read in conjunction with and is qualified in its entirety by the financial statements and footnotes. The financial statements, footnotes and this discussion are the responsibility of management.

Using This Annual Report

These financial statements focus on the College as a whole and are designed to emulate corporate presentation models whereby all College activities are consolidated into one total. The financial statements are prepared using the accrual basis of accounting which recognizes revenues when earned and expenses when incurred.

This annual report consists of a series of financial statements prepared in accordance with Statement 35, *Basic Financial Statements-and Management's Discussion and Analysis for Public Colleges and Universities*, of the Governmental Accounting Standards Board.

The Statement of Net Position presents all of the College's assets, deferred outflows of resources, liabilities, and deferred inflows of resources with the difference reported as net position. The assets and liabilities are reported in order of relative liquidity while net position is categorized as Net Investment in Capital Assets, Restricted, or Unrestricted. Over time, increases or decreases in net position are an indicator of the improvement or erosion of the College's financial health.

The Statement of Revenues, Expenses, and Changes in Net Position focuses on the gross and net costs of College activities occurring during the year, and how these activities are supported. Revenues and expenses are reported as either operating or nonoperating. State and county appropriations, federal and state student financial aid, as well as investment activities, are reported as nonoperating and denote the dependency the College has on their support.

Another way to assess the financial health of an institution is to look at the Statement of Cash Flows. Its primary purpose is to provide relevant information about the cash receipts and cash payments of an entity during a period. The Statement of Cash Flows also helps users assess:

- An entity's ability to generate future net cash flows
- Its ability to meet its obligations as they come due and
- Its needs for external financing

The Annual Comprehensive Financial Report (ACFR) is presented in four sections: introductory, financial, single audit and statistical. The introductory section includes the President's letter, the transmittal letter, the College's principal officers, and an organizational chart. The financial section includes the reports of the independent auditor's, management's discussion and analysis, the basic financial statements, notes to the financial statements, required supplementary information, and supplemental financial and management information. The single audit section contains the report of the independent auditor's, the schedules of expenditures of federal awards and state financial assistance and notes to the schedules of expenditures of financial awards. The statistical section includes unaudited financial information.

**ATLANTIC CAPE COMMUNITY COLLEGE
MANAGEMENT'S DISCUSSION AND ANALYSIS
(UNAUDITED)**

Financial Highlights

Fiscal Year 2024 Compared to 2023

- Cash balances increased by \$479,310 during the year ended June 30, 2024, compared to an increase of \$383,721 during the year ended June 30, 2023. There was a 4.7%, or \$459,560, increase in net tuition and fee revenues. This positive change was due to a \$20.00 per credit rate increase in tuition and mandatory fees for Fiscal Year 2024. Fiscal Year 2024 student credit hour enrollments (excluding dual enrollment) decreased by 5.7%. This decline followed a 1.5% enrollment growth for Fiscal Year 2023 which represented the first year-over-year enrollment increase since 2010, and occurred after declines of 3.0% and 11.2% for Fiscal Years 2022 and 2021, respectively. In Fiscal Year 2020, enrollment declined only 1% from the previous year. Since then, the COVID-19 pandemic has had a major impact on enrollment. Because of the economic climate, the College kept per credit tuition and fee rates level for three years, from Fiscal Years 2021 to 2023, however, Fiscal Year 2024 rates were raised to adjust for inflation and rising prices. To address the current year enrollment decline, the College is dedicated to implementing strategies aimed at enhancing enrollment and student retention. The enduring repercussions of the pandemic may continue to impact future enrollment.

College-wide, salaries and benefits increased by \$2,052,335, or 6.6%. Included in this increase are the effects of GASB 68 and GASB 75 adjustments accounting for an increase of \$1,247,000 and a \$445,210 decrease in staff benefits, respectively. Also part of these adjustments is a decrease of \$50,000 for the prior year change in the state unemployment fund.

The following summary of cash flows for the years ended June 30, 2024, 2023, and 2022 was prepared from the College's Statement of Cash Flows:

	FY2024	FY2023	FY2022	Change FY2023-2024
Cash provided (used) by:				
Operating activities	\$ (32,504,908)	\$ (35,950,436)	\$ (39,927,274)	\$ 3,445,528
Non-capital financing activities	33,210,546	32,299,424	48,321,622	911,122
Capital and related financing activities	(1,070,680)	3,501,225	(5,269,523)	(4,571,905)
Investing activities	844,352	533,508	38,826	310,844
Net increase (decrease) in cash	479,310	383,721	3,163,651	95,589
Cash, beginning of year	20,397,741	20,014,020	16,850,369	383,721
Cash, end of year	\$ 20,877,051	\$ 20,397,741	\$ 20,014,020	\$ 479,310

- The College's net position at June 30, 2024 increased \$517,339, or 0.7% from the level at the previous year-end. This increase is a combination of the change in pension related items along with a decrease in net investment in capital assets, plus a positive change in undesignated, unrestricted net position.

The undesignated unrestricted net position increased by 11.7%. This change is a combination of factors including a Fiscal Year 2024 education and general operating margin of (\$97,364), plus the change in assignments to the FY25 and FY24 budgets. In June 2022, the Board of Trustees established a \$500,000 *A Vision for Success* Reserve from the unrestricted, undesignated net position to support non-recurring and start-up costs of projects or initiatives supporting the Strategic Plan 2022-2026. In June 2021, the Board of Trustees established a \$2.5 million Technology Replacement Reserve to fund future replacement and advancement of technology. Fiscal Year 2024 and 2023 expenditures from the Technology Replacement Reserve totaled \$316,067 and \$326,672, respectively. The expendable restricted net position decreased 9.8% due to reductions in student government and capital projects funds. Non-expendable net position increased by 0.6% as the College's endowments increased by \$5,441.

**ATLANTIC CAPE COMMUNITY COLLEGE
MANAGEMENT'S DISCUSSION AND ANALYSIS
(UNAUDITED)**

The College's net investment in capital assets declined nearly \$1.9 million, or -2.4%, during the year ended June 30, 2024 as the prior year included the completion of major renovations to three buildings on the Mays Landing campus, as well as the construction of a Wind Training Center on the Atlantic City campus which all had a full year of depreciation in FY2024.

The College's financial position, as a whole, is healthy. However, the College has experienced a downturn in enrollment, and if the trend continues, it will have an effect on future years. In addition, lasting impacts of the COVID-19 pandemic are uncertain and could have significant adverse effects on enrollment for future years.

The summary schedule below is prepared from the College's Statement of Net Position. The schedule displays the change in net position from 2023 to 2024 and 2022 activity.

	FY2024	FY2023	FY2022	Change FY2023- 2024	% Change
Assets					
Current assets	\$ 21,685,712	\$ 22,817,378	\$ 26,662,069	\$ (1,131,666)	(5.0)%
Noncurrent assets	81,351,643	83,244,436	83,903,410	(1,892,793)	(2.3)%
Total assets	103,037,355	106,061,814	110,565,479	(3,024,459)	(2.9)%
Deferred Outflows of Resources	2,090,200	2,386,533	1,782,229	(296,333)	(12.4)%
Liabilities					
Current liabilities	11,096,303	11,747,223	14,592,597	(650,920)	(5.5)%
Noncurrent liabilities	17,116,886	17,342,465	15,247,743	(225,579)	(1.3)%
Total liabilities	28,213,189	29,089,688	29,840,340	(876,499)	(3.0)%
Deferred Inflows of Resources	2,102,511	5,064,143	11,410,239	(2,961,632)	(58.5)%
Net Position					
Unrestricted (Deficit)	(4,688,418)	(7,239,923)	(9,898,342)	2,551,505	35.2%
Restricted	2,271,689	2,417,159	2,517,797	(145,470)	(6.0)%
Net investment in capital assets	77,228,584	79,117,280	78,477,674	(1,888,696)	(2.4)%
Total Net Position	\$74,811,855	\$74,294,516	\$ 71,097,129	\$517,339	0.7%

Enrollment

College enrollment is comprised of credit and non-credit full-time equated students (FTEs). A full time equated student represents a student or combination of students taking thirty (30) credits per academic year.

	FY2024	FY2023	FY2022	Change FY2023-2024	% Change
Credit FTEs	2,967	3,145	3,098	(178)	(5.7)%
Non Credit FTEs	83	167	52	(84)	(50.3)%
Leased/High School Curriculum	248	213	241	35	16.4%
Total FTEs	3,298	3,525	3,391	(227)	(6.4)%

**ATLANTIC CAPE COMMUNITY COLLEGE
MANAGEMENT'S DISCUSSION AND ANALYSIS
(UNAUDITED)**

Revenue

The College received its revenue from three main unrestricted sources: tuition and fees, state aid and county support. Nonoperating revenues include over \$10.6 million in student financial aid received by the College for participating in the Pell Grant Program. Nonoperating revenues also include \$4.9 million in student financial aid received from the New Jersey Higher Education Student Assistance Authority and the New Jersey Commission on Higher Education. Fiscal Year 2024 was the final year that the College received Federal Coronavirus (COVID-19) Emergency Grants for Postsecondary Education, Higher Education Emergency Relief Fund (HEERF)- Student Aid portion which totaled \$256 thousand for the fiscal year. The Federal funding provided emergency financial aid grants disbursed directly to students towards any component of their cost of attendance or for emergency costs that arise due to coronavirus, such as tuition, food, housing, health (including mental health care) or child care. The balance of the College's revenue was received from miscellaneous sources that included grants, investment income, and other income.

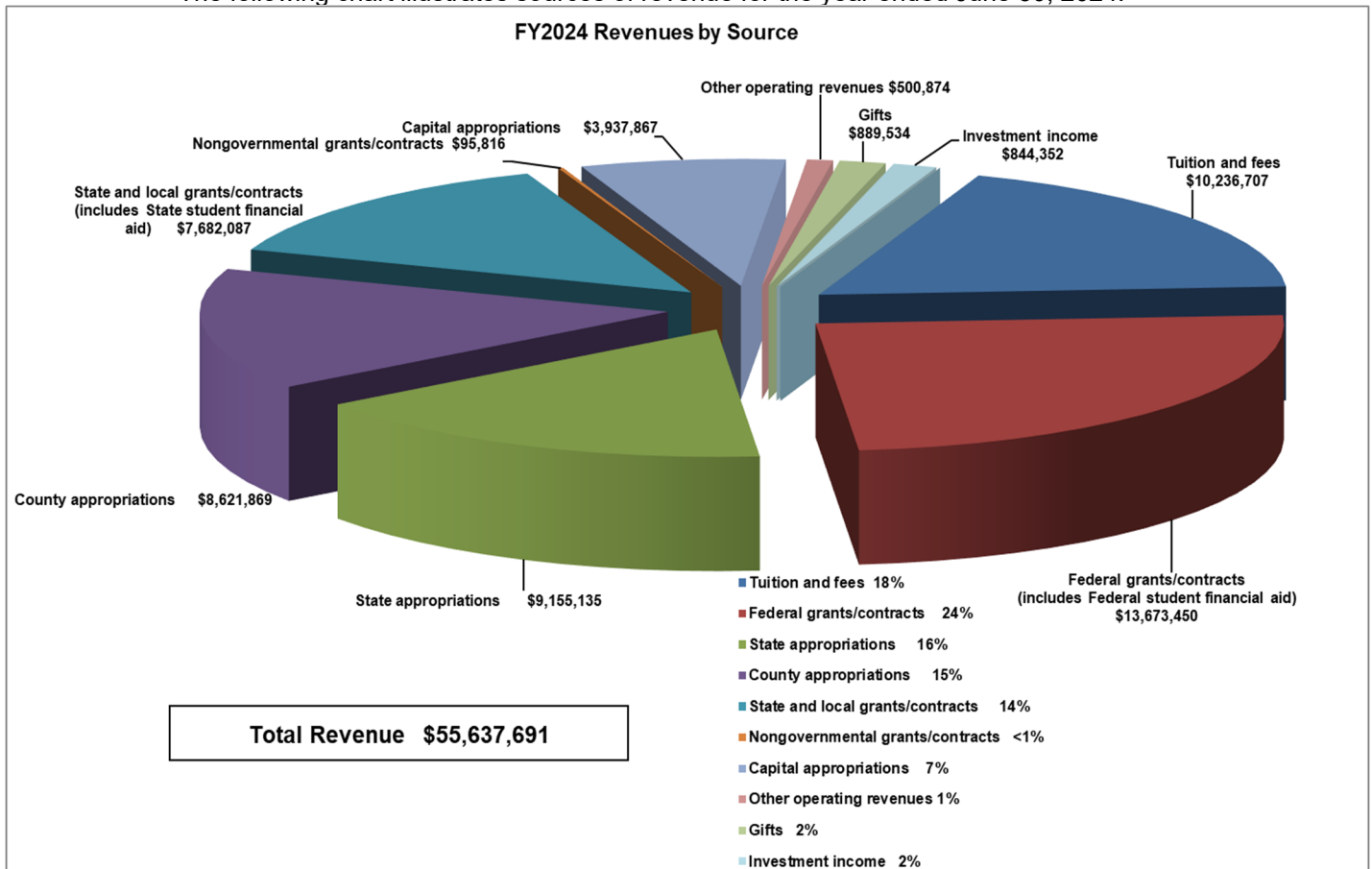
Tuition Rates

The College charged \$162.50 per in-county general education student credit hour (SCH) for an average of \$2,437.50 per term during Fiscal Year 2024. This rate was unchanged from both Fiscal Years 2023 and 2022.

General Fee

The College charged \$31.50 per student credit hour for an average of \$472.50 per term during Fiscal Year 2024. This rate was unchanged from both Fiscal Years 2023 and 2022.

The following chart illustrates sources of revenue for the year ended June 30, 2024:



**ATLANTIC CAPE COMMUNITY COLLEGE
MANAGEMENT'S DISCUSSION AND ANALYSIS
(UNAUDITED)**

Fiscal Year 2024 Compared to 2023

From 2023 to 2024, there was a \$298,465 increase, or 0.5%, in the College's total revenue from \$55.3 million to \$55.6 million.

Operating revenue increased 12.9% or \$1.8 million from the level achieved during the previous year. Of that total, net tuition and fee revenue increased 4.7%, or \$460 thousand. The increase in net tuition and fee revenue is mainly the result of a rate increase in per credit tuition and fees. From Fiscal Year 2021 through Fiscal Year 2023, the per credit tuition and fee rate remained flat at \$178.00. For Fiscal Year 2024, the per credit amount was raised to \$198.00 to adjust for inflationary and incremental increases in expenditures. Student tuition and fees before allowances increased by \$1.6 million, or 7.1% including an 8.4% increase in continuing education revenues, and a 7.0% increase in credit tuition and fee revenue. Operating revenues from federal, state and local grants and contracts totaled almost \$5.2 million which is nearly a \$1.4 million increase, or 35.9%. Of that, State and local grants and contracts increased 65.4%, or \$1.1 million, largely resulting from the New Jersey Department of Community Affairs Neighborhood Revitalization Tax Credit (NRTC) Program, New Jersey Office of the Secretary of Higher Education Offshore Wind Safety Training Challenge and the Casino Reinvestment Development Authority Atlantic City Works Training Program.

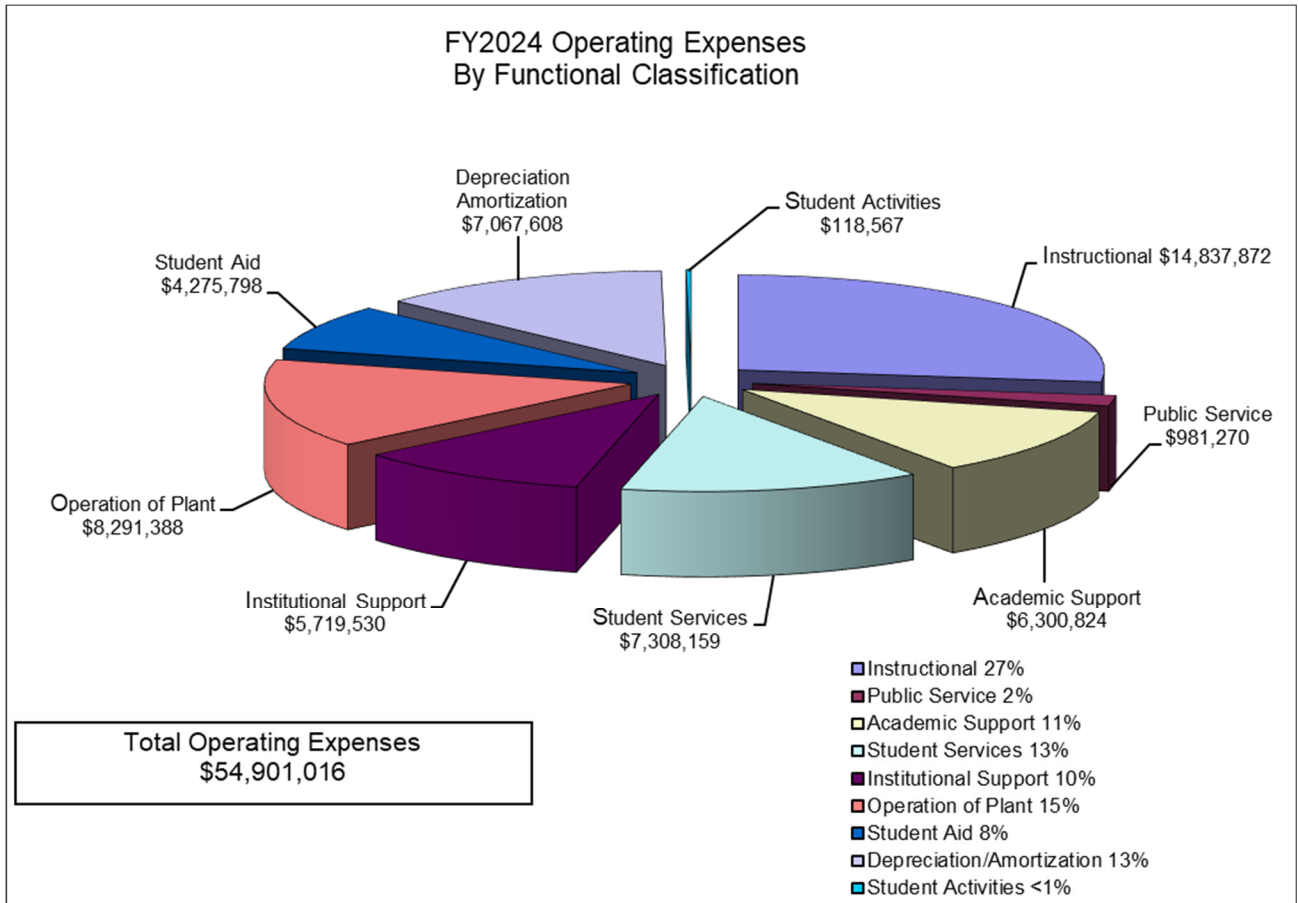
Net nonoperating revenues increased by 2.1%, or \$744 thousand. The State of New Jersey's operating appropriation totaled \$7,137,460, a \$1.4 million increase, or 24.8%, over Fiscal Year 2023. This reflects Atlantic Cape's share of the State's \$20 million increase in operating aid to the county college sector and a revised funding model instituted in Fiscal Year 2022. The Atlantic and Cape May Counties appropriation remained level at \$8,621,346. The College received \$1.8 million less in Federal funding approved in response to the COVID-19 pandemic as the College utilized the majority of its HEERF allocations through Fiscal Year 2023. In Fiscal Year 2024, \$256 thousand in emergency relief grants was disbursed directly to students compared to \$526 thousand in Fiscal Year 2023. The College exhausted all of its Federal HEERF institutional grant funds through Fiscal Year 2023 with an expense of \$1.5 million in Fiscal Year 2023. These grants provided essential funds allowing the College to continue operations and expand services and support to students during the public health crisis. Included in the difference of net nonoperating revenue is the change in the GASB 75 recognition of state appropriations for other post-employment benefits which decreased by \$445 thousand, or 23.0%. Federal student financial aid, such as PELL and SEOG, increased 4.7%, or \$489 thousand. State student financial aid increased by 12.3% or \$537 thousand, mainly due to the expansion of the Community College Opportunity Grant program. Charitable contributions increased 26.7%, or \$187 thousand. Investment revenue improved by \$311 thousand, or 58.3%, reflecting the market's more favorable interest rates.

Capital appropriations declined nearly \$2.3 million, or 36.5%, as extensive renovations to three buildings on the Mays Landing campus, including a new *Innovation Center*, plus the construction of a *Wind Training Center* on the Atlantic City campus were completed during Fiscal Year 2023. Capital appropriations reflects the support by state and county agencies for the College's master facilities plan.

**ATLANTIC CAPE COMMUNITY COLLEGE
MANAGEMENT'S DISCUSSION AND ANALYSIS
(UNAUDITED)**

Expenses

The following chart illustrates the relative size of operating expenses for the year ended June 30, 2024:



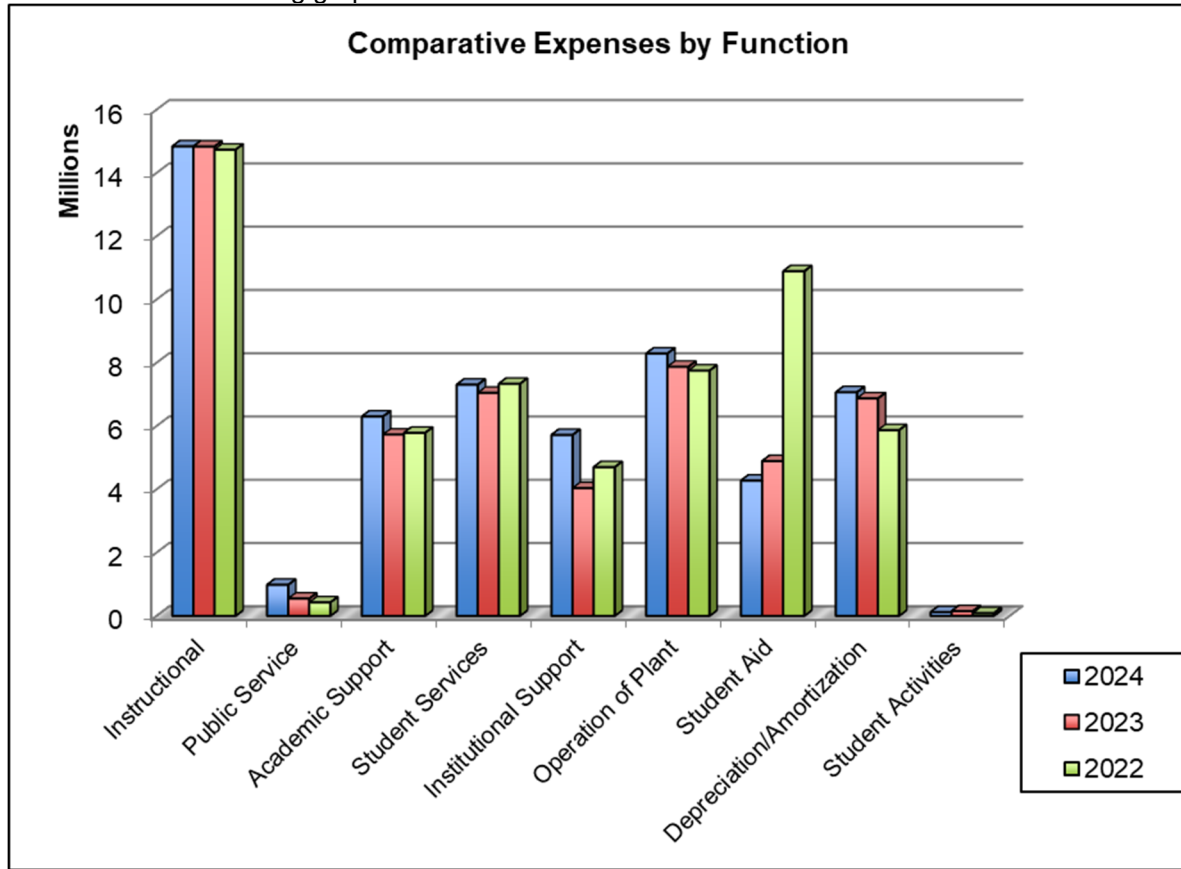
Fiscal Year 2024 Compared to 2023

Operating expenses increased by 5.6% or \$2.9 million over the prior year. Overall, salaries of almost \$25.0 million increased by 2.8% or \$680 thousand, and fringe benefits of \$8.1 million increased 20.3%, or nearly \$1.4 million. Included in the fringe benefits increase is the effect of GASB 68 and 75 adjustments causing a net increase of nearly \$1.5 million in benefits. The College's annual PERS Local Employer Billing amount totaled \$1.4 million which was nearly the same as the prior year liability with an increase of only \$3 thousand. Also included in fringe benefits are net medical and prescription premiums of \$5.1 million and mandatory employer tax costs of \$1.8 million.

Other factors contributing to the change in operating expenses include increases of \$435 thousand and \$571 thousand in costs for public service and academic support expense, respectively, which directly relate to programing expenses for the State grants noted previously in the revenue section. Operations and maintenance of plant rose \$419 thousand from the previous year reflecting higher insurance, utilities and public safety costs. Depreciation and amortization expense increased by \$194 thousand, or 2.8. Scholarship and student aid decreased \$614 thousand mainly due to the change in the scholarship discount and allowance.

**ATLANTIC CAPE COMMUNITY COLLEGE
MANAGEMENT'S DISCUSSION AND ANALYSIS
(UNAUDITED)**

A comparison of operating expenses for the years ended June 30, 2024, 2023 and 2022 is illustrated in the following graph:



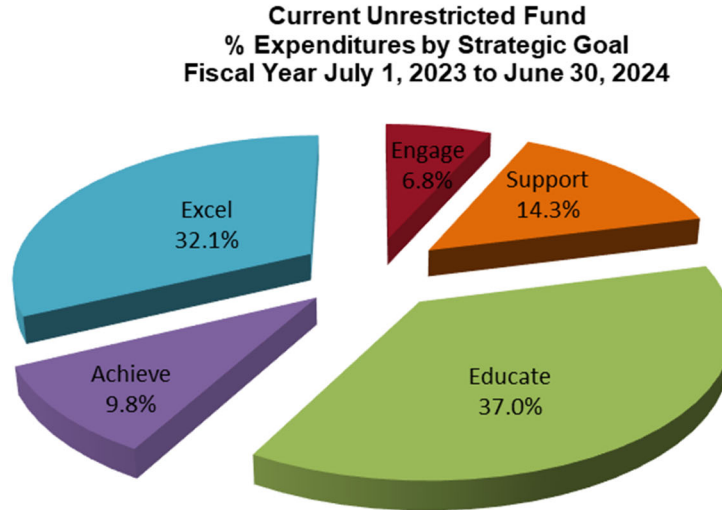
The College engages in an annual strategic and operational planning cycle that involves all levels of the organization. This planning process provides a framework to advance the College's mission and goals in order to meet the needs of the students and the community. In March 2022, the Board of Trustees approved the 2022-2026 Strategic Plan, *A Vision for Success*, which guides future fiscal cycles.

The schedule below lists the College's strategic goals for 2022-2026, and the current unrestricted fund original budgeted and actual expended amounts for the Fiscal Year ended June 30, 2024:

	FY2024 Original Budget Amount	FY2024 Expended Amount	
Goal 1	\$ 2,752,292	\$ 2,779,651	ENGAGE: Ensure high quality and equitable student, employee, and community stakeholder experiences.
Goal 2	6,482,281	5,869,563	SUPPORT: Provide innovative services designed to bolster student progress and wellness that enhance the educational experience.
Goal 3	15,072,362	15,191,339	EDUCATE: Cultivate an innovative and inclusive climate for high quality learning across the college community responsive to both immediate challenges and long-term needs.
Goal 4	2,806,124	4,038,691	ACHIEVE: Eliminate barriers to increase academic, social, and career goal attainment for all students.
Goal 5	14,447,741	13,162,659	EXCEL: Provide fiscal, physical, human, and technological resources that maximize efficiency while delivering innovative, responsive, and inclusive programs and services that foster excellence.
	<u>\$ 41,560,800</u>	<u>\$ 41,041,903</u>	

**ATLANTIC CAPE COMMUNITY COLLEGE
MANAGEMENT'S DISCUSSION AND ANALYSIS
(UNAUDITED)**

The following chart illustrates the relative size of current unrestricted fund operating expenses for the year ended June 30, 2024 by strategic goal:



Operating Results

The following summary of operating results displays the change from 2023 to 2024 and 2022 activity and was prepared from the College's Statement of Revenues, Expenses, and Changes in Net Position:

	FY2024	FY2023	FY2022	Change FY2023-2024
Total Operating Revenue	\$ 15,932,084	\$ 14,114,192	\$ 10,438,218	\$ 1,817,892
Total Operating Expenses	54,901,016	51,980,077	57,579,134	2,920,939
Operating Loss	(38,968,932)	(37,865,885)	(47,140,916)	1,103,047
Net Nonoperating Revenue	35,543,540	34,855,775	46,740,096	687,765
Gain (Loss) Before Net Other Revenues	(3,425,392)	(3,010,110)	(400,820)	(415,282)
Capital Appropriation	3,937,867	6,200,939	8,831,712	(2,263,072)
Additions to Permanent Endowments	4,864	6,558	7,678	(1,694)
Increase (Decrease) in Net Position	517,339	3,197,387	8,438,570	<u><u>\$ (2,680,048)</u></u>
Net Position, Beginning of Year	74,294,516	71,097,129	62,658,559	
Net Position, End of Year	<u><u>\$ 74,811,855</u></u>	<u><u>\$ 74,294,516</u></u>	<u><u>\$ 71,097,129</u></u>	

Fiscal Year 2024 Budget to Actual Comparison

Comparing the total original budget to actual activity for the current unrestricted fund, the College earned 102.7% of original budgeted revenues and expended 98.9% of original budgeted expenditures. Encumbrances at June 30, 2024, subject to automatic re-appropriation in FY2025, totaled \$153,781. At June 30, 2023, encumbrances re-appropriated in FY2024 totaled \$85,633.

**ATLANTIC CAPE COMMUNITY COLLEGE
MANAGEMENT'S DISCUSSION AND ANALYSIS
(UNAUDITED)**

The summary schedule below is prepared from the College's Supplemental Financial Information, Budget Comparison to Actual for the Fiscal Year ended June 30, 2024.

	Original Budget	Adjusted Revised Budget	Actual Activity	Original Budget over (under)
Total Education and General Income	\$ 39,312,292	\$ 39,312,292	\$ 40,414,633	\$ 1,102,341
ABP Reimbursement	550,000	550,000	529,906	(20,094)
Adjusted Education and General Income	39,862,292	39,862,292	40,944,539	1,082,247
Total Education and General Expenditures	41,560,800	41,646,433	41,041,903	(518,897)
Education and General Operating Margin	\$ (1,698,508)	\$ (1,784,141)	\$ (97,364)	\$ (1,601,144)

The variance in revenues was \$1,082,247. This positive variance is a result of \$1.4 million more in State operating appropriations which was a result of increased State appropriations to the county college sector and a new funding formula instituted in Fiscal Year 2022. Other revenues were \$287 thousand higher than budgeted largely stemming from an increase in interest rates leading to \$198 thousand more in interest income. The College ended Fiscal Year 2024 with a net tuition and fee revenue shortfall of \$604 thousand, or 2.5% below the original budget. The tuition revenue shortfall from continuing education programs accounted for \$139 thousand of the shortfall as renewable energy programs were delayed for most of Fiscal Year 2024. Nursing, culinary and aviation program fees, which cover direct expenses of these higher cost programs, totaled nearly \$2.5 million, \$400 thousand above budget which is attributable to the aviation and radiology programs. Actual fundable credit enrollment was below the original budget of 93,468 credits by 4.8%. The original revenue budget was based on remaining level with the projected Fiscal Year 2023 student credit hours and a \$20.00 increase in the per credit tuition and fee rate. Actual fundable credit enrollments of 89,016 student credit hours (excluding dual enrollment) were 5.7% less than the prior year.

Overall, expenses were below the original budget by \$518,897, or 1.2%. The College's labor agreements with its four bargaining units for the period July 1, 2022 to June 30, 2026 were approved by the College's Board of Trustees on November 29, 2022. The compensation approved for Fiscal Year 2024 for all four of the bargaining units comprised of a base salary increase of 3.0% commencing on July 1, 2023 for all eligible full-time employees which are reflected in the salary and benefits totals for Fiscal Year 2024.

The educational and general operating margin for Fiscal Year 2024 was \$(97,364), and an additional \$153,781 was appropriated for encumbrances carried forward to Fiscal Year 2025. The reserve for state unemployment remained at \$650,000. Fiscal Year 2024 expenses from the Board Designated Technology Replacement Reserve totaled \$316,067. The balance in the Technology Replacement Reserve at June 30, 2024 was \$1,834,051. At June 30, 2024, the Board designated \$500,000 *A Vision for Success* reserve to support non-recurring and start-up costs of projects or initiatives supporting the Strategic Plan 2022-2026 remained. The College's unrestricted, undesignated net position at June 30, 2024 totaled \$7,548,632.

**ATLANTIC CAPE COMMUNITY COLLEGE
MANAGEMENT'S DISCUSSION AND ANALYSIS
(UNAUDITED)**

Facilities Expansion Plans

In Fiscal Year 2024, the College completed renovations on a Welcome Center on the Mays Landing campus. The purpose of the Welcome Center is to provide a smooth enrollment experience for our students. Within the new space, we have made the operational changes incorporating the principles of a One Stop, which reduces the amount of time it takes for a student to complete the enrollment process. The renovations were funded by Chapter 12 funds discussed below.

In Fiscal Year 2023, Atlantic Cape completed construction on its new Innovation Center, which will offer Esports and Cybersecurity programs in a state-of-the-art facility located on the Mays Landing campus. This center replaced the existing Charles B. Boyer Hall, which was one of the oldest buildings on the campus. Funding for the project was provided through a \$4 million New Jersey's Securing Our Children's Future Bond Act grant and \$1.3 million match from Atlantic County.

Construction of a 1,700-square-foot Wind Training Center at the Worthington Atlantic City campus as part of a nearly \$3 million state grant aimed at growing the state's offshore wind industry was substantially complete at June 30, 2023. The Wind Training Center is funded by the New Jersey Offshore Wind Safety Training Challenge grant, administered by the Office of the Secretary of Higher Education with the support of the New Jersey Economic Development Authority. The Wind Training Center opened in 2024.

The College relies heavily on Chapter 12 funds (Public Law 1971) for its facilities expansion and major capital improvements. The State of New Jersey authorized a 2010 allocation of \$2,353,000 designated for the STEM building which opened in Fiscal Year 2015. A 2012 allocation of \$8,500,000 and 2013 allocation of \$1,500,000 supported campus renovations, including repurposing Building A, academic classrooms. A 2014 allocation of \$4,200,000 supported the construction of the Student Center. A 2015 allocation of \$3,200,000 is designated for academic, lab and office renovations at the Mays Landing campus, fire suppression and plumbing upgrades, as well as exterior upgrades to the Worthington Atlantic City Campus. A 2016 allocation of \$3,000,000 was fully expended for the Student Center. A 2017 allocation of \$2,900,000 funded the replacement of the College's phone system and supports infrastructure and building renovations, while a 2018 allocation of \$3,100,000 supports classroom renovations, roof and air handler replacements. A 2019 allocation of \$6,100,000 funds building renovations and roof replacements on the Mays Landing campus, security and lighting systems at the Worthington Atlantic City campus and fire alarm and parking lot improvements at the Cape May campus. Allocations of \$3,100,000 for 2020 and \$4,800,000 for 2021 support renovations to academic buildings and creating a "One-Stop" center on the Mays Landing campus. A 2022 allocation of \$4,807,000 supports building improvements at all three campuses. The 2023 allocation of \$3,620,000 is earmarked for Mays Landing and Cape May County campus improvements estimated at \$3,020,000 and \$600,000, respectively. Projects funded through Chapter 12 funds are included in the College's Facilities Master Plan 2021-2025.

In Fiscal Year 2014, the College entered into a \$803,542 lease agreement with the New Jersey Educational Facilities Authority for the State of New Jersey's Higher Education Equipment Leasing Fund Program for the purpose of providing educational equipment. The lease agreement requires that the College pay 25% of the debt service of which Atlantic and Cape May counties will provide the funds proportionately. The final lease payments under the agreement were completed in Fiscal Year 2023.

**ATLANTIC CAPE COMMUNITY COLLEGE
MANAGEMENT'S DISCUSSION AND ANALYSIS
(UNAUDITED)**

Capital asset activity for the Fiscal Year ended June 30, 2024 was as follows:

	Beginning Balance	Additions	Retirements	Ending Balance
Land	\$2,370,097	\$ -	\$ -	\$2,370,097
Construction in Progress	1,214,118	2,011,534	(702,629)	2,523,023
Land Improvements	3,695,804	54,517	(205,944)	3,544,377
Infrastructure	1,295,903	-	-	1,295,903
Buildings and Improvements	129,388,678	1,599,346	(1,641,393)	129,346,631
Furniture and Equipment	19,304,644	1,476,433	(608,650)	20,172,427
Library Collection	62,708	-	(19,436)	43,272
Other Improvements	9,600	-	-	9,600
Leasehold Improvements	466,644	-	-	466,644
Other Assets	3,719,362	131,605	(55,958)	3,795,009
Total	161,527,558	5,273,435	(3,234,010)	163,566,983
Less Accumulated Depreciation and Amortization	(82,410,278)	(6,267,831)	2,339,710	(86,338,399)
Capital Assets, Net	\$79,117,280	\$(994,396)	\$(894,300)	\$77,228,584

Debt Administration

The College has no bonds outstanding at June 30, 2024 and 2023.

Economic Factors That Affect The Future

Although the College's financial position is currently healthy, the economic position of the College is closely tied to that of the State of New Jersey and the Counties of Atlantic and Cape May. The College's state and county appropriations and many state and local grants and contracts are influenced by the economic climate of the state and counties. Other factors that affect college tuition and fee revenues include population growth rate, unemployment rate, and the number of high school graduates in Atlantic and Cape May counties. In addition, the future impact that the COVID-19 pandemic will have on the College's operations is still uncertain.

As Fiscal Year 2024 ended, New Jersey's unemployment rate increased 0.9% from the year before at 4.6%, a vast improvement from the historical high of 15.3% in May 2020. In June 2024, Atlantic County's unemployment rate was 6.0%, while Cape May County's rate was 5.2%, which were both up slightly from the previous year. This compares to June 2020, where Atlantic County's unemployment rate reached a staggering 34.3%, while Cape May County's was 20%. Given the severity of the public health crisis, the economy was virtually shut down for more than a year. Heavy losses were seen across the state, with the biggest in Atlantic County which is most dependent on the gaming industry. To slow the spread of COVID-19, Atlantic city's casinos were closed on March 16, 2020 reopening to limited capacity restrictions in early July. Before COVID-19, Atlantic City was on the road to recovery and making progress to diversify its economy and revitalize the casino industry. Atlantic County's June 2019 unemployment rate had reached a record low at 4.0%, while Cape May County's June 2019 unemployment rate was 3.7%. Over the past few years, the local job market rebounded to more closely align with the pre-pandemic levels.

**ATLANTIC CAPE COMMUNITY COLLEGE
MANAGEMENT'S DISCUSSION AND ANALYSIS
(UNAUDITED)**

Historically, community college enrollment has improved during periods of recession as displaced workers enroll to retrain their skills. The current strong labor market impacts community college enrollment, as potential students have employment options, including work from home, which compete with attending higher education. Additional factors are contributing to the nationwide decline in enrollment including demographic shifts like fewer high school graduates and changing family responsibilities. Also, challenges and delays in the federal financial aid process have led to fewer applications. Communication to students about potential financial aid and scholarship opportunities is important, including the State's expansion of the Community College Opportunity Grant program for eligible New Jersey residents with an adjusted gross income of up to \$100,000. Financial aid workshops are offered to help students navigate the new federal application. Atlantic Cape strives to help remove these challenges by providing support services such as tutoring and mental health resources, as well as flexible instructional delivery options. To remain competitive in higher education, it is essential to keep tuition and fees reasonable. Atlantic Cape aims to bridge the gap between affordability and quality education. Our per credit tuition and fee rates remain in the middle of the state sector, even though they were raised for Fiscal Year 2024 after three years without rises. Continued and expanded partnerships with area high schools, universities and businesses is also key.

Salaries and benefits account for 79.0% of the College's unrestricted operating expenses. On November 29, 2022, the College's Board of Trustees approved the labor agreements for the period July 1, 2022 to June 30, 2026 for all four bargaining units. The compensation approved for the Fiscal Year ended June 30, 2024 included a 3.0% base salary increase commencing on December 3, 2022 for all eligible full-time employees. Beginning in Fiscal Year 2011, all covered full-time employees began to contribute to health benefits costs. Their contributions totaled \$755 thousand in 2024, which helps to offset gross medical and prescriptions costs of over \$5.8 million. Insurance, utilities and software prices continue to escalate. As new buildings in the master plan are completed, facilities costs will increase. This increase will be partially offset by expected savings on electricity costs from the solar projects on the Mays Landing and Cape May campuses, as well as expected savings from installing energy efficient lighting and windows in renovated buildings. Technology is constantly evolving and, in order to offer exemplary programs, the College must continue to budget for the purchase of new software and equipment as well as the maintenance of existing technologies, including costs to support the College's Colleague management information system on which implementation was completed in 2011.

Planning for the maintenance of facilities and identifying the funding sources required is ongoing. The College follows its Facilities Master Plan 2021-2025 for planning capital improvements and deferred maintenance projects. The College currently relies heavily on Chapter 12 funding supported by the counties and state. Most of the College's equipment needs are currently funded through grants from various agencies and equipment leasing fund programs made available through the State. Funds from the college's facilities fee, which is charged on a per student credit hour basis, are dedicated to deferred maintenance and improvements and renewals of academic and student areas.

Contacting the College's Financial Management

This financial report is designed to provide readers with a general overview of Atlantic Cape Community College's finances and to demonstrate the College's accountability for the resources it receives. Questions concerning this report or requests for additional financial information should be directed to Leslie A. Jamison, Chief Financial Officer, 5100 Black Horse Pike, Mays Landing, N.J. 08330.

ATLANTIC CAPE COMMUNITY COLLEGE
STATEMENTS OF NET POSITION
AS OF JUNE 30, 2024 and 2023

	2024		2023	
	College	Component Unit	College	Component Unit
ASSETS				
Current assets:				
Cash and cash equivalents	\$ 16,931,279	\$ 751,275	\$ 17,247,648	\$ 590,705
Security deposits	2,742		2,017	
Investments		2,701,634		2,153,599
Accounts receivable:				
Students, net of allowance of \$1,230,785 and \$802,353 respectively	1,049,353		785,995	
Federal, state, county, local	2,752,026		3,824,588	
Other	37,401	83,180	13,329	47,330
Promises to give			146,803	
Inventories	92,093		91,672	
Prepaid expenses	739,224	638	627,882	1,445
Other	81,594		77,444	
Total current assets	<u>21,685,712</u>	<u>3,536,727</u>	<u>22,817,378</u>	<u>2,793,079</u>
Noncurrent assets:				
Restricted cash and cash equivalents	3,945,772		3,150,093	
Restricted investments		3,610,560		3,496,553
Software subscriptions, net (Note 16)	177,287		977,063	
Capital assets, non-depreciable (Note 15)	4,893,120		3,584,215	
Capital assets, net of accumulated depreciation of \$86,338,399 and \$82,410,278 respectively (Note 15)	72,335,464		75,533,065	
Total noncurrent assets	<u>81,351,643</u>	<u>3,610,560</u>	<u>83,244,436</u>	<u>3,496,553</u>
Total assets	<u>103,037,355</u>	<u>7,147,287</u>	<u>106,061,814</u>	<u>6,289,632</u>
DEFERRED OUTFLOWS OF RESOURCES				
Related to pensions (Note 17)	<u>2,090,200</u>		<u>2,386,533</u>	
LIABILITIES				
Current liabilities:				
Accounts payable and accrued liabilities	6,840,437	1,154,341	7,810,579	1,108,654
Unearned revenue	3,975,845	66,867	3,027,585	92,878
Current portion:				
Deposits	3,439		4,002	
Compensated absences	126,317		162,458	
Subscription obligations payable	149,379		738,202	
Accrued interest	886		4,397	
Total current liabilities	<u>11,096,303</u>	<u>1,221,208</u>	<u>11,747,223</u>	<u>1,201,532</u>
Noncurrent liabilities:				
Deposits	59,302		60,841	
Compensated absences	1,605,440		1,353,442	
Subscription obligations payable			176,401	
Net pension liability (Note 17)	15,452,144		15,751,781	
Total noncurrent liabilities	<u>17,116,886</u>	<u>-</u>	<u>17,342,465</u>	<u>-</u>
Total liabilities	<u>28,213,189</u>	<u>1,221,208</u>	<u>29,089,688</u>	<u>1,201,532</u>
DEFERRED INFLOWS OF RESOURCES				
Related to pensions (Note 17)	<u>2,102,511</u>		<u>5,064,143</u>	
NET POSITION				
Net Investment in capital assets	77,228,584		79,117,280	
Restricted for:				
Nonexpendable:				
Scholarships and fellowships	880,903	3,610,560	875,462	3,496,553
Expendable:				
Other	1,390,786	1,486,512	1,541,697	1,064,956
Unrestricted (Deficit)	(4,688,418)	829,007	(7,239,923)	526,591
Total net position	<u>\$ 74,811,855</u>	<u>\$ 5,926,079</u>	<u>\$ 74,294,516</u>	<u>\$ 5,088,100</u>

The accompanying notes are an integral part of the financial statements

ATLANTIC CAPE COMMUNITY COLLEGE
STATEMENTS OF REVENUES, EXPENSES AND
CHANGES IN NET POSITION
FOR THE FISCAL YEARS ENDED JUNE 30, 2024 and 2023

	2024		2023	
	College	Component Unit	College	Component Unit
REVENUES				
Operating Revenues:				
Student tuition and fees (including chargebacks and net of allowances of \$14,098,864 and \$12,942,486 respectively)	10,236,707		\$ 9,777,147	
Gifts and contributions		\$ 1,140,418		\$ 898,259
Federal grants and contracts	2,335,899		2,076,926	
State and local grants and contracts	2,762,788		1,670,464	
Nongovernmental grants and contracts	95,816		74,296	
Sales and services of educational departments	31,872		45,936	
Other operating revenues	383,690		380,753	
Auxiliary enterprises - student activities	85,312		88,670	
Total operating revenues	<u>15,932,084</u>	<u>1,140,418</u>	<u>14,114,192</u>	<u>898,259</u>
EXPENSES				
Operating Expenses:				
Instructional	14,837,872		14,833,442	
Public service	981,270		545,904	
Academic support	6,300,824		5,729,760	
Student services	7,308,159		7,048,407	
Institutional support	5,719,530	100,707	4,037,521	86,466
Operations and maintenance of plant	8,291,388		7,872,614	
Scholarship and student aid	4,275,798	890,218	4,889,922	857,224
Depreciation and amortization	7,067,608		6,873,448	
Auxiliary enterprises - student activities	118,567		149,059	
Total operating expenses	<u>54,901,016</u>	<u>990,925</u>	<u>51,980,077</u>	<u>943,690</u>
Total operating income (loss)	<u>(38,968,932)</u>	<u>149,493</u>	<u>(37,865,885)</u>	<u>(45,431)</u>
NONOPERATING REVENUES (EXPENSES)				
State Appropriations:				
State aid	7,137,460		5,717,524	
On-behalf fringe benefits:				
Alternate benefit program	529,906		543,685	
Other post employment benefits	1,487,769		1,932,979	
County appropriations	8,621,869		8,621,924	
Education Stabilization Fund (ESF):				
Higher Education Emergency Relief Fund (HEERF):				
Student Aid (COVID-19)	256,250		526,179	
Institutional Aid (COVID-19)			1,483,847	
Governor's Emergency Education Relief: (GEER II) Fund (COVID-19)	135,043		123,035	
Federal student financial aid	10,946,258		10,457,105	
State student financial aid	4,919,299		4,382,149	
Gifts	889,534		702,160	
Investment income	844,352	574,479	533,508	313,387
Interest Expense	(27,687)		(4,397)	
Repairs funded by capital appropriations and insurance proceeds	(18,774)		(17,214)	
Loss on equipment disposals	(177,739)		(146,709)	
Net nonoperating revenues (expenses)	<u>35,543,540</u>	<u>574,479</u>	<u>34,855,775</u>	<u>313,387</u>
Income (loss) before net other revenues	<u>(3,425,392)</u>	<u>723,972</u>	<u>(3,010,110)</u>	<u>267,956</u>
OTHER REVENUES				
Capital appropriations	3,937,867		6,200,939	
Additions to permanent endowments	4,864	114,007	6,558	83,801
Total other revenues	<u>3,942,731</u>	<u>114,007</u>	<u>6,207,497</u>	<u>83,801</u>
Changes in net position	<u>517,339</u>	<u>837,979</u>	<u>3,197,387</u>	<u>351,757</u>
NET POSITION				
Net position - beginning of year	74,294,516	5,088,100	71,097,129	4,736,343
Net position - end of year	<u>74,811,855</u>	<u>\$ 5,926,079</u>	<u>\$ 74,294,516</u>	<u>\$ 5,088,100</u>

The accompanying notes are an integral part of the financial statements

ATLANTIC CAPE COMMUNITY COLLEGE
STATEMENTS OF CASH FLOWS
(COLLEGE ONLY)
FOR THE FISCAL YEARS ENDED JUNE 30, 2024 and 2023

	<u>2024</u>	<u>2023</u>
CASH FLOWS FROM OPERATING ACTIVITIES		
Tuition and fees (including chargebacks)	\$ 9,145,401	\$ 8,088,429
Grants and contracts	6,434,735	2,690,210
Payments to suppliers	(20,542,183)	(18,015,616)
Payments to employees	(24,884,022)	(25,359,013)
Payments for scholarships and student aid	(3,055,459)	(3,824,577)
Other receipts	396,620	470,131
Net cash used in operating activities	<u>(32,504,908)</u>	<u>(35,950,436)</u>
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES		
State appropriations	7,673,766	6,258,498
County appropriations	8,621,936	8,621,746
Noncapital grants received - student financial aid	15,644,757	14,842,262
Higher Education Emergency Relief Fund (HEERF):		
Student Aid (COVID-19)	258,750	525,679
Institutional Aid (COVID-19)		1,520,882
Gifts and grants received for other than capital purposes	<u>1,011,337</u>	<u>530,357</u>
Net cash provided by noncapital financing activities	<u>33,210,546</u>	<u>32,299,424</u>
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES		
Capital appropriations	3,630,711	6,901,026
Capital grants and gifts received	723,879	4,333,079
Proceeds from sale of capital assets	13,933	1,296
Payments to suppliers	(18,774)	(17,214)
Purchase of capital assets	(2,559,273)	(5,904,052)
Software subscription payments	(854,486)	(862,237)
Construction in progress	(2,011,534)	(957,231)
Private gifts for endowment purposes	4,864	6,558
Net cash provided (used) in capital and related financing activities	<u>(1,070,680)</u>	<u>3,501,225</u>
CASH FLOWS FROM INVESTING ACTIVITIES		
Interest on investments	<u>844,352</u>	<u>533,508</u>
Net cash provided by investing activities	<u>844,352</u>	<u>533,508</u>
Net increase in cash	479,310	383,721
Cash - beginning of year	<u>20,397,741</u>	<u>20,014,020</u>
Cash - end of year	<u><u>\$ 20,877,051</u></u>	<u><u>\$ 20,397,741</u></u>
RECONCILIATION OF CASH AND CASH EQUIVALENTS TO THE COMPARATIVE STATEMENTS OF NET POSITION:		
Unrestricted Current	\$ 16,931,279	\$ 17,247,648
Restricted Noncurrent	3,945,772	3,150,093
	<u><u>\$ 20,877,051</u></u>	<u><u>\$ 20,397,741</u></u>

The accompanying notes are an integral part of the financial statements

ATLANTIC CAPE COMMUNITY COLLEGE
STATEMENTS OF CASH FLOWS
(COLLEGE ONLY)
FOR THE FISCAL YEARS ENDED JUNE 30, 2024 and 2023
(CONTINUED)

RECONCILIATION OF NET OPERATING REVENUES (EXPENSES)	<u>2024</u>	<u>2023</u>
TO NET CASH USED IN OPERATING ACTIVITIES:		
Operating loss	\$ (38,968,932)	\$ (37,865,885)
Adjustments to reconcile net loss to net cash provided by operating activities:		
Depreciation and amortization	7,067,608	6,873,448
Pension expense	(1,535,721)	(2,786,107)
Other post employment benefits	1,487,769	1,932,979
Noncash Student awards - textbook and food card scholarships	20,850	3,700
Change in assets and liabilities		
Security deposits	(725)	2,667
Student accounts receivable	(263,358)	(418,491)
Federal, state, county and local receivables	261,893	(339,600)
Other accounts receivable	(24,072)	34,548
Inventories	(421)	4,443
Prepaid expenses	(53,279)	45,365
Other assets	9,457	(45,253)
Accounts payable and accrued liabilities	(373,561)	(668,711)
Deposits	(2,102)	(53,282)
Deferred revenue	1,083,303	(1,146,256)
Deferred outflow of resources - related to pensions:		
Contributions made after the measurement date	(1,429,217)	(1,425,829)
Compensated absences	215,857	(97,973)
Other liabilities	(257)	(199)
Net cash used in operating activities	<u>\$ (32,504,908)</u>	<u>\$ (35,950,436)</u>
 NONCASH INVESTING, CAPITAL AND FINANCING ACTIVITIES		
Donated textbook vouchers	\$ 25,000	\$ 25,000

The accompanying notes are an integral part of the financial statements

**ATLANTIC CAPE COMMUNITY COLLEGE
NOTES TO FINANCIAL STATEMENTS
FOR THE FISCAL YEARS ENDED JUNE 30, 2024 and 2023**

NOTE 1: ORGANIZATION

Atlantic Cape Community College (the College) is a two-year publicly supported community college operating under the provisions of N.J.S.A. 18A:64 A1, et seq. The College, which is located in Atlantic and Cape May Counties, New Jersey, offers a wide range of programs to meet the needs of the surrounding community. Financial support is received from county and state governments.

The Board of Trustees of the College voted on August 28, 1998 to approve a resolution authorizing Atlantic Community College to enter into a joint venture college with Cape May County. Officials from the College, Atlantic County and Cape May County signed a contract outlining the terms of the agreement. The New Jersey Legislature approved changes to the New Jersey Community College funding formula. The jointure agreement became effective January 1, 1999.

The Counties of Atlantic and Cape May provide support to the College based upon the funding formula specified in the jointure agreement. Atlantic County has nine voting members on the Board of Trustees of the College, including the Atlantic County Superintendent of Schools. Cape May County has five voting members on the Board of Trustees of the College, including the Cape May County Superintendent of Schools. One voting alumnus member from Atlantic or Cape May County is elected for a one-year term by each year's graduating class. The College President serves as *Ex-Officio* on the Board of Trustees.

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

NOTE 2: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Component Units

In evaluating how to define the College for financial reporting purposes, management has considered all potential component units. The decision to include any potential component units in the financial reporting entity was made by applying the criteria set forth in GASB Statement No. 14, *The Financial Reporting Entity*, as amended. Blended component units, although legally separate entities, are in-substance part of the government's operations. Each Discretely presented component unit is reported in a separate column in the government-wide financial statements to emphasize that it is legally separate from the government.

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

**ATLANTIC CAPE COMMUNITY COLLEGE
NOTES TO FINANCIAL STATEMENTS
FOR THE FISCAL YEARS ENDED JUNE 30, 2024 and 2023**

NOTE 2: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Component Units (Continued)

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

Based upon the application of these criteria, the College has determined that Atlantic Cape Community College Foundation, Inc. (the Foundation) meets the requirement for discrete presentation in the financial statements of the College. In accordance with GASB Statements No. 34 and No. 35, certain presentation adjustments to the financial statements of the Foundation were required to conform to the classification and display requirements in the aforementioned GASB Statements, as applicable to the College.

The Foundation is a legally separate, tax-exempt entity, and acts primarily as a fund-raising organization to provide funding and support to Atlantic Cape Community College, its students and educational endeavors, through special event fund-raising and community philanthropy. Although the College does not control the timing or amount of receipts from the Foundation, the majority of resources, or income thereon, which the Foundation holds and invests, is restricted to the activities of the College by the donors.

During the fiscal years ended June 30, 2024 and 2023, the College received payments of \$1,019,189 and \$530,660 from the Foundation for scholarships, other contributions and capital asset donations. Complete financial statements for the Foundation can be obtained from the Foundation Office at 5100 Black Horse Pike, Mays Landing, NJ 08330.

Basis of Accounting and Presentation

The College prepares its financial statements in conformity with generally accepted accounting principles as prescribed by the Governmental Accounting Standards Board (GASB), including GASB Statement No. 34, *Basic Financial Statements – and Management's Discussion and Analysis – for State and Local Governments*, and GASB Statement No. 35, *Basic Financial Statements – and Management's Discussion and Analysis – for Public Colleges and Universities*, and the National Association of College and University Business Officers (NACUBO). The College follows the "business-type activities" reporting requirements of GASB Statement Nos. 34 and 35 for financial reporting purposes. Such financial statements are prepared on the accrual basis.

The Foundation reports as a not-for-profit organization under Financial Accounting Standards Board (FASB) standards. As a result, certain revenue recognition criteria and presentation features are different from GASB revenue recognition and presentation features.

Fund Accounting

In order to ensure observance of limitations and restrictions placed on the use of resources available to the College, the accounts of the College are maintained in accordance with the principles of "fund accounting". The procedure of fund accounting is one by which resources for various purposes are classified for accounting and reporting purposes into funds that are in accordance with activities or objectives specified. Separate accounts are maintained for each fund. However, in the accompanying financial statements, all funds are combined for an entity-wide presentation to meet the financial reporting requirements under accounting principles generally accepted in the United States of America as promulgated by GASB.

**ATLANTIC CAPE COMMUNITY COLLEGE
NOTES TO FINANCIAL STATEMENTS
FOR THE FISCAL YEARS ENDED JUNE 30, 2024 and 2023**

NOTE 2: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Contributions

Contributions, including unconditional promises to give, are recognized as revenues in the period received. Conditional promises to give are not recognized until they become unconditional, that is, when the conditions on which they depend are substantially met. Contributions of assets other than cash are recorded at their estimated fair value. Contributions to be received after one year are discounted at an appropriate discount rate commensurate with the risks involved. Amortization of discount is recorded as additional contribution revenue in accordance with donor-imposed restrictions, if any, on the contributions. An allowance for uncollectible contributions receivable is provided based upon management's judgment including such factors as prior collection history, type of contribution and nature of fund-raising activity.

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 estimates.

Cash and Cash Equivalents

Cash and cash equivalents includes petty cash, amounts in deposits, and short-term investments with original maturities of three months or less. Certificates of deposit that have original maturity dates of more than three months but less than twelve months from the date of purchase are classified as investments.

Cash in excess of daily requirements is invested in short-term marketable securities consisting of commercial paper, certificates of deposit and U.S. Treasury obligations. Such investments with maturities of three months or less are deemed to be cash equivalents for the purpose of the College's financial statement presentation.

Cash is categorized as restricted in compliance with purpose restrictions, such as endowment provisions, certain Board of Trustee funds designations, or federal, state, or other external agency requirements.

Credit Risk

Credit risk is the risk that an issuer or other counterparty to an investment will not fulfill its obligations. GASB 40 requires that disclosure be made as to the credit rating of all fixed income securities except obligations of the U.S. government or obligations explicitly guaranteed by the U.S. government. The cash management fund is unrated.

New Jersey statutes require that county colleges deposit public funds in public depositories located in New Jersey that are insured by the Federal Deposit Insurance Corporation, the Federal Savings and Loan Insurance Corporation, or by any other agency of the United States that insures deposits made in public depositories. County colleges are also permitted to deposit public funds in the State of New Jersey Cash Management Fund.

New Jersey statutes require public depositories to maintain collateral for deposits of public funds that exceed depository insurance limits as follows:

The market value of the collateral must be equal to at least 5% of the average daily balance of collected public funds on deposit.

**ATLANTIC CAPE COMMUNITY COLLEGE
NOTES TO FINANCIAL STATEMENTS
FOR THE FISCAL YEARS ENDED JUNE 30, 2024 and 2023**

NOTE 2: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Credit Risk (Continued)

In addition to the above collateral requirements, if the public funds deposited exceed 75% of the capital funds of the depository, the depository must provide collateral having a market value at least equal to 100% of the amount exceeding 75%.

All collateral must be deposited with the Federal Reserve Bank of New York, the Federal Reserve Bank of Philadelphia, the Federal Home Loan Bank of New York, or a banking institution that is a member of the Federal Reserve System and has capital funds of not less than \$25,000,000.

Income Taxes

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

Accounts Receivable

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

Revenues are charged and an allowance is credited with a provision for uncollectible accounts based on experience and on any unusual circumstances that may affect the ability of students or student sponsors to meet their obligations. It is the College policy to write off uncollectible accounts after two years of delinquency. Accounts deemed uncollectible are charged against this allowance. Accounts receivable are reported net of an accumulated allowance of \$1,230,785 and \$802,353 as of June 30, 2024 and 2023, respectively.

Tuition

Each year the Board of Trustees sets tuition and fee rates based on a per credit hour rate. Rates vary based upon residence within Atlantic and Cape May Counties, out of county, out of state and international students.

Inventory

Inventory is valued at cost, with cost being determined on a first-in, first-out basis.

Prepaid Expenses

Prepaid expenses represent payments made to vendors for services that will benefit periods beyond June 30, 2024.

Capital Assets

Capital assets include land, building and improvements, equipment and infrastructure assets, such as sewer. Capital assets are defined by the College as assets with an initial unit cost of \$2,500 or more, or, an aggregate purchase greater than \$15,000. The costs of normal maintenance and repairs that do not add value to the asset are not capitalized. Major outlays for capital assets are capitalized as projects are constructed. Such assets are recorded at historical cost and net of accumulated depreciation and amortization of \$86,338,399 and \$82,410,278 for the years ended June 30, 2024 and 2023, respectively.

**ATLANTIC CAPE COMMUNITY COLLEGE
NOTES TO FINANCIAL STATEMENTS
FOR THE FISCAL YEARS ENDED JUNE 30, 2024 and 2023**

NOTE 2: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Subscription-Based IT Arrangements

The College has noncancelable subscription-based IT arrangements for the right-to-use IT software (Software subscription IT arrangements).

Short-term Subscription-Based IT Arrangements

For subscription IT arrangements with a term of 12 months or less, the College recognizes expense based on the provisions of the subscription IT arrangement.

Subscription-Based IT Arrangements Other Than Short-term

For subscription IT arrangements with a term over 12 months at commencement, the College recognizes a subscription liability and an intangible right-to-use subscription asset.

Measurement of Subscription-Based IT Amounts

At subscription commencement, the College initially measures the subscription liability at the present value of payments expected to be made during the subscription term. Subsequently, the subscription liability is reduced by the principal portion of subscriptions made. The subscription asset is initially measured as the initial amount of the subscription liability, plus any capitalizable implementation costs. Subsequently, the subscription asset is amortized into depreciation and amortization expense on a straight-line basis over the shorter of the subscription term or the useful life of the underlying software. Amortization expense related to subscription-based assets totaled \$799,777 and \$799,777 for the years ended June 30, 2024 and 2023, the year of implementation.

Non-Current Liabilities

Non-current liabilities include estimated amounts for accrued compensated absences and other liabilities that will not be paid within the next fiscal year.

Depreciation and Amortization

Depreciation has been applied using the straight-line method, with the half-year convention, over the following useful lives:

Buildings and improvements	40 years
Infrastructure	40 years
Improvements (acquired after June 30, 2005)	15 years
Other improvements (acquired after June 30, 2006)	25 years
Small building	20 years
Equipment and furnishings	10 years
Vehicles	7 years
Library books (acquired prior to July 1, 2020)	7 years
Computer equipment (acquired after June 30, 2001)	5 years
Amortization has been applied over the term of the applicable lease as follows:	
Leasehold improvements	2.5 to 5 years
Other assets	5 to 20 years

Effective beginning Fiscal Year 2021, library books are no longer capitalized. Library books with a net book value of zero were retired in Fiscal Year 2024.

Depreciation and amortization expense for capital assets amounted to \$6,267,831 and \$6,073,671 for the years ended June 30, 2024 and 2023, respectively.

**ATLANTIC CAPE COMMUNITY COLLEGE
NOTES TO FINANCIAL STATEMENTS
FOR THE FISCAL YEARS ENDED JUNE 30, 2024 and 2023**

NOTE 2: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

On-Behalf Payments for Fringe Benefits

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

Classification of Revenue

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

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

Non-operating revenues include activities that have the characteristics of non-exchange transactions, such as gifts and contributions, and other revenue sources that are defined as non-operating revenues by GASB Statement No. 9 – *Reporting Cash Flows of Proprietary and Nonexpendable Trust Funds and Governmental Entities That Use Proprietary Fund Accounting* and GASB No. 35, such as state appropriations and investment income.

Unearned Revenue

Unearned revenue represents tuition revenue that has been received on or before June 30, 2024 for classes that are scheduled in Summer and Fall 2024. It may also include cash which has been received for grants and/ or commissions but not yet earned. Enrollment from an academic term (for example, summer session) which is conducted over a fiscal year end, is reported totally within the fiscal year in which the term is predominantly conducted. The first Summer 2024 session began May 20, 2024.

Scholarship Discounts and Allowances

Student tuition and fee revenues are reported net of scholarship discount and allowances in the statement of revenues, expenses and changes in net position. Scholarship discount and allowances are the difference between the stated charge for goods and services provided by the College, and the amount that is paid by students and/or third parties making payments on the students' behalf. Certain government grants, such as Pell grants, as well as other federal grants and state grants are recorded as either operating or non-operating revenue in the College's financial statements. To the extent that revenues from such programs are used to satisfy tuition and fees, the College has recorded a scholarship discount and allowance. The amount of scholarship discount and allowances for the fiscal years ended June 30, 2024 and 2023 was \$14,098,864 and \$12,942,486, respectively.

Federal Financial Assistance Programs

The College participates in the following federally funded financial assistance programs: Federal Pell Grants, Federal Supplemental Educational Opportunity Grants (FSEOG), Federal Work-Study Grants and Federal Direct Loan Programs (FDLP). Federal programs are audited in accordance with the Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance).

**ATLANTIC CAPE COMMUNITY COLLEGE
NOTES TO FINANCIAL STATEMENTS
FOR THE FISCAL YEARS ENDED JUNE 30, 2024 and 2023**

NOTE 2: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Deferred Outflows and Deferred Inflows of Resources

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

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

Compensated Absences

Compensated absences are those absences for which employees will be paid for vacation and sick leave when used. A liability is accrued for compensated absences that are earned and unused in accordance with College policy at June 30th of each fiscal year.

Net Position

The College's net position is classified as follows:

Net Investment in Capital Assets represents the College's total investment in capital assets, net of accumulated depreciation, and net of outstanding debt obligations related to capital assets.

Restricted for Nonexpendable Net Position include resources in which the College is prohibited from expending the principal portion of the funds and is legally or contractually obligated to spend the interest earnings in accordance with restrictions imposed by external third parties.

Restricted for Expendable Net Position include resources in which the College is legally or contractually obligated to spend resources in accordance with restrictions imposed by external third parties.

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

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

Reclassifications

Certain accounts in the prior year financial statements have been reclassified for comparative purposes to conform to the presentation in the current year financial statements.

**ATLANTIC CAPE COMMUNITY COLLEGE
NOTES TO FINANCIAL STATEMENTS
FOR THE FISCAL YEARS ENDED JUNE 30, 2024 and 2023**

NOTE 2: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Impact of Recently Issued Accounting Principles

Recently Issued Accounting Pronouncements

The GASB has issued the following Statements that will become effective for the College for fiscal years ending after June 30, 2024:

In June 2022, the Governmental Accounting Standards Board (GASB) issued Statement No. 101, "Compensated Absences". This statement is effective for periods beginning after December 15, 2023, and all reporting periods thereafter. The Statement will become effective for the College in the fiscal year ending June 30, 2025. Management is currently evaluating whether or not this Statement will have an impact on the basic financial statements of the College.

In December 2023, the Governmental Accounting Standards Board (GASB) issued Statement No. 102, "Certain Risk Disclosures". This statement is effective for periods beginning after June 15, 2024, and all reporting periods thereafter. The Statement will become effective for the College in the fiscal year ending June 30, 2025. This statement is not anticipated to have any effect on the College's financial reporting.

In April 2024, the Governmental Accounting Standards Board (GASB) issued Statement No. 103, "Financial Reporting Model Improvements". This statement is effective for periods beginning after June 15, 2025, and all reporting periods thereafter. The Statement will become effective for the College in fiscal year ending June 30, 2026. Management is currently evaluating the effect of this Statement on the basic financial statements of the College.

In September 2024, the Governmental Accounting Standards Board (GASB) issued Statement No. 104, "Disclosure of Certain Capital Assets". This statement is effective for periods beginning after June 15, 2025, and all reporting periods thereafter. This Statement will become effective for the College in the fiscal year ending June 30, 2026. Management is currently evaluating the effect of this Statement on the basic financial statements of the College.

NOTE 3: SUPPORT OF THE COLLEGE

State Aid

The New Jersey Department of Treasury, Office of Management and Budget (OMB) allocates the annual appropriation for community college operating aid according to the *Funding Distribution Model for State Operating Aid to New Jersey's Community Colleges*, effective for Fiscal Year 2022, as prescribed by N.J.S.A. 18A:64A-22.

County Aid

Support is provided by the Counties of Atlantic and Cape May and from in-county, out-of-county, and out-of-state students who pay tuition and fees up to approximately \$3,020, \$3,770 and \$4,520, respectively, per full-time student taking 15 credits per semester, for each of the two academic semesters.

The Board of School Estimate of Atlantic Cape Community College (consisting of four members of the Boards of County Commissioners (two from each county) and two members of the College's Board of Trustees) adopts a budget for each fiscal year ending June 30 and levies the amount necessary to be raised during that fiscal period on the Atlantic County and Cape May County Boards of County Commissioners. The Counties operate on a calendar year fiscal period and generate the necessary revenue through a levy on a local property in the form of taxation.

**ATLANTIC CAPE COMMUNITY COLLEGE
NOTES TO FINANCIAL STATEMENTS
FOR THE FISCAL YEARS ENDED JUNE 30, 2024 and 2023**

NOTE 4: ECONOMIC DEPENDENCY

The College receives a substantial amount of its support from federal, state and county governments. A significant reduction in the level of support, if this were to occur, would have an effect on the College's programs and activities.

NOTE 5: CASH AND CASH EQUIVALENTS

Cash and cash equivalents consist of the following as of June 30, 2024 and 2023:

	<u>2024</u>	<u>2023</u>
Cash and cash equivalents:		
Cash on hand	\$ 1,750	\$ 1,750
Cash (bank accounts)	12,260,751	10,228,521
New Jersey Cash Management Fund	8,614,550	10,167,470
	<u>\$ 20,877,051</u>	<u>\$ 20,397,741</u>

Bank balances of cash amounted to \$12,862,811 and \$10,867,584 as of June 30, 2024 and 2023, respectively of which \$250,000 was FDIC insured. Bank balances in excess of insured amounts are collateralized in accordance with the provisions of the Governmental Unit Deposit Protection Act (GUDPA).

New Jersey Cash Management Fund

During the year, the College participated in the New Jersey Cash Management Fund. The Fund is governed by regulations of the State investment Council, who prescribe standards designed to insure the quality of the investments in order to minimize risk to the Fund's participants. Deposits with the New Jersey Cash Management Fund are not subject to FDIC or GUDPA categorizations. At June 30, 2024 and 2023, the College had \$8,614,550 and \$10,167,470, respectively, invested in the Fund.

NOTE 6: ENDOWMENTS

Donor restricted endowments totaled \$880,903 and \$875,462 for the fiscal years ended June 30, 2024 and 2023. Investments, if any, are stated at fair value at the date of the financial statements.

NOTE 7: INVENTORIES

Inventory for the college at June 30, 2024 and 2023 consisted of the following:

	<u>2024</u>	<u>2023</u>
Supplies	\$ 66,104	\$ 65,550
Perishable Stores	<u>25,989</u>	<u>26,122</u>
	<u>\$ 92,093</u>	<u>\$ 91,672</u>

**ATLANTIC CAPE COMMUNITY COLLEGE
NOTES TO FINANCIAL STATEMENTS
FOR THE FISCAL YEARS ENDED JUNE 30, 2024 and 2023**

NOTE 8: PROMISE TO GIVE

Unconditional promises to give at June 30, 2024 and 2023 are as follows:

	<u>2024</u>	<u>2023</u>
Promises to Give	\$ <u>0</u>	\$ <u>146,803</u>

NOTE 9: COMPENSATED ABSENCES

College employees may accrue annual vacation and sick leave based on length of service but subject to certain limitations regarding the amount that will be paid in the event of retirement or separation. Personal time earned but unused at June 30 is rolled into sick leave and accounted for in compensated absences.

The estimated costs of compensated absences, including the college's FICA match, for which employees are vested is estimated at \$1,731,757 and \$1,515,900 for the fiscal years ended June 30, 2024 and 2023, respectively.

NOTE 10: NON-CURRENT LIABILITIES

Non-current liability activity for the fiscal years ended June 30, 2024 and 2023 was as follows:

	<u>June 30, 2023</u>	<u>Additions</u>	<u>Reductions</u>	<u>June 30, 2024</u>	<u>Current Portion</u>
Deposits	\$ 64,843	\$ -	\$ (2,102)	\$ 62,741	\$ 3,439
Compensated Absences	1,515,900	326,429	(110,572)	1,731,757	126,317
Subscription Obligations Payable	914,603	-	(765,224)	149,379	149,379
Net Pension Liability	15,751,781	(2,964,936)	2,665,299	15,452,144	-
	<u>\$ 18,247,127</u>	<u>\$ (2,638,507)</u>	<u>\$ 1,787,401</u>	<u>\$ 17,396,021</u>	<u>\$ 279,135</u>

	<u>June 30, 2022</u>	<u>Additions</u>	<u>Reductions</u>	<u>June 30, 2023</u>	<u>Current Portion</u>
Deposits	\$ 118,125	\$ -	\$ (53,282)	\$ 64,843	\$ 4,002
Compensated Absences	1,613,873	74,985	(172,958)	1,515,900	162,458
Equipment Leasing Fund	24,999	-	(24,999)	-	-
Obligations under Capital Leases	36,909	-	(36,909)	-	-
Subscription Obligations Payable	1,244,979	531,861	(862,237)	914,603	738,202
Net Pension Liability	13,013,317	(2,786,106)	5,524,570	15,751,781	-
	<u>\$ 16,052,202</u>	<u>\$ (2,179,260)</u>	<u>\$ 4,374,185</u>	<u>\$ 18,247,127</u>	<u>\$ 904,662</u>

**ATLANTIC CAPE COMMUNITY COLLEGE
NOTES TO FINANCIAL STATEMENTS
FOR THE FISCAL YEARS ENDED JUNE 30, 2024 and 2023**

NOTE 11: NET POSITION

The following is a summary of Net Position balances of the College for the fiscal years ended June 30, 2024 and 2023:

	<u>2024</u>	<u>2023</u>
Net Investment in Capital Assets		
Gross	\$ 77,228,584	\$ 79,117,280
Related Debt	-	-
Total Net Invested In Capital Assets	<u>77,228,584</u>	<u>79,117,280</u>
Restricted Net Position		
Nonexpendable		
Scholarships and Fellowships	<u>880,903</u>	<u>875,462</u>
Expendable		
Grants, Scholarships and Fellowships	314,176	328,561
Consent Decree	11,577	16,033
State Unemployment Fund	650,000	650,000
Capital Projects	364,807	463,621
Student Government	50,226	83,482
Subtotal Expendable	<u>1,390,786</u>	<u>1,541,697</u>
Total Restricted Net Position	<u>2,271,689</u>	<u>2,417,159</u>
Unrestricted Net Position (Deficit)		
Assignment to FY24 and FY23 Budget	739,573	1,698,508
Appropriated for Encumbrances	153,781	85,633
Pension Related Items	(15,464,455)	(18,429,391)
Undesignated before Pension Related Items:		
Board Designated Technology		
Replacement Reserve	1,834,051	2,150,118
Board Designated <i>A Vision for Success</i>	500,000	500,000
Undesignated	7,548,632	6,755,209
Total Unrestricted Net Position (Deficit)	<u>(4,688,418)</u>	<u>(7,239,923)</u>
TOTAL NET POSITION	<u>\$ 74,811,855</u>	<u>\$ 74,294,516</u>

NOTE 12: NONCASH DONATIONS

During the fiscal years ended June 30, 2024 and 2023, the college received the following non-cash donations that have been reflected in the financial statements:

	<u>2024</u>	<u>2023</u>
Student textbook vouchers	\$ <u>25,000</u>	\$ <u>25,000</u>

**ATLANTIC CAPE COMMUNITY COLLEGE
NOTES TO FINANCIAL STATEMENTS
FOR THE FISCAL YEARS ENDED JUNE 30, 2024 and 2023**

NOTE 13: EXPENDITURES

Operating expenditures by natural classification for the fiscal years ended June 30, 2024 and 2023 were:

	<u>2024</u>	<u>2023</u>
Compensation:		
Salaries	\$ 24,983,305	\$ 24,303,612
Staff benefits	8,130,637	6,757,995
Total Compensation	<u>33,113,942</u>	<u>31,061,607</u>
Other Expenditures:		
Supplies and other	7,223,658	5,993,017
Utilities and telephone	1,738,088	1,693,186
Insurance	795,789	701,078
Repairs and maintenance	294,995	366,345
Rent	15,156	9,668
Depreciation and amortization	7,067,608	6,873,448
Scholarship and student aid	4,275,798	4,889,922
Travel	257,415	242,747
Total other expenses before auxiliary enterprises	<u>21,668,507</u>	<u>20,769,411</u>
Auxiliary Enterprises		
Student activities expenses	<u>118,567</u>	<u>149,059</u>
Total Expenditures	<u>\$ 54,901,016</u>	<u>\$ 51,980,077</u>

NOTE 14: CAPITAL IMPROVEMENT PROGRAM

At June 30, 2024, the status of bond related capital improvement projects was:

	<u>Budget</u>	<u>Expended</u>
FY23 Chapter 12 – Atlantic County	\$ 3,620,000	\$ 72,389
FY22 Chapter 12 – Atlantic County	4,807,000	2,092,121
FY21 Chapter 12 – Atlantic County	4,800,000	4,672,973
FY20 Chapter 12 – Atlantic County	3,100,000	2,486,121
FY19 Chapter 12 – Atlantic County	6,100,000	6,000,868
FY18 Chapter 12 – Atlantic County	3,100,000	2,844,918
FY17 Chapter 12 – Atlantic County	2,900,000	1,381,385
FY15 Chapter 12 – Atlantic County	3,200,000	3,200,000
FY13 Chapter 12 – Atlantic County	1,500,000	1,485,388
FY12 Chapter 12 – Atlantic County	8,500,000	8,355,241
FY10 Chapter 12 – Atlantic County	2,353,000	2,353,000

The bond related capital improvement project expenditures have been reflected in the accompanying financial statements. Reimbursements from the County and the State occur as capital expenditures are incurred and are recorded by the College in accordance with the terms of the agreements.

ATLANTIC CAPE COMMUNITY COLLEGE
NOTES TO FINANCIAL STATEMENTS
FOR THE FISCAL YEARS ENDED JUNE 30, 2024 and 2023

NOTE 15: CAPITAL ASSET ACTIVITY

The fiscal year 2024 and 2023 activity in capital assets and accumulated depreciation was as follows:

	June 30, 2023			June 30, 2024
	Balance	Additions	Retirements	Balance
Non-depreciable assets:				
Land	\$2,370,097	\$ -	\$ -	\$2,370,097
Construction in Progress	1,214,118	2,011,534	(702,629)	2,523,023
	3,584,215	2,011,534	(702,629)	4,893,120
Depreciable assets:				
Land Improvements	3,695,804	54,517	(205,944)	3,544,377
Infrastructure	1,295,903	-	-	1,295,903
Buildings and Improvements	129,388,678	1,599,346	(1,641,393)	129,346,631
Furniture and Equipment	19,304,644	1,476,433	(608,650)	20,172,427
Library Collection	62,708	-	(19,436)	43,272
Other Improvements	9,600	-	-	9,600
Leasehold Improvements	466,644	-	-	466,644
Other Assets	3,719,362	131,605	(55,958)	3,795,009
	157,943,343	3,261,901	(2,531,381)	158,673,863
Less accumulated depreciation and amortization:				
Land Improvements	2,467,267	128,403	(205,944)	2,389,726
Infrastructure	198,555	32,398	-	230,953
Buildings and Improvements	62,702,576	4,327,756	(1,450,633)	65,579,699
Furniture and Equipment	13,399,650	1,585,680	(607,739)	14,377,591
Library Collection	56,292	5,213	(19,436)	42,069
Other Improvements	6,336	384	-	6,720
Leasehold Improvements	466,644	-	-	466,644
Other Assets	3,112,958	187,997	(55,958)	3,244,997
	82,410,278	6,267,831	(2,339,710)	86,338,399
	75,533,065	(3,005,930)	(191,671)	72,335,464
Net Depreciable Assets				
Net Capital Assets	\$79,117,280	\$(994,396)	\$(894,300)	\$77,228,584

Capital asset depreciation and amortization expense for the year ended June 30, 2024 was \$6,267,831.
Projects were completed during the year resulting in \$702,629 being reclassified from Construction in Progress.

**ATLANTIC CAPE COMMUNITY COLLEGE
NOTES TO FINANCIAL STATEMENTS
FOR THE FISCAL YEARS ENDED JUNE 30, 2024 and 2023**

NOTE 15: CAPITAL ASSET ACTIVITY (CONTINUED)

	June 30, 2022			June 30, 2023
	Balance	Additions	Retirements	Balance
Non-depreciable assets:				
Land	\$2,370,097	\$ -	\$ -	\$2,370,097
Construction in Progress	8,727,957	957,231	(8,471,070)	1,214,118
	<u>11,098,054</u>	<u>957,231</u>	<u>(8,471,070)</u>	<u>3,584,215</u>
Depreciable assets:				
Land Improvements	3,170,764	616,000	(90,960)	3,695,804
Infrastructure	1,295,903	-	-	1,295,903
Buildings and Improvements	119,768,153	11,664,708	(2,044,183)	129,388,678
Furniture and Equipment	18,233,386	1,971,754	(900,496)	19,304,644
Library Collection	80,371	-	(17,663)	62,708
Other Improvements	9,600	-	-	9,600
Leasehold Improvements	466,644	-	-	466,644
Other Assets	3,633,612	85,750	-	3,719,362
	<u>146,658,433</u>	<u>14,338,212</u>	<u>(3,053,302)</u>	<u>157,943,343</u>
Less accumulated depreciation and amortization:				
Land Improvements	2,403,044	152,151	(87,928)	2,467,267
Infrastructure	166,157	32,398	-	198,555
Buildings and Improvements	60,384,306	4,218,488	(1,900,218)	62,702,576
Furniture and Equipment	12,919,337	1,379,801	(899,488)	13,399,650
Library Collection	66,385	7,570	(17,663)	56,292
Other Improvements	5,952	384	-	6,336
Leasehold Improvements	432,109	34,535	-	466,644
Other Assets	2,864,614	248,344	-	3,112,958
	<u>79,241,904</u>	<u>6,073,671</u>	<u>(2,905,297)</u>	<u>82,410,278</u>
Net Depreciable Assets	<u>67,416,529</u>	<u>8,264,541</u>	<u>(148,005)</u>	<u>75,533,065</u>
Net Capital Assets	<u>\$78,514,583</u>	<u>\$9,221,772</u>	<u>\$(8,619,075)</u>	<u>\$79,117,280</u>

Capital asset depreciation and amortization expense for the year ended June 30, 2023 was \$6,073,671.
Projects were completed during the year resulting in \$8,471,070 being reclassified from Construction in Progress.

ATLANTIC CAPE COMMUNITY COLLEGE
NOTES TO FINANCIAL STATEMENTS
FOR THE FISCAL YEARS ENDED JUNE 30, 2024 and 2023

NOTE 16: SUBSCRIPTION-BASED IT ARRANGEMENTS (SBITA)

The College has noncancelable SBITAs for the right-to-use software subscriptions.

The following is a summary of right-to-use software subscription asset activity during the years ended June 30, 2024 and 2023:

<u>2024</u>	<u>Beginning Balance</u>	<u>Additions</u>	<u>Retirements</u>	<u>Ending Balance</u>
Right-to-use Assets:				
Software Subscriptions	\$ 1,776,840	\$ -	\$ -	\$ 1,776,840
Total right-to-use assets	<u>1,776,840</u>	<u>-</u>	<u>-</u>	<u>1,776,840</u>
Less accumulated amortization:				
Software Subscriptions	799,777.00	799,776	-	\$ 1,599,553
Total accumulated amortization	<u>799,777.00</u>	<u>799,776</u>	<u>-</u>	<u>1,599,553</u>
Total right-to-use assets, net	<u>\$ 977,063</u>	<u>\$ (799,776)</u>	<u>\$ -</u>	<u>\$ 177,287</u>
 <u>2023</u>	 <u>Beginning Balance</u>	 <u>Additions</u>	 <u>Retirements</u>	 <u>Ending Balance</u>
Right-to-use Assets:				
Software Subscriptions	\$ 1,244,979	\$ 531,861	\$ -	\$ 1,776,840
Total right-to-use assets	<u>1,244,979</u>	<u>531,861</u>	<u>-</u>	<u>1,776,840</u>
Less accumulated amortization:				
Software Subscriptions	-	799,777	-	\$ 799,777
Total accumulated amortization	<u>-</u>	<u>799,777</u>	<u>-</u>	<u>799,777</u>
Total right-to-use assets, net	<u>\$ 1,244,979</u>	<u>\$ (267,916)</u>	<u>\$ -</u>	<u>\$ 977,063</u>

Amortization expense for right-to-use assets for the years ended June 30, 2024 and 2023 was \$799,777 and \$799,777, respectively.

NOTE 17: PENSION PLANS

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

**ATLANTIC CAPE COMMUNITY COLLEGE
NOTES TO FINANCIAL STATEMENTS
FOR THE FISCAL YEARS ENDED JUNE 30, 2024 and 2023**

NOTE 17: PENSION PLANS (CONTINUED)

The Division issues a publicly available financial report that includes financial statements, required supplementary information and detailed information about the PERS plan's fiduciary net position which can be obtained by writing to or at the following website:

State of New Jersey, Department of the Treasury
Division of Pensions and Benefits
P.O. Box 295
Trenton, New Jersey 08625-0295
<https://www.state.nj.us/treasury/pensions/financial-reports.shtml>

General Information About the Pension Plans

Plan Descriptions

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

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

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

Vesting and Benefits Provisions

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

**ATLANTIC CAPE COMMUNITY COLLEGE
NOTES TO FINANCIAL STATEMENTS
FOR THE FISCAL YEARS ENDED JUNE 30, 2024 and 2023**

NOTE 17: PENSION PLANS (CONTINUED)

General Information About the Pension Plans (Continued)

Vesting and Benefits Provisions - Continued

The following represents the membership tiers for PERS:

Tier Definition

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

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

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

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

Contributions

Public Employees' Retirement System - The contribution policy is set by N.J.S.A. 43:15A and requires contributions by active members and contributing employers. Pursuant to the provisions of P.L. 2011, C. 78, the member contribution rate was 7.50%. Employers' contributions are based on an actuarially determined amount, which includes the normal cost and unfunded accrued liability.

The College's contractually required contribution rates were 17.61% and 17.11% of the College's covered payroll for the fiscal years ended June 30, 2024, and 2023, respectively. These amounts were actuarially determined as the amount that, when combined with employee contributions, is expected to finance the costs of benefits earned by employees during the year, including an additional amount to finance any unfunded accrued liability.

**ATLANTIC CAPE COMMUNITY COLLEGE
NOTES TO FINANCIAL STATEMENTS
FOR THE FISCAL YEARS ENDED JUNE 30, 2024 and 2023**

NOTE 17: PENSION PLANS (CONTINUED)

General Information About the Pension Plans (Continued)

Contributions - Continued

Public Employees' Retirement System (Continued)

Based on the PERS measurement date of June 30, 2023, the College's contractually required contribution to the pension plan for the fiscal year ended June 30, 2024, was \$1,425,829 and was paid by April 1, 2024. College employee contributions to the pension plan during the fiscal year ended June 30, 2024, were \$639,865.

Based on the most recent PERS measurement date of June 30, 2022, the College's contractually required contribution to the pension plan for the fiscal year ended June 30, 2023, was \$1,316,232 and was paid by April 1, 2023. College employee contributions to the pension plan during the fiscal year ended June 30, 2023, were \$599,423.

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

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

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

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

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

During the fiscal year end June 30, 2024, the College's share of the employer contributions for participants not eligible for State reimbursement was \$282,335, employee contributions to the plan were \$509,922, and the State of New Jersey made on-behalf payments for the College contributions of \$529,906.

During the fiscal year end June 30, 2023, the College's share of the employer contributions for participants not eligible for State reimbursement was \$234,012, employee contributions to the plan were \$487,678, and the State of New Jersey made on-behalf payments for the College contributions of \$543,685.

**ATLANTIC CAPE COMMUNITY COLLEGE
NOTES TO FINANCIAL STATEMENTS
FOR THE FISCAL YEARS ENDED JUNE 30, 2024 and 2023**

NOTE 17: PENSION PLANS (CONTINUED)

General Information About the Pension Plans (Continued)

Contributions – Continued

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

For the fiscal year ended June 30, 2024, employee contributions totaled \$47,040, the College recognized pension expense of \$25,658. There were no forfeitures during the fiscal year.

For the fiscal year ended June 30, 2023, employee contributions totaled \$39,912, the College recognized pension expense of \$21,770. There were no forfeitures during the fiscal year.

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

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

The College reported a liability of \$15,452,144 and \$15,751,781 for its proportionate share of the net pension liability for the fiscal years ended June 30, 2024 and 2023, respectively.

The net pension liability reported at June 30, 2024 was measured as of June 30, 2023, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of July 1, 2022. The total pension liability was calculated through the use of updated procedures to roll forward from the actuarial valuation date to the measurement date of June 30, 2023. The College's proportion of the net pension liability was based on a projection of the College's long-term share of contributions to the pension plan relative to the projected contributions of all participating employers, actuarially determined.

For the June 30, 2023 measurement date, the College's proportion was .1066814755%, which was an increase of 2.21% from its proportion measured as of June 30, 2022.

The net pension liability reported at June 30, 2022 was measured as of June 30, 2021, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of July 1, 2019. The total pension liability was calculated through the use of updated procedures to roll forward from the actuarial valuation date to the measurement date of June 30, 2020. The College's proportion of the net pension liability was based on a projection of the College's long-term share of contributions to the pension plan relative to the projected contributions of all participating employers, actuarially determined.

For the June 30, 2022 measurement date, the College's proportion was .10437604100%, which was a decrease of 4.98% from its proportion measured as of June 30, 2021.

The College recognized negative expense of (\$2,964,936) and (\$2,786,106), in its financial statements for pension (benefit) expense for PERS, for the fiscal years ended June 30, 2024 and 2023, respectively. These amounts were based on the Plans June 30, 2023 and 2022 measurement dates, respectively.

**ATLANTIC CAPE COMMUNITY COLLEGE
NOTES TO FINANCIAL STATEMENTS
FOR THE FISCAL YEARS ENDED JUNE 30, 2024 and 2023**

NOTE 17: PENSION PLANS (CONTINUED)

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

At June 30, 2023 and 2022 measurement dates, the College reported deferred outflows of resources and deferred inflows of resources related to PERS from the following sources:

	Measurement Date June 30, 2023		Measurement Date June 30, 2022	
	Deferred Outflows	Deferred Inflows	Deferred Outflows	Deferred Inflows
Differences between Expected and Actual Experience	\$ 147,742	\$ 63,163	\$ 113,689	\$ 100,258
Changes of Assumptions	33,945	936,466	48,804	2,358,665
Net Difference between Projected and Actual Earnings on Pension Plan Investments	71,159		651,952	
Changes in Proportion and Differences between College Contributions and Proportionate Share of Contributions	408,137	1,102,882	146,259	2,605,220
College Contributions Subsequent to the Measurement Date	1,429,217		1,425,829	
	<u>\$ 2,090,200</u>	<u>\$ 2,102,511</u>	<u>\$ 2,386,533</u>	<u>\$ 5,064,143</u>

\$1,429,217 and \$1,425,829 included in deferred outflows of resources, for the June 30, 2023 and 2022 measurement dates, respectively, will be included as a reduction of the net pension liability in fiscal years ending June 30, 2025 and 2024, respectively.

The other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions would be recognized in pension expense as follows:

Year ended June 30,	
2024	\$ 2,096,207
2025	(330,184)
2026	(2,657,064)
2027	(496,888)
2027	(53,600)
Total	<u>\$ (1,441,528)</u>

**ATLANTIC CAPE COMMUNITY COLLEGE
NOTES TO FINANCIAL STATEMENTS
FOR THE FISCAL YEARS ENDED JUNE 30, 2024 and 2023**

NOTE 17: PENSION PLANS (CONTINUED)

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

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

	<u>Deferred Outflows</u>	<u>Deferred Inflows</u>		<u>Deferred Outflows</u>	<u>Deferred Inflows</u>
Differences between Expected and Actual Experience			Net Difference between Projected and Actual Earnings on Pension Plan Investments		
Year of Pension Plan Deferral:			Year of Pension Plan Deferral:		
June 30, 2018	-	5.63	June 30, 2019	5.00	-
June 30, 2019	5.21	-	June 30, 2020	5.00	-
June 30, 2020	5.16	-	June 30, 2021	5.00	-
June 30, 2021	-	5.13	June 30, 2022	5.00	-
June 30, 2022	-	5.04	June 30, 2023	5.00	-
June 30, 2023	5.08	-			
Changes of Assumptions			Changes in Proportion and Differences between College Contributions and Proportionate Share of Contributions		
Year of Pension Plan Deferral:			Year of Pension Plan Deferral:		
June 30, 2018	-	5.63	June 30, 2018	5.63	5.63
June 30, 2019	-	5.21	June 30, 2019	5.21	5.21
June 30, 2020	-	5.16	June 30, 2020	5.16	5.16
June 30, 2021	5.13	-	June 30, 2021	5.13	5.13
June 30, 2022	-	5.04	June 30, 2022	5.04	5.04
June 30, 2023	-	-	June 30, 2023	5.08	5.08

Actuarial Assumptions

The net pension liability at June 30, 2024 was measured as of June 30, 2023, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of July 1, 2022. The total pension liability was calculated through the use of updated procedures to roll forward from the actuarial valuation date to the measurement date of June 30, 2023.

The net pension liability at June 30, 2023 was measured as of June 30, 2022, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of July 1, 2021. The total pension liability was calculated through the use of updated procedures to roll forward from the actuarial valuation date to the measurement date of June 30, 2022.

**ATLANTIC CAPE COMMUNITY COLLEGE
NOTES TO FINANCIAL STATEMENTS
FOR THE FISCAL YEARS ENDED JUNE 30, 2024 and 2023**

NOTE 17: PENSION PLANS (CONTINUED)

Actuarial Assumptions (Continued)

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

	Measurement Date June 30, 2023	Measurement Date June 30, 2022
Inflation Rate:		
Price	2.75%	2.75%
Wage	3.25%	3.25%
Salary Increases: ⁽¹⁾		
Through 2026	2.75% - 6.55%	2.75% - 6.55%
Thereafter	2.75% - 6.55%	2.75% - 6.55%
Investment Rate of Return	7.00%	7.00%
Period of Actual Experience Study upon which Actuarial Assumptions were Based	July 1, 2018 - June 30, 2021	July 1, 2018 - June 30, 2021

(1) based on years of service

For the June 30, 2023 measurement date, pre-retirement mortality rates were based on the Pub-2010 General Below-Median Income Employee mortality table with an 82.2% adjustment for males and 101.4% adjustment for females, and with future improvement from the base year of 2010 on a generational basis. Post-retirement mortality rates were based on the Pub-2010 General Below-Median Income Healthy Retiree mortality table with a 91.4% adjustment for males and 99.7% adjustment for females, and with future improvement from the base year of 2010 on a generational basis. Disability retirement rates used to value disabled retirees were based on the Pub-2010 Non-Safety Disabled Retiree mortality table with a 127.7% adjustment for males and 117.2% adjustment for females, and with future improvement from the base year of 2010 on a generational basis. Mortality improvement is based on Scale MP-2021.

For the June 30, 2022 measurement date, pre-retirement mortality rates were based on the Pub-2010 General Below-Median Income Employee mortality table with an 82.2% adjustment for males and 101.4% adjustment for females, and with future improvement from the base year of 2010 on a generational basis. Post-retirement mortality rates were based on the Pub-2010 General Below-Median Income Healthy Retiree mortality table with a 91.4% adjustment for males and 99.7% adjustment for females, and with future improvement from the base year of 2010 on a generational basis. Disability retirement rates used to value disabled retirees were based on the Pub-2010 Non-Safety Disabled Retiree mortality table with a 127.7% adjustment for males and 117.2% adjustment for females, and with future improvement from the base year of 2010 on a generational basis. Mortality improvement is based on Scale MP-2021.

In accordance with State statute, the long-term expected rate of return on plan investments (7.00% for the June 30, 2023 and June 30, 2022 measurement dates) is determined by the State Treasurer, after consultation with the Directors of the Division of Investments and Division of Pensions and Benefits, the board of trustees and the actuaries. The long-term expected rate of return was determined using a building block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension Plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. Best estimates of arithmetic rates of return for each major asset class included in target asset allocation for the June 30, 2023 and June 30, 2022 measurement dates are summarized in the following tables:

**ATLANTIC CAPE COMMUNITY COLLEGE
NOTES TO FINANCIAL STATEMENTS
FOR THE FISCAL YEARS ENDED JUNE 30, 2024 and 2023**

NOTE 17: PENSION PLANS (CONTINUED)

Actuarial Assumptions (Continued)

June 30, 2023 Measurement Date			June 30, 2022 Measurement Date		
Asset Class	Target Allocation	Long-Term Expected Real Rate of Return	Asset Class	Target Allocation	Long-Term Expected Real Rate of Return
U.S. Equity	28.00%	8.98%	U.S. Equity	27.00%	8.12%
Non-U.S. Developed Markets Equity	12.75%	9.22%	Non-U.S. Developed Markets Equity	13.50%	8.38%
International Small Cap Equity	1.25%	9.22%	International Small Cap Equity	N/A	N/A
Emerging Markets Equity	5.50%	11.13%	Emerging Markets Equity	5.50%	10.33%
Private Equity	13.00%	12.50%	Private Equity	13.00%	11.80%
Real Estate	8.00%	8.58%	Real Estate	8.00%	11.19%
Real Assets	3.00%	8.40%	Real Assets	3.00%	7.60%
High Yield	4.50%	6.97%	High Yield	4.00%	4.95%
Private Credit	8.00%	9.20%	Private Credit	8.00%	8.10%
Investment Grade Credit	7.00%	5.19%	Investment Grade Credit	7.00%	3.38%
Cash Equivalents	2.00%	3.31%	Cash Equivalents	4.00%	1.75%
U.S. Treasuries	4.00%	3.31%	U.S. Treasuries	4.00%	1.75%
Risk Mitigation Strategies	3.00%	6.21%	Risk Mitigation Strategies	3.00%	4.91%
	<u>100.00%</u>			<u>100.00%</u>	

Discount Rate June 30, 2023, Measurement Date - The discount rate used to measure the total pension liability was 7.00% as of June 30, 2023. The projection of cash flows used to determine the discount rate assumed that contributions from plan members will be made at the current member contribution rates and that contributions from employers will be made based on 100% of the actuarially determined contributions for the State employer and 100% of actuarially determined contributions for the local employers. Based on those assumptions, the plan's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on plan investments was applied to all projected benefit payments in determining the total pension liability.

Discount Rate June 30, 2022, Measurement Date - The discount rate used to measure the total pension liability was 7.00% as of June 30, 2022. The projection of cash flows used to determine the discount rate assumed that contributions from plan members will be made at the current member contribution rates and that contributions from employers will be made based on 100% of the actuarially determined contributions for the State employer and 100% of actuarially determined contributions for the local employers. Based on those assumptions, the plan's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on plan investments was applied to projected benefit payments through 2057 and the municipal bond rate was applied to all projected benefit payments to determine the total pension liability.

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

The following tables present the College's proportionate share of the net pension liability at the June 30, 2023 and 2022 measurement dates, respectively. These amounts were calculated using a discount rate of 7.00% for both June 30, 2023 and June 30, 2022, as well as what the College's proportionate share of the net pension liability would be if it were calculated using a discount rate that is 1% lower or 1% higher than the current rates used:

**ATLANTIC CAPE COMMUNITY COLLEGE
NOTES TO FINANCIAL STATEMENTS
FOR THE FISCAL YEARS ENDED JUNE 30, 2024 and 2023**

NOTE 17: PENSION PLANS (CONTINUED)

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

	June 30, 2023 Measurement Date		
	1%	Current Discount	1%
	Decrease (6.00%)	Rate (7.00%)	Increase (8.00%)
College's proportionate share of the net pension liability	\$ 18,632,993	\$ 15,452,144	\$ 12,747,765

	June 30, 2022 Measurement Date		
	1%	Current Discount	1%
	Decrease (6.00%)	Rate (7.00%)	Increase (8.00%)
College's proportionate share of the net pension liability	\$ 18,889,616	\$ 15,751,781	\$ 13,084,326

Pension Plan Fiduciary Net Position

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

NOTE 18: DEFERRED COMPENSATION SALARY ACCOUNT

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

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

The Plan is administered by the College through TIAA-CREF.

**ATLANTIC CAPE COMMUNITY COLLEGE
NOTES TO FINANCIAL STATEMENTS
FOR THE FISCAL YEARS ENDED JUNE 30, 2024 and 2023**

NOTE 19: COMMITMENTS AND CONTINGENCIES

Operating Leases

The College leases copiers, and facilities under long-term operating leases. Rental expenditures in fiscal years 2024 and 2023 under these leases amounted to \$12,264 and \$14,004, respectively.

Aggregate approximate future minimum rental payments under non-cancelable operating leases are as follows:

Year Ending <u>June 30</u>	Rental <u>Payment</u>
2025	\$ 25,651
2026	28,621
2027	27,355
2028	27,355
2029	17,822

Capital Lease Obligations

The College has no capital lease agreements in effect as of June 30, 2024. There are no future minimum lease payments under capital leases as of June 30, 2024.

Lease Purchase

The College entered into a lease agreement with the New Jersey Educational Facilities Authority for the lease-purchase of equipment approved by the State Board of Higher Education. The total approved project amount is \$803,542. The College paid to the Authority 25% of the principal and interest on the bonds to finance equipment purchases. Lease payments to the Authority for the fiscal year ended June 30, 2023 was \$24,999. The lease term ended in fiscal year 2023, and there are no future lease payments due.

Subscription Obligations Payable

The College has recorded subscription liabilities related to right-to-use assets. Approximate future minimum subscription obligations payable are as follows:

<u>June</u>	<u>Payment</u>
2025	\$ 176,401

Solar Site Lease and Power Purchase Agreement

The College entered into a solar site lease agreement and power purchase agreement with Energenic, LLC, on February 26, 2013. The College has no capital investment, but will be assured of a predictable cost of energy over the 15 year term of the lease. Solar arrays were substantially complete in October, 2013 on the Mays Landing and Cape May County campuses.

**ATLANTIC CAPE COMMUNITY COLLEGE
NOTES TO FINANCIAL STATEMENTS
FOR THE FISCAL YEARS ENDED JUNE 30, 2024 and 2023**

NOTE 19: COMMITMENTS AND CONTINGENCIES (CONTINUED)

Rutgers University Ground Lease

The College has entered into a 50 year ground lease with Rutgers University. Rutgers completed construction of an academic building on the College's Mays Landing campus which opened for classes in September, 2012. The tenant shall pay the college an annual student use fee, adjusted annually. The student use fees for the fiscal years ended June 30, 2024 and 2023 were \$10,000 and \$20,362, respectively.

Assignment to FY25 Current Operating Budget

The Board of Trustees of the College has assigned a \$739,573 fund balance transfer into its FY25 Current Operating Budget – Education and General Revenues.

Encumbrances

The College has encumbrances representing outstanding purchase orders and other commitments with various vendors for materials and services not received as of June 30, 2024 and 2023 as follows:

	<u>2024</u>	<u>2023</u>
Current unrestricted	\$153,781	\$ 85,633

Not included in the above schedule are commitments of \$276,760 and \$274,064 for June 30, 2024 and 2023 to be offset with current restricted funds, \$11 and \$4,210 for June 30, 2024 and 2023 to be offset with auxiliary enterprises- student activities funds, \$176,340 and \$203,565 for June 30, 2024 and 2023 to be offset with Technology Replacement Reserve funds, and capital projects commitments of \$771,413 and \$2,032,237 for June 30, 2024 and 2023 to be offset with state Chapter 12 and facilities fees accounted for in the plant fund. Except as reported as allocated fund balances on the balance sheet, these commitments are not reflected on the accompanying financial statements.

Grantor Agencies

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

NOTE 20: RISK MANAGEMENT

The College is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. The College is self-insured for unemployment benefits compensation and participates in a self-insurance pool for workers' compensation.

**ATLANTIC CAPE COMMUNITY COLLEGE
NOTES TO FINANCIAL STATEMENTS
FOR THE FISCAL YEARS ENDED JUNE 30, 2024 and 2023**

NOTE 20: RISK MANAGEMENT (CONTINUED)

Property and Liability Insurance

Comprehensive commercial business insurance is purchased and coverage limits are as follows:

Property	\$178,644,601
General Liability	1,000,000/3,000,000
Automobile Liability:	
Bodily Injury and Property Damage	1,000,000
Uninsured Motorists	1,000,000
Underinsured Motorists	1,000,000
Crime / Employee Bond	1,000,000
Directors and Officers Liability	5,000,000
Umbrella Liability	10,000,000
Special Excess	5,000,000
Workers' Compensation	Statutory
Environmental	1,000,000/3,000,000
Flood (Not Atlantic City Campus) & Earthquake	1,000,000 (Flood) 5,000,000 (Earthquake)
Flood Atlantic City (two parcels/lots)	500,000 (each lot)
Boiler & Machinery	Included up to property limit
Cyber Liability	3,000,000
Owned UAV and Non-owned Aircraft	1,000,000
Aviation Insurance:	
Aircraft Liability	1,000,000
Per Passenger Liability	100,000
Student & Renter Pilot Liability	100,000
Medical Limit - Occurrence	20,000
Medical Limit – Per Seat	5,000

New Jersey Unemployment Compensation Insurance

The College has elected to fund its New Jersey Unemployment Compensation Insurance under the "Benefit Reimbursement Method". Under this plan, the College is required to reimburse the New Jersey Unemployment Trust fund for benefits paid to its former employees and charged to its account with the State. The College is billed quarterly for amounts due to the State. As of June 30, 2024, the State has not billed for any of the four quarters in Fiscal Year 2024. The most recent billing received from the State was for the quarter ending December 31, 2022. The College has established a current liability of \$137,754 at June 30, 2024 for the estimated amount of the six quarterly billings for the Fiscal Years ended June 30, 2023 and June 30, 2024.

**ATLANTIC CAPE COMMUNITY COLLEGE
NOTES TO FINANCIAL STATEMENTS
FOR THE FISCAL YEARS ENDED JUNE 30, 2024 and 2023**

NOTE 20: RISK MANAGEMENT (CONTINUED)

New Jersey Unemployment Compensation Insurance (Continued)

The following is a summary of College contributions, reimbursements to the State for benefits paid and the ending balance of the College's restricted net assets for the current and previous four fiscal years:

<u>Fiscal Year Ended June 30,</u>	<u>College Contributions</u>	<u>Employee Contributions</u>	<u>Amount Reimbursed</u>	<u>Ending Balance</u>
2024	\$ 6,038	\$ 51,507	\$ (57,545)	\$ 650,000
2023	(6,943)	52,298	(95,355)	650,000
2022	54,383	46,643	(101,026)	700,000
2021	150,819	36,279	(187,098)	700,000
2020	268,781	43,281	(202,062)	700,000

Workers' Compensation Insurance Pool

The College is a member of the New Jersey Community College Insurance Pool, a non-profit self-insurance pool created pursuant to the provisions of the New Jersey State Government Regulations Act, Chapter 204, P.L. 1985, to provide workers' compensation insurance to its members. Membership in the insurance pool is limited to New Jersey community colleges. As of June 30, 2024, eleven colleges participated in the insurance pool.

Contributions to the Pool are payable in an annual premium and are based on actuarial assumptions determined by the Pool's actuary. Contributions to the Pool in fiscal years ended June 30, 2024 and 2023 were \$208,976 and \$173,281, respectively. For a copy of the audit of the Pool, contact the plan administrator at 1200 Old Trenton Rd, West Windsor Township, NJ 08550.

NOTE 21: LITIGATION

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

NOTE 22: POSTEMPLOYMENT BENEFITS OTHER THAN PENSIONS (OPEB)

STATE HEALTH BENEFIT LOCAL EDUCATION RETIRED EMPLOYEES PLAN

General Information about the OPEB Plan

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

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

<https://www.nj.gov/treasury/pensions/financial-reports.shtml>

**ATLANTIC CAPE COMMUNITY COLLEGE
NOTES TO FINANCIAL STATEMENTS
FOR THE FISCAL YEARS ENDED JUNE 30, 2024 and 2023**

NOTE 22: POSTEMPLOYMENT BENEFITS OTHER THAN PENSIONS (OPEB) (CONTINUED)

STATE HEALTH BENEFIT LOCAL EDUCATION RETIRED EMPLOYEES PLAN (CONTINUED)

General Information about the OPEB Plan (Continued)

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

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

Employees Covered by Benefit Terms - At June 30, 2023 and 2022, the OPEB Plan's measurement date, the entire State Health Benefit Local Education Retired Employees OPEB Plan consisted of the following members.

	June 30 2023 Measurement Date	June 30 2022 Measurement Date
Active Plan Members	217,212	213,148
Inactive Plan Members or Beneficiaries Currently Receiving Benefits	152,383	151,669
	369,595	364,817

Total Non-Employer OPEB Liability

The State of New Jersey, a non-employer contributing entity, is the only entity that has a legal obligation to make employer contributions to the OPEB Plan for qualified retired TPAF, PERS, PFRS and ABP pension participants. The College's proportionate share percentage determined under paragraphs 193 and 203 through 205 of GASB'S No. 75 is zero percent. Accordingly, the College did not recognize any portion of the collective net OPEB liability on the statement of net position.

The State's proportionate share of the net OPEB liability associated with the College as of June 30, 2024 and June 30, 2023 was \$63,571,418 and \$62,710,665, respectively. Since the OPEB liability associated with the College is 100% attributable to the State, the OPEB liability will be referred to as the total non-employer OPEB liability.

The total non-employer OPEB liability reported at June 30, 2024 was measured as of June 30, 2023, and was determined by an actuarial valuation as of June 30, 2022, which was rolled forward to June 30, 2023. For the June 30, 2023 measurement date, the State's proportionate share of the non-employer OPEB Plan liability associated with the College was 0.12140831287%, which was a decrease of 1.95% from its proportion measured as of June 30, 2022.

The total non-employer OPEB liability reported at June 30, 2023 was measured as of June 30, 2022, and was determined by an actuarial valuation as of June 30, 2021, which was rolled forward to June 30, 2022. For the June 30, 2022 measurement date, the State's proportionate share of the non-employer OPEB Plan liability associated with the College was 0.1238204236%, which was a decrease of 0.001% from its proportion measured as of June 30, 2021.

**ATLANTIC CAPE COMMUNITY COLLEGE
NOTES TO FINANCIAL STATEMENTS
FOR THE FISCAL YEARS ENDED JUNE 30, 2024 and 2023**

NOTE 22: POSTEMPLOYMENT BENEFITS OTHER THAN PENSIONS (OPEB) (CONTINUED)

STATE HEALTH BENEFIT LOCAL EDUCATION RETIRED EMPLOYEES PLAN (CONTINUED)

Total Non-Employer OPEB Liability (Continued)

Actuarial Assumptions and Other Inputs - The actuarial assumptions and other inputs vary for each plan member depending on the pension plan in which the member is enrolled. The actuarial valuations at June 30, 2022 and June 30, 2021 used the following actuarial assumptions, applied to the June 30, 2023 measurement date and the June 30, 2022 measurement date, respectively:

Salary Increases (June 30, 2023 Measurement Date)			
	TPAF/ABP	PERS	PFRS
Through 2027	2.75% - 4.25% based on service years	2.75% - 6.55% based on service years	3.25% - 16.25% based on service years
Thereafter	2.75% - 4.25% based on service years	2.75% - 6.55% based on service years	3.25% - 16.25% future years

Salary Increases (June 30, 2022 Measurement Date)			
	TPAF/ABP	PERS	PFRS
Through 2027	2.75% - 4.25% based on service years	2.75% - 6.55% based on service years	3.25% - 16.25% based on service years
Thereafter	2.75% - 4.25% based on service years	2.75% - 6.55% based on service years	3.25% - 16.25% future years

Mortality Rates (June 30, 2023 Measurement Date) - Preretirement mortality rates were based on the Pub-2010 Healthy "Teachers" (TPAF/ABP), "General" (PERS), and "Safety" (PFRS) classification headcount-weighted mortality table with fully generational mortality improvement projections from the central year using Scale MP-2021. Postretirement mortality rates were based on the Pub-2010 "General" classification headcount-weighted mortality table with fully generational mortality improvement projections from the central year using Scale MP-2021. Disability mortality was based on the Pub-2010 "General" classification headcount-weighted disabled mortality table with fully generational mortality improvement projections from the central year using Scale MP-2021 for current disabled retirees. Future disabled retirees was based on the Pub-2021 "Safety" (PFRS), "General" (PERS), and "Teachers" (TPAF/ABP) classification headcount-weighted disabled mortality table with fully generational mortality improvement projections from the central year using Scale MP-2021.

Mortality Rates (June 30, 2022 Measurement Date) - Preretirement mortality rates were based on the Pub-2010 Healthy "Teachers" (TPAF/ABP), "General" (PERS), and "Safety" (PFRS) classification headcount-weighted mortality table with fully generational mortality improvement projections from the central year using Scale MP-2021. Postretirement mortality rates were based on the Pub-2010 "General" classification headcount-weighted mortality table with fully generational mortality improvement projections from the central year using Scale MP-2021. Disability mortality was based on the Pub-2010 "General" classification headcount-weighted disabled mortality table with fully generational mortality improvement projections from the central year using Scale MP-2021 for current disabled retirees. Future disabled retirees was based on the Pub-2021 "Safety" (PFRS), "General" (PERS), and "Teachers" (TPAF/ABP) classification headcount-weighted disabled mortality table with fully generational mortality improvement projections from the central year using Scale MP-2021.

**ATLANTIC CAPE COMMUNITY COLLEGE
NOTES TO FINANCIAL STATEMENTS
FOR THE FISCAL YEARS ENDED JUNE 30, 2024 and 2023**

NOTE 22: POSTEMPLOYMENT BENEFITS OTHER THAN PENSIONS (OPEB) (CONTINUED)

STATE HEALTH BENEFIT LOCAL EDUCATION RETIRED EMPLOYEES PLAN (CONTINUED)

Total Non-Employer OPEB Liability (Continued)

Actuarial Assumptions and Other Inputs (Continued)

Experience Studies (June 30, 2023 Measurement Date) - The actuarial assumptions used in the June 30, 2022 valuation were based on the results of actuarial experience studies for the periods July 1, 2018 - June 30, 2021 for TPAF/ABP, PERS, and PFRS.

Experience Studies (June 30, 2022 Measurement Date) - The actuarial assumptions used in the June 30, 2021 valuation were based on the results of actuarial experience studies for the periods July 1, 2018 - June 30, 2021 for TPAF/ABP, PERS, and PFRS.

Health Care Trend Assumptions (June 30, 2023 Measurement Date) - For pre-Medicare medical benefits, the trend rate is initially 6.50% and decreases to a 4.50% long-term trend rate after nine years. For post-65 medical benefits PPO, the trend is increasing to 14.80% in fiscal year 2026, decreasing to 4.50% in fiscal year 2033. For HMO, the trend is increasing to 17.40% in fiscal year 2026 and decreases to 4.50% in fiscal year 2033. For prescription drug benefits, the initial trend rate is 9.50% and decreases to a 4.50% long-term trend rate after seven years. For the Medicare Part B reimbursement, the trend rate is 5.00%.

Health Care Trend Assumptions (June 30, 2022 Measurement Date) - For pre-Medicare medical benefits, the trend rate is initially 6.25% and decreases to a 4.50% long-term trend rate after eight years. For post-65 medical benefits PPO, the trend is initially -1.99% in fiscal year 2023, increasing to 13.44% in fiscal year 2026 and decreases to 4.50% in fiscal year 2033. For prescription drug benefits, the initial trend rate is 8.0% and decreases to a 4.50% long-term trend rate after eight years. For the Medicare Part B reimbursement, the trend rate is 5.00%.

Discount Rate - The discount rates for June 30, 2023 and the June 30, 2022 measurement dates were 3.65% and 3.54%, respectively. This represents the municipal bond return rate as chosen by the Division. The source is the Bond Buyer Go 20-Bond Municipal Bond Index, which includes tax-exempt general obligation municipal bonds with an average rating of AA/Aa or higher. As the long-term rate of return is less than the municipal bond rate, it is not considered in the calculation of the discount rate, rather the discount rate is set at the municipal bond rate.

**ATLANTIC CAPE COMMUNITY COLLEGE
NOTES TO FINANCIAL STATEMENTS
FOR THE FISCAL YEARS ENDED JUNE 30, 2024 and 2023**

NOTE 22: POSTEMPLOYMENT BENEFITS OTHER THAN PENSIONS (OPEB) (CONTINUED)

STATE HEALTH BENEFIT LOCAL EDUCATION RETIRED EMPLOYEES PLAN (CONTINUED)

Changes in the Total Non-Employer OPEB Liability

The below table summarizes the State's proportionate share of the change in the total non-employer OPEB liability associated with the College:

June 30, 2024		
Balance at June 30, 2023		\$ 62,710,665
Changes for the year:		
Service Cost	\$ 2,432,824	
Interest Cost	2,238,908	
Difference between Expected and Actual Experience	(2,251,223)	
Changes in Assumptions	128,134	
Member Contributions	57,375	
Gross Benefit Payments	<u>(1,745,265)</u>	
Net Changes		<u>860,753</u>
Balance June 30, 2024		<u>\$ 63,571,418</u>
June 30, 2023		
Balance at June 30, 2022		\$ 74,654,892
Changes for the year:		
Service Cost	\$ 3,231,558	
Interest Cost	1,661,902	
Difference between Expected and Actual Experience	1,578,365	
Changes in Assumptions	(16,822,699)	
Member Contributions	52,810	
Gross Benefit Payments	<u>(1,646,163)</u>	
Net Changes		<u>(11,944,227)</u>
Balance June 30, 2023		<u>\$ 62,710,665</u>

There were no changes in benefit terms between the June 30, 2022 measurement date and the June 30, 2023 measurement date.

There were no changes in benefit terms between the June 30, 2021 measurement date and the June 30, 2022 measurement date.

Differences between expected and actual experience reflect changes in liabilities due to changes in the census, claims, and premiums experience.

**ATLANTIC CAPE COMMUNITY COLLEGE
NOTES TO FINANCIAL STATEMENTS
FOR THE FISCAL YEARS ENDED JUNE 30, 2024 and 2023**

NOTE 22: POSTEMPLOYMENT BENEFITS OTHER THAN PENSIONS (OPEB) (CONTINUED)

STATE HEALTH BENEFIT LOCAL EDUCATION RETIRED EMPLOYEES PLAN (CONTINUED)

Changes in the Total Non-Employer OPEB Liability (Continued)

Sensitivity of the Total Non-Employer OPEB Liability to Changes in the Discount Rate - The State's proportionate share of the total non-employer OPEB liability, associated with the College, as of the June 30, 2023 and June 30, 2022 measurement dates, using a discount rate of 3.65% and 3.54% respectively, as well as using a discount rate that is 1% lower or 1% higher than the current rate used is as follows:

June 30, 2023 Measurement Date			
	1% Decrease (2.65%)	Discount Rate (3.65%)	1% Increase (4.65%)
State of New Jersey's Proportionate Share of the total Non-Employer OPEB Liability Associated with the College	\$ 74,526,574	\$ 63,571,418	\$ 54,775,700

June 30, 2022 Measurement Date			
	1% Decrease (2.54%)	Discount Rate (3.54%)	1% Increase (4.54%)
State of New Jersey's Proportionate Share of the total Non-Employer OPEB Liability Associated with the College	\$ 73,709,790	\$ 62,710,665	\$ 53,895,416

Sensitivity of the Total Non-Employer OPEB Liability to Changes in the Healthcare Cost Trend Rates - The State's proportionate share of the total non-employer OPEB liability, associated with the College, as of the June 30, 2023 and the June 30, 2022 measurement dates, using the healthcare cost trend rates that are 1% lower or 1% higher than the current healthcare cost trend rate used are as follows:

June 30, 2023 Measurement Date			
	1% Decrease	Healthcare Cost Trend Rates	1% Increase
State of New Jersey's Proportionate Share of the total Non-Employer OPEB Liability Associated with the College	\$ 52,774,078	\$ 63,571,418	\$ 77,699,765

June 30, 2022 Measurement Date			
	1% Decrease	Healthcare Cost Trend Rates	1% Increase
State of New Jersey's Proportionate Share of the total Non-Employer OPEB Liability Associated with the College	\$ 51,834,198	\$ 62,710,665	\$ 76,997,565

**ATLANTIC CAPE COMMUNITY COLLEGE
NOTES TO FINANCIAL STATEMENTS
FOR THE FISCAL YEARS ENDED JUNE 30, 2024 and 2023**

NOTE 22: POSTEMPLOYMENT BENEFITS OTHER THAN PENSIONS (OPEB) (CONTINUED)

STATE HEALTH BENEFIT LOCAL EDUCATION RETIRED EMPLOYEES PLAN (CONTINUED)

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

OPEB Expense - For the fiscal years ended June 30, 2024 and June 30, 2023, the College recognized \$1,487,769 and \$1,932,979, respectively, in OPEB expense and revenue, for the State's proportionate share of the OPEB Plan's OPEB expense, associated with the College. This expense and revenue was based on the OPEB Plan's June 30, 2023 and June 30, 2022 measurement dates.

Deferred Outflows and Inflows of Resources - In accordance with GASBS No. 75, the College's proportionate share of the OPEB liability is zero. As such, there is no recognition of the allocation of proportionate share of deferred outflows of resources and deferred inflows of resources by the College; however, at the June 30, 2023 and June 30, 2022 measurements dates, the State's proportionate share of the total non-employer OPEB liability's deferred outflows of resources and deferred inflows of resources, associated with College, from the following sources are as follows:

	Measurement Date June 30, 2023		Measurement Date June 30, 2022	
	Deferred Outflows	Deferred Inflows	Deferred Outflows	Deferred Inflows
Differences between Expected and Actual Experience	\$ 9,275,252	\$ 16,744,078	\$ 11,196,341	\$ 19,146,291
Changes of Assumptions	9,039,936	17,543,439	10,853,629	21,343,285
Changes in Proportion	1,866,110	3,452,952	2,399,140	2,418,836
	<u>\$ 20,181,298</u>	<u>\$ 37,740,469</u>	<u>\$ 24,449,110</u>	<u>\$ 42,908,412</u>

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

Year Ended June 30,	
2024	\$ (3,511,834)
2025	(3,511,834)
2026	(2,985,059)
2027	(1,755,917)
2028	(351,183)
Thereafter	<u>(5,443,343)</u>
	<u>\$ (17,559,171)</u>

**ATLANTIC CAPE COMMUNITY COLLEGE
NOTES TO FINANCIAL STATEMENTS
FOR THE FISCAL YEARS ENDED JUNE 30, 2024 and 2023**

NOTE 22: POSTEMPLOYMENT BENEFITS OTHER THAN PENSIONS (OPEB) (CONTINUED)

STATE HEALTH BENEFIT LOCAL EDUCATION RETIRED EMPLOYEES PLAN (CONTINUED)

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

The amortization of the above deferred outflows of resources and deferred inflows of resources related to the State's proportionate share of the total non-employer OPEB liability, associated with the College, will be over the following number of years:

	<u>Deferred Outflows</u>	<u>Deferred Inflows</u>
Differences between Expected and Actual Experience		
Year of Pension Plan Deferral:		
June 30, 2018	9.51	9.51
June 30, 2019	9.29	9.29
June 30, 2020	9.24	9.24
June 30, 2021	9.24	9.24
June 30, 2022	9.13	9.13
June 30, 2023	9.30	9.30
Changes of Assumptions		
Year of Pension Plan Deferral:		
June 30, 2017	9.54	9.54
June 30, 2018	9.51	9.51
June 30, 2019	9.29	9.29
June 30, 2020	9.24	9.24
June 30, 2021	9.24	9.24
June 30, 2022	9.13	9.13
June 30, 2023	9.30	9.30
Changes in Proportion		
Year of Pension Plan Deferral:		
June 30, 2017	9.54	9.54
June 30, 2018	9.51	9.51
June 30, 2019	9.29	9.29
June 30, 2020	9.24	9.24
June 30, 2021	9.24	9.24
June 30, 2022	9.13	9.13
June 30, 2023	9.30	9.30

**ATLANTIC CAPE COMMUNITY COLLEGE
NOTES TO FINANCIAL STATEMENTS
FOR THE FISCAL YEARS ENDED JUNE 30, 2024 and 2023**

NOTE 23: DISCRETELY PRESENTED COMPONENT UNIT DISCLOSURES

Note A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Organization and Nature of Activities

Atlantic Cape Community College Foundation (the "Foundation") was formed in 1978 as an independent nonprofit organization for the purpose of promoting and furthering higher education among the citizens of Atlantic and Cape May Counties, New Jersey and to provide physical facilities and services at Atlantic Cape Community College (the "College").

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

The Foundation is governed by an independent, volunteer board of trustees.

Basis of Accounting

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

Basis of Accounting

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

Financial Statement Presentation

The Foundation's financial statements have been prepared in accordance with U.S. generally accepted accounting principles ("US GAAP"), which require the Foundation to report information regarding its financial position and activities according to the following net asset classifications:

Net assets without donor restrictions – net assets that are not subject to donor-imposed stipulations. This includes funds that are designated for discretionary use by the Foundation.

Net assets with donor restrictions – net assets subject to stipulations imposed by donors. Some donor restrictions are temporary in nature; those restrictions will be met by actions of the Foundation. Other donor restrictions are perpetual in nature, where by the donor has stipulated the funds be maintained in perpetuity.

Donor restricted contributions are reported as increased in net assets with donor restrictions. When a restriction expires, net assets are reclassified from net assets with donor restrictions to net assets without donor restrictions in the statement of activities.

Measurement of Operations

The statements of activities report all changes in net assets, including changes in net assets from operating and non-operating activities. Operating activities consist of those items attributable to the Foundation's mission to provide direct support the College's students. Nonoperating activities are limited to resources that generate return from investments and other activities considered to be a more unusual or nonrecurring nature.

Cash and Cash Equivalents

The Foundation considers all highly liquid investments with an initial maturity of three months or less to be cash and cash equivalents. The Foundation places its cash and cash equivalents on deposit with financial institutions in the United States. Money Market funds intended for non-operating purposes are classified as investments.

**ATLANTIC CAPE COMMUNITY COLLEGE
NOTES TO FINANCIAL STATEMENTS
FOR THE FISCAL YEARS ENDED JUNE 30, 2024 and 2023**

NOTE 23: DISCRETELY PRESENTED COMPONENT UNIT DISCLOSURES (CONTINUED)

Note A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Investments

The Foundation reports all investments in marketable securities with readily determinable fair values and all investments in debt securities at fair value in the statement of financial position. Unrealized gains and losses are included in the change in net assets. Investment income and gains restricted by a donor are reported as increases in unrestricted net assets if the restrictions are met (either by passage of time or by use) in the reporting period in which the income and gains are recognized. Mutual funds are valued at the quoted market prices, which represent the net asset value of the shares held by the Foundation at year-end. Foundation Treasurer, Executive Director, and Associate Directors meet annually with investment firms to review trends and rebalance as needed based on information.

Promises to Give Receivable

Unconditional promises to give that are expected to be collected within one year are recorded at net realizable value. Unconditional promises to give that are expected to be collected in future years are recorded at the present value of their estimated future cash flows. The discounts on those amounts are computed using risk-adjusted interest rates applicable to the years in which the promises are received. Discount amortization is included in the contribution revenue. Conditional promises to give are not included as support until the conditions are met.

Contributions Receivable

The Foundation records contributions receivable that are expected to be collected within one year at net realizable value.

Allowance for Doubtful Accounts

Promises to Give Receivable and Contributions Receivable are stated net of an allowance for doubtful accounts. The Foundation estimates the allowance based on an analysis of specific donors, taking into consideration the age of past due amounts and an assessment of the donor's ability to pay. The Foundation has determined that there was no allowance for doubtful accounts required for receivables at June 30, 2024 and 2023.

Donated Services and In-Kind Contributions

The Foundation receives contributed services from a variety of personnel who are employed by the College. The value of these services has been reflected in the statement of activities. Volunteers contribute significant amounts of time to the Foundation's program services and fundraising activities; however, the financial statements do not reflect the value of these contributed services because they do not meet recognition criteria prescribed by U.S. GAAP. Contributed goods are recorded at fair value at the date of donation.

Revenue and Revenue Recognition

Contributions - Unconditional cash contributions and other assets, including securities, to the Foundation are reported at fair value on the date they are received. Conditional contributions and indications of intentions to give are reported at fair value on the date the gift becomes unconditional. Contributions received are recorded as net assets without donor restrictions or net assets with donor restrictions, depending on the existence and/or any donor-imposed restrictions. Contributions that are restricted by the donor are reported as an increase in net assets without donor restriction if the restriction expires in the reporting period in which the contribution is recognized. All other donor restricted contributions are reported as an increase in net assets with donor restrictions, depending on the nature of restriction. When a restriction expires (that is, when a stipulated time restriction ends or purpose restriction is accomplished), net assets with donor restrictions are reclassified to net assets without donor restrictions and reported in the statements of activities as net assets released from restrictions.

**ATLANTIC CAPE COMMUNITY COLLEGE
NOTES TO FINANCIAL STATEMENTS
FOR THE FISCAL YEARS ENDED JUNE 30, 2024 and 2023**

NOTE 23: DISCRETELY PRESENTED COMPONENT UNIT DISCLOSURES (CONTINUED)

Note A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Revenue and Revenue Recognition (Continued)

Special Events - The Foundation holds various events during the year. Revenue from these events is recognized on the statement of activities, net of costs associated with the events.

Investments - Investment income and gains restricted by a donor are reported as increases in unrestricted net assets if the restrictions are met (either by passage of time or by use) in the reporting period in which the income and gains are recognized.

Fair Value Measurement

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

Income Taxes

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

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

Use of Estimates

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

Functional Allocation of Expenses

The costs of program and supporting services activities have been summarized on a functional basis in the Statements of Activities. The Statements of Functional Expenses present the natural classification detail of expenses by function. Expenses require allocation on a reasonable basis that is consistently applied. The expenses that are allocated include donated services, printing and postage, travel, supplies and office expenses, fees and licenses, administration, professional fees, software, and miscellaneous, which are allocated on the basis of estimates of time and effort.

Reclassifications

Certain accounts in the prior-year financial statements have been reclassified for comparative purposes to conform with the presentation in the current-year financial statements.

**ATLANTIC CAPE COMMUNITY COLLEGE
NOTES TO FINANCIAL STATEMENTS
FOR THE FISCAL YEARS ENDED JUNE 30, 2024 and 2023**

NOTE 23: DISCRETELY PRESENTED COMPONENT UNIT DISCLOSURES (CONTINUED)

Note A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Recently Adopted Accounting Pronouncements

Financial Instruments-Credit Losses Standard – Issued in June 2016, ASU No. 2016-13 requires organizations to measure all expected credit losses for financial instruments held at the reporting date based on historical experience, current conditions, and reasonable and supportable forecasts. The new guidance affects organizations that hold financial assets and net investments in leases that are not accounted for at fair value with changes in fair value reported in net income. The new guidance also affects loans, debt securities, trade receivables, net investments in leases, off-balance-sheet credit exposures, reinsurance receivables, and any other financial assets not excluded from the scope that have the contractual right to receive cash. The standard will take effect for fiscal years beginning after December 15, 2022, and for interim periods within fiscal years beginning after December 15, 2023. The adoption of this accounting standard has had no impact on its financial statements.

Subsequent Events

The Foundation has evaluated events and transactions through February 19, 2025, the date the financial statements were available to be issued, and determined there were no items requiring recognition in the financial statements.

Note B - CONCENTRATION OF CREDIT RISK

The Foundation maintains cash balances in their banking institutions, which are insured by the Federal Deposit Insurance Corporation (F.D.I.C) up to \$250,000.00 per institution. At June 30, 2024, the Foundation's balances exceeded the insured limit by \$54,310.50. At June 30, 2023, the Foundation's balances did not exceed the insured limit.

Note C - AVAILABILITY AND LIQUIDITY

The Foundation receives significant contributions with donor restrictions to be used in accordance with the associated purpose restrictions. It also receives gifts to establish endowments that will exist in perpetuity; the income generated from such endowments is used to fund programs.

The Foundation considers investment income without donor restrictions, appropriated earnings from donor-restricted endowments, contributions without donor restrictions and contributions with donor restrictions for use in current programs which are ongoing, major, and central to its annual operations to be available to meet cash needs for general expenditures. General expenditures include administrative and general expenses, fundraising expenses expected to be paid in the subsequent year. Annual operations are defined as activities occurring during the Foundation's fiscal year.

The tables below present financial assets available for general expenditures within one year at June 30, 2024 and 2023:

	<u>June 30, 2024</u>	<u>June 30, 2023</u>
Financial assets at year end:		
Cash and Cash Equivalents	\$ 751,274.66	\$ 590,705.30
Investments	6,312,194.21	5,650,151.73
	<u>7,063,468.87</u>	<u>6,240,857.03</u>
Less amounts not available to be used within one year:		
Investments held for Permanent Endowments	(3,610,559.70)	(3,496,552.68)
	<u>(3,610,559.70)</u>	<u>(3,496,552.68)</u>
Financial assets not available to be used within one year	<u>(3,610,559.70)</u>	<u>(3,496,552.68)</u>
Financial assets available to meet general expenditures within one year	<u>\$ 3,452,909.17</u>	<u>\$ 2,744,304.35</u>

ATLANTIC CAPE COMMUNITY COLLEGE
NOTES TO FINANCIAL STATEMENTS
FOR THE FISCAL YEARS ENDED JUNE 30, 2024 and 2023

NOTE 23: DISCRETELY PRESENTED COMPONENT UNIT DISCLOSURES (CONTINUED)

Note D - INVESTMENTS

Investments, stated at fair value, are composed of the following as of June 30, 2024 and 2023, respectively:

	2024		
	<u>Cost</u>	<u>Fair Market Value</u>	<u>Unrealized Gain (Loss)</u>
Mutual Funds:			
Fixed Income	\$ 2,824,839.04	\$ 2,688,788.08	\$ (136,050.96)
Domestic Equities	1,817,964.12	2,413,578.33	595,614.21
International Equities	422,517.64	471,070.80	48,553.16
Corporate Stock	610,899.68	738,757.00	127,857.32
Total	<u>\$ 5,676,220.48</u>	<u>\$ 6,312,194.21</u>	<u>\$ 635,973.73</u>

	2023		
	<u>Cost</u>	<u>Fair Market Value</u>	<u>Unrealized Gain (Loss)</u>
Mutual Funds:			
Fixed Income	\$ 2,648,371.75	\$ 2,449,977.06	\$ (198,394.69)
Domestic Equities	1,924,433.67	2,229,860.87	305,427.20
International Equities	454,875.09	477,628.90	22,753.81
Corporate Stock	441,932.47	492,684.90	50,752.43
Total	<u>\$ 5,469,612.98</u>	<u>\$ 5,650,151.73</u>	<u>\$ 180,538.75</u>

The following summarizes the investment returns as of June 30, 2024 and 2023, respectively:

	2024		
	<u>Without Donor Restrictions</u>	<u>With Donor Restrictions</u>	<u>Total</u>
Interest and Dividends	\$ 119,059.83	\$ 147,273.61	\$ 266,333.44
Investment Fees	(17,761.18)	(26,467.00)	(44,228.18)
Net Interest and Dividends	101,298.65	120,806.61	222,105.26
Realized Gains (Losses)	5,797.62	8,639.38	14,437.00
Unrealized Gains (Losses)	181,548.31	270,394.81	451,943.12
Total Gains (Losses)	187,345.93	279,034.19	466,380.12
Total Investment Return	<u>\$ 288,644.58</u>	<u>\$ 399,840.80</u>	<u>\$ 688,485.38</u>

	2023		
	<u>Without Donor Restrictions</u>	<u>With Donor Restrictions</u>	<u>Total</u>
Interest and Dividends	\$ 78,717.27	\$ 128,664.67	\$ 207,381.94
Investment Fees	(15,473.24)	(25,671.79)	(41,145.03)
Net Interest and Dividends	63,244.03	102,992.88	166,236.91
Realized Gains (Losses)	(64,432.66)	(106,900.74)	(171,333.40)
Unrealized Gains (Losses)	151,285.64	250,999.25	402,284.89
Total Gains (Losses)	86,852.98	144,098.51	230,951.49
Total Investment Return	<u>\$ 150,097.01</u>	<u>\$ 247,091.39</u>	<u>\$ 397,188.40</u>

**ATLANTIC CAPE COMMUNITY COLLEGE
NOTES TO FINANCIAL STATEMENTS
FOR THE FISCAL YEARS ENDED JUNE 30, 2024 and 2023**

NOTE 23: DISCRETELY PRESENTED COMPONENT UNIT DISCLOSURES (CONTINUED)

Note E – FAIR VALUE MEASUREMENT

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

Level 1

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

Level 2

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

Level 3

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

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

The following is a description of the valuation methodologies used for assets measured at fair value on a recurring basis. There have been no changes to the methodologies used at June 30, 2024 and 2023.

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

**ATLANTIC CAPE COMMUNITY COLLEGE
NOTES TO FINANCIAL STATEMENTS
FOR THE FISCAL YEARS ENDED JUNE 30, 2024 and 2023**

NOTE 23: DISCRETELY PRESENTED COMPONENT UNIT DISCLOSURES (CONTINUED)

Note E – FAIR VALUE MEASUREMENT (CONTINUED)

Fair Value on a Recurring Basis

The following tables below present the fair value of financial instruments as measured on a recurring basis as of June 30, 2024 and 2023.

2024				
		Fair Value		
		Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Other Unobservable Inputs (Level 3)
	<u>Total</u>			
Mutual Funds:				
Fixed Income	\$ 2,688,788.08	\$ 2,688,788.08		
Domestic Equities	2,413,578.33	2,413,578.33		
International Equities	471,070.80	471,070.80		
Corporate Stock	738,757.00	738,757.00		
Total	<u>\$ 6,312,194.21</u>	<u>\$ 6,312,194.21</u>	<u>\$ -</u>	<u>\$ -</u>
2023				
		Fair Value		
		Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Other Unobservable Inputs (Level 3)
	<u>Total</u>			
Mutual Funds:				
Fixed Income	\$ 2,449,977.06	\$ 2,449,977.06		
Domestic Equities	2,229,860.87	2,229,860.87		
International Equities	477,628.90	477,628.90		
Corporate Stock	492,684.90	492,684.90		
Total	<u>\$ 5,650,151.73</u>	<u>\$ 5,650,151.73</u>	<u>\$ -</u>	<u>\$ -</u>

**ATLANTIC CAPE COMMUNITY COLLEGE
NOTES TO FINANCIAL STATEMENTS
FOR THE FISCAL YEARS ENDED JUNE 30, 2024 and 2023**

NOTE 23: DISCRETELY PRESENTED COMPONENT UNIT DISCLOSURES (CONTINUED)

Note F – ENDOWMENT FUNDS

The Foundation's endowment consists of approximately 45 individual funds established for a variety of purposes. The endowment includes both donor-restricted endowment funds and funds designated by the Foundation Board to function as endowments. As required by generally accepted accounting principles, net assets associated with endowment funds, including funds designated by the Foundation Board to function as endowments, are classified and reported based on the existence or absence of donor-imposed restrictions.

One endowment requires that 10% of the income earned be added to principal and the remainder be used to fund scholarships. Endowments received after May 1, 2010 requires that 20% of the income earned be added to principal and the remainder be used to fund scholarships. All other endowments require that all income be used for scholarships.

The Foundation has interpreted state law as requiring the preservation of the value of the original gift as of the gift date of the donor-restricted endowment funds absent explicit donor stipulations to the contrary. As a result of this interpretation, the Foundation classifies as net assets with donor restriction – perpetual in nature (a) the original value of gifts donated to the endowment, (b) the original value of subsequent gifts to the endowment and (c) accumulations to the endowment made in accordance with the direction of the applicable donor gift instrument at the time the accumulation is added to the fund. The remaining portion of the donor-restricted endowment fund that is not classified in net assets with donor restrictions – perpetual in nature is classified as net assets with donor restrictions – purpose restrictions until those amounts are appropriated for expenditure by the Foundation in a manner consistent with the standard of prudence prescribed by state law.

The Foundation considers the following factors in making a determination to appropriate or accumulate donor-restricted endowment funds:

- (1) The duration and preservation of the fund
- (2) The purposes of the Foundation and the donor-restricted endowment fund
- (3) General economic conditions
- (4) The possible effect of inflation and deflation
- (5) The expected total return from income and the appreciation of investments
- (6) Other resources of the Foundation
- (7) The investment policies of the Foundation.

The Foundation has adopted investment and spending policies for endowment assets that attempt to provide a predictable stream of funding to programs supported by its endowment while seeking to maintain the purchasing power of the endowment assets. Endowment assets include those assets of donor-restricted funds that the Foundation must hold in perpetuity or for a donor-specified period(s) as well as board-designated funds. Under this policy, as approved by the Foundation Board, the endowment assets are invested in a manner that seeks long-term capital growth, current income and growth of income, consistent with prudent, conservative, and risk-averse investments for its endowment. The endowment investments may be invested in any combination of common stocks, bond funds or mutual funds containing both stocks and bonds.

To satisfy its long-term objectives, the Foundation relies on a total return strategy in which investment returns are achieved through both capital appreciation (realized and unrealized) and current yield (interest and dividends). The Foundation targets a diversified asset allocation to achieve its long-term objectives within prudent risk constraints.

**ATLANTIC CAPE COMMUNITY COLLEGE
NOTES TO FINANCIAL STATEMENTS
FOR THE FISCAL YEARS ENDED JUNE 30, 2024 and 2023**

NOTE 23: DISCRETELY PRESENTED COMPONENT UNIT DISCLOSURES (CONTINUED)

Note F – ENDOWMENT FUNDS (CONTINUED)

The Foundation has adopted an investment spend policy. Unless otherwise directed by the donor at the time of the donation and agreed to by the Foundation, 80% of annual audited net interest (interest earned less fees paid) shall be distributed from the endowed funds as per donor designation or Foundation Board direction. The remaining 20% shall be reinvested to preserve the purchasing power of the corpus over time.

From time-to-time, the fair value of assets associated with an individual donor restricted endowment fund may fall below the level that the donor or State law required the Foundation to retain as a fund of perpetual duration. The Foundation Board's policy is to restore these funds to the original endowed amount by enduring any market losses in their unrestricted funds thus enabling the endowment to remain whole.

The following table provides information regarding the change in endowments for the year ended 2024 and 2023:

	2024		
	With Donor Restrictions		
	Purpose Restrictions	Perpetual In Nature	Total
Endowment Net Assets, Beginning of Year	\$ 1,064,956.40	\$ 3,496,552.68	\$ 4,561,509.08
Contributions and Transfers	867,111.30	56,760.00	923,871.30
Investment Returns	342,593.78	57,247.02	399,840.80
Appropriation for Expenditure	(788,149.08)	-	(788,149.08)
Endowment Net Assets, End of Year	<u>\$ 1,486,512.40</u>	<u>\$ 3,610,559.70</u>	<u>\$ 5,097,072.10</u>
	2023		
	With Donor Restrictions		
	Purpose Restrictions	Perpetual In Nature	Total
Endowment Net Assets, Beginning of Year	\$ 931,858.10	\$ 3,412,751.22	\$ 4,344,609.32
Contributions and Transfers	710,544.53	49,100.00	759,644.53
Investment Returns	212,389.93	34,701.46	247,091.39
Appropriation for Expenditure	(789,836.16)	-	(789,836.16)
Endowment Net Assets, End of Year	<u>\$ 1,064,956.40</u>	<u>\$ 3,496,552.68</u>	<u>\$ 4,561,509.08</u>

ATLANTIC CAPE COMMUNITY COLLEGE
NOTES TO FINANCIAL STATEMENTS
FOR THE FISCAL YEARS ENDED JUNE 30, 2024 and 2023

NOTE 23: DISCRETELY PRESENTED COMPONENT UNIT DISCLOSURES (CONTINUED)

Note G - DONATED SERVICES

The Foundation receives donated services from a variety of personnel who are employed by College. The value of these services shown below has been reflected in the Statements of Activities and Changes in Net Assets.

	<u>2024</u>	<u>2023</u>
Administrative Support	\$ 192,410.23	\$ 180,654.69
Less: Paid to College	(40,000.00)	(35,000.00)
Administrative Support Donated	<u>152,410.23</u>	<u>145,654.69</u>
Fundraising Support	<u>346,097.85</u>	<u>202,748.14</u>
Total	<u>\$ 498,508.08</u>	<u>\$ 348,402.83</u>

Note H - NET ASSETS WITH DONOR RESTRICTIONS

The Foundation follows the policy of maintaining funds when grants and gifts are received for specific projects. Such grants and gifts are reported as net assets with donor restrictions – purpose restrictions until the donor-imposed restrictions are satisfied. Net assets with donor restrictions – purpose restrictions include monies raised by the Restaurant Gala, golf events, other fundraisers, and amounts specifically designated by donors, which generally have been restricted for distributions to the College for scholarships.

Investment income derived from net assets with donor restrictions – perpetual in nature, which is restricted by the donor for a specific purpose, is included as net assets with donor restrictions – purpose restrictions.

As of June 30, 2024, and 2023, nets assets with donor restrictions, consisted of the following:

	<u>2024</u>	<u>2023</u>
With Donor Restrictions - Purpose Restrictions		
Restaurant Gala Scholarships	\$ 198,084.19	\$ 166,686.54
Golf Outing Scholarships	36,661.01	39,480.42
WOW	29,420.72	21,680.54
Scholarships	936,331.24	680,074.85
Athletics - Other	28,226.25	15,990.00
Athletics - Baseball Field, Scoreboard	100,213.65	13,838.65
Emergency Funds	29,717.00	12,190.40
Food Pantry	19,260.60	9,290.00
Other	9,597.74	6,725.00
Culinary Loan Grant	<u>99,000.00</u>	<u>99,000.00</u>
	1,486,512.40	1,064,956.40
With Donor Restrictions - Perpetual in Nature		
Endowments	<u>3,610,559.70</u>	<u>3,496,552.68</u>
	<u>\$ 5,097,072.10</u>	<u>\$ 4,561,509.08</u>

**ATLANTIC CAPE COMMUNITY COLLEGE
NOTES TO FINANCIAL STATEMENTS
FOR THE FISCAL YEARS ENDED JUNE 30, 2024 and 2023**

NOTE 23: DISCRETELY PRESENTED COMPONENT UNIT DISCLOSURES (CONTINUED)

Note I - GIFTS-IN-KIND, DONATED SERVICES

The Foundation receives various forms of gifts-in-kind (GIK) including venue/event space, prizes/baskets, media, food and non-food items, and donated services. GIK are reported as contributions at their estimated fair value on the date of receipt and reported as expenses when utilized. GIK are valued based upon estimates of fair market or wholesale values that would be received for selling the goods in their principal market considering their condition and utility for use at the time the goods are contributed by the donor. Donated GIK are not sold, and goods are only distributed for program use. Donated services from College personnel are value at cost based on estimated time and effort. The computation of the value of the contribution of these services and products represent the difference between fair value of these services or products and the fair value of the services given in exchange.

For the year ended June 30, 2024 and 2023, the information is summarized as follows:

	<u>2024</u>	<u>2023</u>
Gifts-In-Kind		
Venue / Event Space	\$ 20,000.00	\$ 53,000.00
Prizes/Baskets	8,143.84	9,528.22
Media	19,650.00	25,075.00
Food and non-food items	51,730.42	31,270.83
Total	99,524.26	118,874.05
Value Provided	(17,100.00)	(15,300.00)
Net Gifts-In-Kind	82,424.26	103,574.05
Donated Services	498,508.08	348,402.83
Total	<u>\$ 580,932.34</u>	<u>\$ 451,976.88</u>

**ATLANTIC CAPE COMMUNITY COLLEGE
NOTES TO FINANCIAL STATEMENTS
FOR THE FISCAL YEARS ENDED JUNE 30, 2024 and 2023**

NOTE 23: DISCRETELY PRESENTED COMPONENT UNIT DISCLOSURES (CONTINUED)

NOTE J – FUNDRAISING

Fundraising proceeds for the years ended June 30, 2024 and 2023 consisted of the following:

	2024				
	Restaurant Gala	Golf Event	Other Events	In Kind Services	Total
Gross Receipts	\$ 400,047.08	\$ 73,369.84	\$ 45,889.82	\$ 346,097.85	\$ 865,404.59
Direct Benefit to Donors:					
Room Rental and Setup	63,180.00				63,180.00
Fees		9,246.00			9,246.00
Catering and Meals	20,400.00	4,125.00	6,844.85		31,369.85
Wine and Liquor	25,015.22	151.44			25,166.66
Entertainment	8,980.00		1,610.00		10,590.00
Plates	1,392.00				1,392.00
Decor	1,600.00	212.00			1,812.00
Gifts and Souvenirs	4,164.00	4,526.24	3,740.44		12,430.68
Total Direct Benefit to Donors	124,731.22	18,260.68	12,195.29	-	155,187.19
Gross Receipt less Direct Benefit to Donors	275,315.86	55,109.16	33,694.53	346,097.85	710,217.40
Expenses:					
Raffle Prizes	12,588.40	3,717.84			16,306.24
Licenses and Fees	50.00	100.00	100.00		250.00
Supplies	417.54	1,771.92			2,189.46
Donated Services				346,097.85	346,097.85
Advertising	19,650.00		730.00		20,380.00
Postage and Printing	6,112.52	344.66	468.80		6,925.98
Travel	125.00		168.00		293.00
Miscellaneous	417.26	662.50	362.50		1,442.26
Total Expenses	39,360.72	6,596.92	1,829.30	346,097.85	393,884.79
Net Proceeds	\$ 235,955.14	\$ 48,512.24	\$ 31,865.23	\$ -	316,332.61
Net Proceeds for General Use					(45,985.63)
Net Proceeds for Scholarships					\$ 270,346.98

ATLANTIC CAPE COMMUNITY COLLEGE
NOTES TO FINANCIAL STATEMENTS
FOR THE FISCAL YEARS ENDED JUNE 30, 2024 and 2023

NOTE 23: DISCRETELY PRESENTED COMPONENT UNIT DISCLOSURES (CONTINUED)

NOTE J – FUNDRAISING (CONTINUED)

	2023				
	Restaurant Gala	Golf Event	Other Events	In Kind Services	Total
Gross Receipts	\$ 363,056.12	\$ 69,252.22	\$ 26,294.71	\$ 202,748.14	\$ 661,351.19
Direct Benefit to Donors:					
Room Rental and Setup	79,500.00				79,500.00
Fees		9,388.00			9,388.00
Catering and Meals	21,100.00	2,500.00	5,529.88		29,129.88
Wine and Liquor	7,108.48	404.13			7,512.61
Entertainment	4,350.00				4,350.00
Plates	1,875.00				1,875.00
Decor	18,924.94	456.00			19,380.94
Gifts and Souvenirs	1,875.00	5,233.14	9,940.72		17,048.86
Total Direct Benefit to Donors	134,733.42	17,981.27	15,470.60	-	168,185.29
Gross Receipt less Direct Benefit to Donors	228,322.70	51,270.95	10,824.11	202,748.14	493,165.90
Expenses:					
Raffle Prizes	11,609.60	4,882.89			16,492.49
Licenses and Fees	50.00	100.00	100.00		250.00
Supplies	48.72	1,431.46			1,480.18
Donated Services				202,748.14	202,748.14
Advertising	15,375.00				15,375.00
Postage and Printing	4,816.77	313.43	378.43		5,508.63
Travel	255.84	26.04	107.86		389.74
Miscellaneous	269.10	650.00	1,112.50		2,031.60
Total Expenses	32,425.03	7,403.82	1,698.79	202,748.14	244,275.78
Net Proceeds	\$ 195,897.67	\$ 43,867.13	\$ 9,125.32	\$ -	248,890.12
Net Proceeds for General Use					(24,313.26)
Net Proceeds for Scholarships					\$ 224,576.86

Note K – DIRECT SUPPORT TO COLLEGE

The Foundation provided direct support to the College during the fiscal years ended June 30, 2024 and 2023, respectively, for the following:

	2024	2023
Various Projects / Enhancements	\$ 79,254.27	\$ 46,210.25

NOTE 24: SUBSEQUENT EVENTS

Management has reviewed and evaluated all events and transactions that occurred between June 30, 2024 and February 19, 2025, the date that the financial statements were issued for possible disclosure and recognition in the financial statements, and no items have come to the attention of the college that would require disclosure.

REQUIRED SUPPLEMENTARY INFORMATION

PART II

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

	Plan Measurement Date Ending June 30,				
	2023	2022	2021	2020	2019
College's Proportion of the Net Pension Liability	0.1066814755%	0.1043760410%	0.1098494729%	0.1087503520%	0.1146218535%
College's Proportionate Share of the Net Pension Liability	\$ 15,452,144	\$ 15,751,781	\$ 13,013,317	\$ 17,734,338	\$ 20,653,119
College's Covered Payroll (Plan Measurement Period)	\$ 8,344,830	\$ 7,992,311	\$ 7,833,710	\$ 7,940,004	\$ 8,249,076
College's Proportionate Share of the Net Pension Liability as a Percentage of Covered Payroll	185.17%	197.09%	166.12%	223.35%	250.37%
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	65.23%	62.91%	70.33%	58.32%	52.67%
	Plan Measurement Date Ending June 30,				
	2018	2017	2016	2015	2014
College's Proportion of the Net Pension Liability	0.1340898712%	0.1417440239%	0.1457388356%	0.1465382569%	0.1546096918%
College's Proportionate Share of the Net Pension Liability	\$ 26,401,627	\$ 32,995,743	\$ 43,163,663	\$ 32,894,902	\$ 28,947,163
College's Covered Payroll (Plan Measurement Period)	\$ 9,341,500	\$ 10,017,260	\$ 10,150,520	\$ 10,353,340	\$ 11,023,844
College's Proportionate Share of the Net Pension Liability as a Percentage of Covered Payroll	282.63%	329.39%	425.24%	317.72%	262.59%
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	53.60%	48.10%	40.14%	47.93%	52.08%

ATLANTIC CAPE COMMUNITY COLLEGE
Required Supplementary Information - Part II
Schedule of the College's Contributions
Public Employees' Retirement System (PERS)
Last Ten Fiscal Years

	Fiscal Year Ended June 30,				
	2024	2023	2022	2021	2020
Contractually Required Contribution	\$ 1,429,217	\$ 1,425,829	\$ 1,316,232	\$ 1,286,465	\$ 1,189,675
Contributions in Relation to the Contractually Required Contribution	(1,429,217)	(1,425,829)	(1,316,232)	(1,286,465)	(1,189,675)
Contribution Deficiency (Excess)	\$ <u>-</u>	\$ <u>-</u>	\$ <u>-</u>	\$ <u>-</u>	\$ <u>-</u>
College's Covered Payroll (Fiscal Year)	\$ 8,344,830	\$ 7,992,311	\$ 7,833,710	\$ 7,582,701	\$ 8,033,450
Contributions as a Percentage of College's Covered Payroll	17.13%	17.84%	16.80%	16.97%	14.81%
	Fiscal Year Ended June 30,				
	2019	2018	2017	2016	2015
Contractually Required Contribution	\$ 1,114,937	\$ 1,333,761	\$ 1,313,107	\$ 1,294,723	\$ 1,259,836
Contributions in Relation to the Contractually Required Contribution	(1,114,937)	(1,333,761)	(1,313,107)	(1,294,723)	(1,259,836)
Contribution Deficiency (Excess)	\$ <u>-</u>	\$ <u>-</u>	\$ <u>-</u>	\$ <u>-</u>	\$ <u>-</u>
College's Covered Payroll (Fiscal Year)	\$ 7,948,478	\$ 8,470,547	\$ 9,536,327	\$ 9,843,180	\$ 9,823,077
Contributions as a Percentage of College's Covered Payroll	14.03%	15.75%	13.77%	13.15%	12.83%

ATLANTIC CAPE COMMUNITY COLLEGE
 Required Supplementary Information - Part II
 Notes to Required Supplementary Information
 Public Employees' Retirement System (PERS)
 Last Ten Fiscal Years

Public Employees' Retirement System (PERS)

Changes in Benefit Terms

The June 30, 2023 measurement date included the following changes to the plan provisions:

NONE

Changes in Assumptions

The discount rate used as of June 30 measurement date is as follows:

<u>Year</u>	<u>Rate</u>	<u>Year</u>	<u>Rate</u>
2023	7.00%	2018	5.66%
2022	7.00%	2017	5.00%
2021	7.00%	2016	3.98%
2020	7.00%	2015	4.90%
2019	6.28%	2014	5.39%

The long-term expected rate of return used as of June 30 measurement date was as follows:

<u>Year</u>	<u>Rate</u>	<u>Year</u>	<u>Rate</u>
2023	7.00%	2018	7.00%
2022	7.00%	2017	7.00%
2021	7.00%	2016	7.65%
2020	7.00%	2015	7.90%
2019	7.00%	2014	7.90%

The mortality assumption was updated upon direction from the DPB.

REQUIRED SUPPLEMENTARY INFORMATION

PART III

ATLANTIC CAPE COMMUNITY COLLEGE
Required Supplementary Information - Part III
Schedule of the College's Total OPEB Liability and Related Ratios
Last Six Plan Years

	Plan Measurement Date Ending June 30,						
	2023	2022	2021	2020	2019	2018	2017
Total Non-Employer OPEB Liability - State's Proportionate Share of the Total OPEB Liability Associated with the College							
Changes for the Year:							
Service Cost	\$ 2,432,824	\$ 3,231,558	\$ 3,254,549	\$ 2,177,721	\$ 2,200,001	\$ 2,620,896	\$ 3,137,386
Interest Cost	2,238,908	1,661,902	1,936,627	1,899,123	2,361,281	2,397,930	2,061,623
Change in Benefit Terms	(2,251,223)	1,578,365	(14,981,874)	14,803,179	(10,567,721)	(2,170,570)	-
Difference Between Expected and Actual Experience	128,134	(16,822,699)	73,653	15,695,984	787,282	(6,838,705)	(8,544,924)
Changes in Assumptions	57,375	52,810	49,510	45,342	48,047	55,075	55,542
Member Contributions	(1,745,265)	(1,646,163)	(1,525,519)	(1,495,925)	(1,620,864)	(1,593,521)	(1,508,384)
Gross Benefit Payments							
Net Change in Total Non-Employer OPEB Liability	860,753	(11,944,227)	(11,272,515)	33,125,424	(6,791,974)	(5,528,895)	(4,798,757)
Total Non-Employer OPEB Liability - Beginning of Fiscal Year	62,710,665	74,654,892	85,927,407	52,801,983	59,593,957	65,122,852	69,921,609
Total Non-Employer OPEB Liability - End of Fiscal Year	<u>63,571,418</u>	<u>62,710,665</u>	<u>74,654,892</u>	<u>85,927,407</u>	<u>52,801,983</u>	<u>59,593,957</u>	<u>\$ 65,122,852</u>
College's Covered Payroll (Plan Measurement Period)	<u>25,027,192</u>	<u>25,202,752</u>	<u>23,231,794</u>	<u>15,054,588</u>	<u>14,626,553</u>	<u>15,520,110</u>	<u>\$ 16,759,740</u>
State's Proportionate Share of the Total Non-Employer OPEB Liability Associated with the College as a Percentage of Covered Payroll	254.01%	248.82%	321.35%	570.77%	361.00%	383.98%	388.57%

Note: This schedule is presented to illustrate the requirement to show information for 10 years.

However, until a full 10-year trend is compiled, this presentation will only include information for those years for which information is available.

ATLANTIC CAPE COMMUNITY COLLEGE
 Required Supplementary Information - Part III
 Notes to Required Supplementary Information
 For the Fiscal Year Ended June 30, 2024

OPEBChanges in Benefit Terms

NONE

Changes in Assumptions

The discount rate used as of June 30 measurement date is as follows:

<u>Year</u>	<u>Rate</u>
2023	3.65%
2022	3.54%
2021	2.16%
2020	2.21%
2019	3.50%
2018	3.87%
2017	3.58%

The mortality assumption was updated upon direction from the DPB.

Mortality Rates (June 30, 2023 Measurement Date) - Preretirement mortality rates were based on the Pub-2010 Healthy "Teachers" (TPAF/ABP), "General" (PERS), and "Safety" (PFRS) classification headcount-weighted mortality table with fully generational mortality improvement projections from the central year using Scale MP-2021. Postretirement mortality rates were based on the Pub-2010 "General" classification headcount-weighted mortality table with fully generational mortality improvement projections from the central year using Scale MP-2021. Disability mortality was based on the Pub-2010 "General" classification headcount-weighted disabled mortality table with fully generational mortality improvement projections from the central year using Scale MP-2021 for current disabled retirees. Future disabled retirees was based on the Pub-2021 "Safety" (PFRS), "General" (PERS), and "Teachers" (TPAF/ABP) classification headcount-weighted disabled mortality table with fully generational mortality improvement projections from the central year using Scale MP-2021.

ATLANTIC CAPE COMMUNITY COLLEGE

June 30, 2024

Supplemental Financial Information

**ATLANTIC CAPE COMMUNITY COLLEGE
SUPPLEMENTAL FINANCIAL INFORMATION
BALANCE SHEETS
JUNE 30, 2024 and 2023**

	2024	2023		2024	2023
ASSETS			LIABILITIES AND FUND BALANCES		
Current funds:			Current funds:		
Unrestricted:			Unrestricted:		
Cash and cash equivalents	\$ 16,931,279	\$ 17,247,648	Accounts payable and other accruals	\$ 4,625,600	\$ 4,618,703
Security deposit	2,742	2,017	Compensated absences	1,731,757	1,515,900
Restricted cash	3,945,772	3,150,093	Deferred revenue	2,151,292	2,050,007
Accounts receivable:			Student deposits and other liabilities	62,741	64,843
Students, less allowance for				<u>8,571,390</u>	<u>8,249,453</u>
uncollectible accounts of					
\$1,230,785 and \$802,353 respectively	1,049,353	785,995	Interfund balances	2,944,659	2,073,760
Federal, state, county and local	189,039	199,120	Fund balances:		
Other	37,401	101,708	Allocated for student activities	50,226	83,482
Inventories, at cost	92,093	91,672	Allocated for SUI reserve	650,000	650,000
Prepaid expenses	744,633	667,910	Allocated for encumbrances	153,781	85,633
			Allocated for Technology Replacement Reserve	1,834,051	2,150,118
			Allocated for <i>A Vision for Success</i> Reserve	500,000	500,000
			Unallocated	8,288,205	8,453,717
				<u>11,476,263</u>	<u>11,922,950</u>
			Total unrestricted	<u>22,992,312</u>	<u>22,246,163</u>
Total unrestricted	<u>22,992,312</u>	<u>22,246,163</u>			
Restricted:			Restricted:		
Accounts receivable			Accounts payable and other accruals	1,848,817	2,220,080
Federal, state, county and local	2,003,068	2,596,632	Deferred revenue	1,824,553	977,578
Other assets	81,594	77,444		<u>3,673,370</u>	<u>3,197,658</u>
Prepaid expenses	21,613	18,035			
			Fund balance	325,753	344,594
Interfund balances	1,892,848	850,141	Total restricted	<u>3,999,123</u>	<u>3,542,252</u>
Total restricted	<u>3,999,123</u>	<u>3,542,252</u>			
			Total current funds	<u>\$ 26,991,435</u>	<u>\$ 25,788,415</u>
Total current funds	<u>\$ 26,991,435</u>	<u>\$ 25,788,415</u>			

(CONTINUED)

**ATLANTIC CAPE COMMUNITY COLLEGE
SUPPLEMENTAL FINANCIAL INFORMATION
BALANCE SHEETS
JUNE 30, 2024 and 2023**

	2024	2023		2024	2023
ASSETS			LIABILITIES AND FUND BALANCES		
Endowment fund:			Endowment fund:		
Cash	\$ -	\$ -	Fund balance - true endowment	\$ 880,903	\$ 875,462
Interfund balances	880,903	875,462			
Total endowment fund	<u>\$ 880,903</u>	<u>\$ 875,462</u>	Total endowment fund	<u>\$ 880,903</u>	<u>\$ 875,462</u>
Plant funds:			Plant funds:		
Unexpended:			Unexpended:		
Cash	\$ -	\$ -	Accounts payable	\$ 366,020	\$ 971,796
Accounts receivable					
Federal, state, county and local	559,919	1,087,260	Fund balances:		
Interfund balances	170,908	348,157	Restricted expendable	364,807	463,621
Total unexpended plant funds	<u>730,827</u>	<u>1,435,417</u>		<u>364,807</u>	<u>463,621</u>
			Total unexpended plant funds	<u>730,827</u>	<u>1,435,417</u>
Investment in plant:			Investment in plant:		
Land	2,370,097	2,370,097			
Construction in progress	2,523,023	1,214,118			
Land improvements	1,154,651	1,228,537			
Infrastructure	1,064,950	1,097,348			
Buildings and improvements	63,766,932	66,686,102			
Other improvements	2,880	3,264			
Furniture and equipment	5,794,836	5,904,994			
Library books and audio equipment	1,203	6,416			
Other assets	550,012	606,404	Fund balance	77,228,584	79,117,280
Total investment in plant	<u>77,228,584</u>	<u>79,117,280</u>		<u>77,228,584</u>	<u>79,117,280</u>
			Total investment in plant	<u>77,228,584</u>	<u>79,117,280</u>
Total plant funds	<u>\$ 77,959,411</u>	<u>\$ 80,552,697</u>	Total plant funds	<u>\$ 77,959,411</u>	<u>\$ 80,552,697</u>

**ATLANTIC CAPE COMMUNITY COLLEGE
SUPPLEMENTAL FINANCIAL INFORMATION
STATEMENT OF CHANGES IN FUND BALANCES
FOR THE FISCAL YEAR ENDED JUNE 30, 2024**

	Current Funds		Endowment Fund	Plant Funds	
	Unrestricted	Restricted		Unexpended	Investment in Plant
Revenues and other additions:					
Educational and general revenues	\$ 39,616,215			\$ 267,663	
Sales and services auxiliary enterprises	85,312				
Federal, state and county grants and contracts - restricted		\$ 21,436,230			
Private gifts, grants and contracts - restricted		889,534	\$ 4,864		
Chargeback minor capital				523	
State pension contribution	529,906				
Investment and other income	798,417	45,935			
Restricted appropriations				3,919,717	
Funds for plant facilities					\$ 1,599,346
Capital funded by operations					1,662,556
Total revenues and other additions	<u>41,029,850</u>	<u>22,371,699</u>	<u>4,864</u>	<u>4,187,903</u>	<u>3,261,902</u>
Expenditures and other deductions:					
Educational and general expenditures	41,174,912	22,117,721			
Auxiliary enterprises expenditures	118,567				
Depreciation and amortization expense					6,267,831
Expansion of plant facilities	183,058	206,275		3,057,712	
Disposal of plant assets					177,739
Total expenditures and other deductions	<u>41,476,537</u>	<u>22,323,996</u>	<u>-</u>	<u>3,057,712</u>	<u>6,445,570</u>
Transfers among funds:					
Non-mandatory:					
Endowment fund		(577)	577		
Other transfers:					
Interfund transfers				13,933	(13,933)
Construction in progress		(65,967)		(1,242,938)	1,308,905
Net transfers	<u>-</u>	<u>(66,544)</u>	<u>577</u>	<u>(1,229,005)</u>	<u>1,294,972</u>
Net increase (decrease)	(446,687)	(18,841)	5,441	(98,814)	(1,888,696)
Fund balance, beginning of year	\$ 11,922,950	\$ 344,594	\$ 875,462	\$ 463,621	\$ 79,117,280
Fund balance, end of year	<u>\$ 11,476,263</u>	<u>\$ 325,753</u>	<u>\$ 880,903</u>	<u>\$ 364,807</u>	<u>\$ 77,228,584</u>

ATLANTIC CAPE COMMUNITY COLLEGE
SUPPLEMENTAL FINANCIAL INFORMATION
STATEMENT OF CURRENT FUND REVENUES, EXPENDITURES
AND OTHER CHANGES
FOR THE FISCAL YEAR ENDED JUNE 30, 2024

	<u>Unrestricted</u>	<u>Restricted</u>	<u>Total</u>
Revenues:			
Tuition and fees	\$ 23,516,036		\$ 23,516,036
Appropriations:			
State	7,667,366		7,667,366
Local	8,621,346		8,621,346
Chargebacks	54,670		54,670
Grants and contracts:			
Federal, state and local	33,273	\$ 21,182,255	21,215,528
Private gifts, grants and contracts		889,534	889,534
Sales and services of educational departments	31,872		31,872
Sales and services auxiliary enterprises	85,312		85,312
Other sources	<u>1,182,107</u>	<u>45,934</u>	<u>1,228,041</u>
Total current revenues	<u>41,191,982</u>	<u>22,117,723</u>	<u>63,309,705</u>
Expenditures:			
Educational and general:			
Instruction	13,510,985	927,439	14,438,424
Public service	38,662	934,597	973,259
Academic support	5,200,521	1,066,534	6,267,055
Student services	5,625,248	1,397,171	7,022,419
Institutional support	9,008,313	43,309	9,051,622
Operation and maintenance of plant	7,791,182	33,344	7,824,526
Scholarship and other student aid	<u>162,133</u>	<u>17,715,328</u>	<u>17,877,461</u>
Total education and general expenditures	41,337,044	22,117,722	63,454,766
Auxiliary enterprises	<u>118,567</u>		<u>118,567</u>
Total expenditures	<u>41,455,611</u>	<u>22,117,722</u>	<u>63,573,333</u>
Transfers among funds and other additions:			
Non-mandatory:			
Plant fund			
Endowment fund		(577)	(577)
Restricted fund			
Expansion of plant facilities	(183,058)	(272,242)	(455,300)
Other			
Excess of restricted revenues over expenditures and transfers		253,977	253,977
Net transfers	<u>(183,058)</u>	<u>(18,842)</u>	<u>(201,900)</u>
Net increase in fund balances	<u>\$ (446,687)</u>	<u>\$ (18,841)</u>	<u>\$ (465,528)</u>

**ATLANTIC CAPE COMMUNITY COLLEGE
SUPPLEMENTAL FINANCIAL INFORMATION
BUDGET COMPARISON TO ACTUAL
FOR THE FISCAL YEAR ENDED JUNE 30, 2024**

	<u>Original Budget</u>	<u>Adjusted Revised Budget</u>	<u>Actual Activity</u>	<u>Variance from Original Budget</u>
<u>Current Unrestricted Income</u>				
General Education:				
Credit Tuition	\$ 15,974,148	\$ 15,974,148	\$ 15,158,359	\$ (815,789)
Continuing Education	1,500,000	1,500,000	1,360,712	(139,288)
Student Fees	6,483,502	6,483,502	6,834,834	351,332
Government Appropriations:				
Atlantic County	6,837,110	6,837,110	6,837,110	-
Cape May County	1,784,236	1,784,236	1,784,236	-
State of New Jersey	5,717,524	5,717,524	7,137,460	1,419,936
Chargeback	55,772	55,772	54,670	(1,102)
Other Source (includes Investment Income, Bookstore and Vending Commissions, Rents, Conferencing)	<u>960,000</u>	<u>960,000</u>	<u>1,247,252</u>	<u>287,252</u>
Total Education and General Income	39,312,292	39,312,292	40,414,633	1,102,341
ABP Reimbursement	<u>550,000</u>	<u>550,000</u>	<u>529,906</u>	<u>(20,094)</u>
Adjusted Education and General Income	39,862,292	39,862,292	40,944,539	1,082,247
<u>Current Unrestricted Expenses</u>				
Instructional	13,366,332	13,564,808	13,515,484	149,152
Public Service	33,500	51,636	38,662	5,162
Academic Support	5,676,539	5,325,688	5,200,521	(476,018)
Student Services	5,646,390	5,723,990	5,625,248	(21,142)
Institutional Support	9,230,804	9,291,563	9,025,705	(205,099)
Plant Operations and Maintenance	<u>7,607,235</u>	<u>7,688,748</u>	<u>7,636,283</u>	<u>29,048</u>
Total Education and General Expenditures	41,560,800	41,646,433	41,041,903	(518,897)
Education and General Operating Margin	<u>\$ (1,698,508)</u>	<u>\$ (1,784,141)</u>	<u>(97,364)</u>	<u>\$ 1,601,144</u>
**				
Auxiliary Enterprises			(33,255)	
Adjusted Operating Margin			<u>\$ (130,619)</u>	

**Note: Mandatory and non-mandatory transfers requiring use of funds from the current unrestricted fund balance are recorded as additions or deductions from the current year operations in the above schedule.

**ATLANTIC CAPE COMMUNITY COLLEGE
SUPPLEMENTAL FINANCIAL INFORMATION
SALARY EXPENDITURES
FOR THE FISCAL YEAR ENDED JUNE 30, 2024**

Current unrestricted fund:

Educational and general:

Instruction	\$9,378,468
Public service	125
Academic support	2,955,169
Student services	3,318,196
Institutional support	4,811,043
Operations and maintenance of plant	<u>2,724,900</u>

Total educational and general expenditures	23,187,901
--	------------

Auxiliary enterprises	<u>-</u>
-----------------------	----------

Total unrestricted salary expenditures	23,187,901
--	------------

Restricted funds salary expenditures	2,028,705
--------------------------------------	-----------

Capital projects salary expenditures	-
--------------------------------------	---

Subtotal	<u>25,216,606</u>
----------	-------------------

Federal college work study program included in Restricted funds salary expenditures	(233,301)
--	-----------

Total salary expenditures	<u><u>\$24,983,305</u></u>
---------------------------	----------------------------

* This schedule presents wages only. Fringe benefits are not included.

SINGLE AUDIT SECTION



**REPORT ON COMPLIANCE WITH REQUIREMENTS APPLICABLE TO EACH MAJOR PROGRAM
AND ON INTERNAL CONTROL OVER COMPLIANCE IN ACCORDANCE WITH THE UNIFORM
GUIDANCE AND NEW JERSEY OMB CIRCULAR 15-08**

Board of Trustees
Atlantic Cape Community College
(a component unit of the County of Atlantic)
Mays Landing, New Jersey

Report on Compliance for Each Major Federal & State Program

Opinion on Each Major Federal & State Program

We have audited the Atlantic Cape Community College (a component unit of the County of Atlantic)'s compliance with the types of compliance requirements described in the *OMB Compliance Supplement* and the *New Jersey State Aid/Grant Compliance Supplement* that could have a direct and material effect on each of the College's major federal and state programs for the year ended June 30, 2024. The College's major federal and state programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

In our opinion, the College complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal and state programs for the year ended June 30, 2024.

Basis for Opinion on Each Major Federal & State Program

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS), the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States, and the audit requirements of Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance) and NJ OMB 15-08. Our responsibilities under those standards and the Uniform Guidance are further described in the Auditor's Responsibilities for the Audit of Compliance section of our report.

We are required to be independent of the College and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on compliance for each major federal and state program. However, our audit does not provide a legal determination of the College's compliance with the requirements referred to above.

Responsibilities of Management for Compliance

Management is responsible for compliance with the requirements referred to above and for the design, implementation, and maintenance of effective internal control over compliance with the requirements of laws, statutes, regulations, rules and provisions of contracts or grant agreements applicable to its Federal and State programs.

Auditor's Responsibilities for the Audit of Compliance

Our objectives are to obtain reasonable assurance about whether material noncompliance with the compliance requirements referred to above occurred, whether due to fraud or error, and express an opinion on the College's compliance based on our audit. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards, *Government Auditing Standards*, the Uniform Guidance and NJ OMB 15-08 will always detect material noncompliance when it exists. The risk of not detecting material noncompliance resulting from fraud is higher than for that resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Noncompliance with the compliance requirements referred to above is considered material if there is a

substantial likelihood that, individually or in the aggregate, it would influence the judgment made by a reasonable user of the report on compliance about the College's compliance with the requirements of each major federal or state program as a whole.

In performing an audit in accordance with generally accepted auditing standards, *Government Auditing Standards*, and the Uniform Guidance, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material noncompliance, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding College's compliance with the compliance requirements referred to above and performing such other procedures as we considered necessary in the circumstances.
- Obtain an understanding of College's internal control over compliance relevant to the audit in order to design audit procedures that are appropriate in the circumstances and to test and report on internal control over compliance in accordance with the Uniform Guidance and NJ OMB 15-08, but not for the purpose of expressing an opinion on the effectiveness of the College's internal control over compliance. Accordingly, no such opinion is expressed.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and any significant deficiencies and material weaknesses in internal control over compliance that we identified during the audit.

Other Matters

The results of our auditing procedures disclosed no instances of noncompliance which are required to be reported in accordance with the Uniform Guidance or NJ OMB 15-08.

Report on Internal Control Over Compliance

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

Our consideration of internal control over compliance was for the limited purpose described in the Auditor's Responsibilities for the Audit of Compliance 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. Given these limitations, during our audit we did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses as defined above. However, material weaknesses or significant deficiencies in internal control over compliance may exist that have not been identified.

Our audit was not designed for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, no such opinion is expressed.

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

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

February 19, 2025

ATLANTIC CAPE COMMUNITY COLLEGE

June 30, 2024

The following single audit financial information is provided in accordance with the Title 2 U.S. Code of Federal Regulations Part 200 and New Jersey OMB Circular 15-08

ATLANTIC CAPE COMMUNITY COLLEGE
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2024

													BALANCE JUNE 30, 2024		
FAL	PASS THROUGH												ACCOUNTS	DEFERRED	DUE TO
NUMBER	ENTITY IDENTIFYING	GRANT ID	GRANT	AWARD	FY24	AMOUNT	FY24	FY24		PASS-	CUMULATIVE		RECEIVABLE	REVENUE	GRANTOR AT
	NUMBER	NUMBER	PERIOD	AUTHOR-	CASH	RECEIVED	RETURN TO	GRANT	TRANSFER	THROUGH TO	GRANT				6/30/2024
				IZATIONS	RECEIVED	TO DATE	GRANTOR	EXPENDITURES		SUBRECIPIENTS	EXPENDITURES				
U.S. DEPARTMENT OF EDUCATION:															
(DIRECT FUNDING)															
Student Financial Aid Cluster:	84.063	N/A	P063P231803	7/1/23-8/31/24	\$ 10,606,035	\$ 9,479,770	\$ 9,479,770	\$ (12,000)	\$ 10,606,035		\$ 10,606,035	\$ 1,138,265			
Federal Pell Grant Program- Authorization	84.063	N/A	P063Q231803	7/1/23-8/31/24	13,385	10,605	10,605		13,385		13,385	2,780			
Federal Pell Grant Program- ACA	84.063	N/A	P063P221803	7/1/22-8/31/23	10,113,143	939,060	10,146,781	(33,638)	(1,195)		10,113,143				
Federal Pell Grant Program- Authorization	84.063	N/A	P063Q221803	7/1/22-8/31/23	13,825	2,960	13,740		85		13,825	85			
Federal Pell Grant Program- ACA	84.063	N/A	P063Q211803	7/1/21-8/31/22	13,660	80	13,660				13,660				
Federal Pell Grant Program- ACA						10,432,475	19,664,556	(45,638)	10,618,310		20,760,048	1,141,130			
	84.007	N/A	P007A232529	7/1/23-8/31/24	225,149	136,377	136,377		189,610	\$ 22,654	212,264	75,887			
Federal Supplemental Educational Opportunity Grants	84.007	N/A	P007A222529	7/1/22-8/31/23	215,895	69,083	215,895		18,609		215,895				
Federal Supplemental Educational Opportunity Grants						205,460	352,272		208,219	22,654	428,159	75,887			
	84.033	N/A	P033A232529	7/1/23-6/30/24	210,647	210,647	210,647		233,301	(22,654)	210,647				
Federal Work-Study Program						210,647	210,647		233,301	(22,654)	210,647				
	84.268	N/A	P268K241803	7/1/23-8/31/24	1,025,895	972,809	972,809		1,025,895		1,025,895	53,086			
Federal Direct Student Loans - Subsidized	84.268	N/A	P268K241803	7/1/23-8/31/24	1,017,513	942,707	942,707		1,017,513		1,017,513	74,806			
Federal Direct Student Loans - Unsubsidized	84.268	N/A	P268K241803	7/1/23-8/31/24	149,661	149,661	149,661		149,661		149,661				
Federal Direct Student Loans - PLUS	84.268	N/A	P268K231803	7/1/22-8/31/23	1,152,383	67,889	1,152,383				1,152,383				
Federal Direct Student Loans - Subsidized	84.268	N/A	P268K231803	7/1/22-8/31/23	1,015,648	113,649	1,015,648				1,015,648				
Federal Direct Student Loans - Unsubsidized	84.268	N/A	P268K231803	7/1/22-8/31/23	147,521	6,437	147,521				147,521				
Federal Direct Student Loans - PLUS						2,253,152	4,380,729		2,193,069		4,508,621	127,892			
Total Student Financial Aid Cluster						13,101,734	24,608,204	(45,638)	13,252,899		25,907,475	1,344,909			
Education Stabilization Fund (ESF):															
COVID-19 Student Aid Portion	84.425E	N/A	P425E201484	4/24/20-12/31/23	11,489,560	258,750	11,445,650		256,250		11,445,650				
Higher Education Emergency Relief Fund (HEERF):						258,750	11,445,650		256,250		11,445,650				
(PASS THROUGH NJ OFFICE OF THE SECRETARY OF HIGHER EDUCATION)															
	84.425C	N/A		6/1/21-9/30/23	414,297		414,297		135,042		414,297				
Opportunity Meets Innovation Challenge (GEER II)							414,297		135,042		414,297				
Total Education Stabilization Fund (ESF)						258,750	11,859,947		391,292		11,859,947				
TRIO Cluster:	84.042	N/A	P042A201430	9/1/23-8/30/24	361,922	312,718	312,718		324,154		324,154	11,436			
Student Support Services	84.042	N/A	P042A201430	9/1/22-8/30/23	348,002	48,826	348,002		80,048	(34,174)	348,002				
Student Support Services	84.042	N/A	P042A201430	9/1/21-9/30/22	348,002	34,174	324,345		34,174		324,345				
Student Support Services Cluster						395,718	985,065		404,202		996,501	11,436			
Omnibus Appropriations Act of 2022:	84.116Z	N/A	P116Z220115	9/1/22-9/3/2024	69,000	325	50,423		325		50,423				
Small Unmanned Aircraft Systems Training Program						325	50,423		325		50,423				
(PASS THROUGH NJ DEPARTMENT OF EDUCATION)															
Career and Technical Education - Basic Grants to States	84.048A	100-034-5062-084	PSFS021101	7/1/23-6/30/24	672,007	610,520	610,520		655,495		655,495	44,975			
Career and Technical Education - Basic Grants to States	84.048A	100-034-5062-084	PSFS021101	7/1/23-6/30/24	64,707	51,507	51,507		63,336		63,336	11,829			
Career and Technical Education - Basic Grants to States - RURAL	84.048A	100-034-5062-084	PSFS021101	7/1/22-6/30/23	666,095	136,362	641,893				641,893				
Career and Technical Education - Basic Grants to States	84.048A	100-034-5062-084	PSFS021101	7/1/22-6/30/23	115,497	15,498	100,494				100,494				
Career and Technical Education - Basic Grants to States - RURAL						813,887	1,404,414		718,831		1,461,218	56,804			
(PASS THROUGH NJ COUNCIL OF COMMUNITY COLLEGES)															
College Access Challenge Grant Program	84.378A	N/A	N/A	7/1/23-8/20/24	40,370	6,916	6,916		28,671		28,671	21,755			
College Access Challenge Grant Program	84.378A	N/A	N/A	7/1/22-8/20/23	38,218	36,796	37,396		11,762		37,396				
College Access Challenge Grant Program						43,712	44,312		40,433		66,067	21,755			
(PASS THROUGH NJ DEPARTMENT OF LABOR AND WORKFORCE DEVELOPMENT)															
Adult Education - Basic Grants to States	84.002	100-062-4545-384-N561	ABS-FY2024	7/1/23-6/30/24	744,601	529,569	529,569		646,792	\$ 209,423	646,792	117,223			
Adult Education - Basic Grants to States	84.002	100-062-4545-384-N561	ABS-FY2023	7/1/22-6/30/23	636,193	178,524	549,636				549,636				
						708,093	1,079,205		646,792	209,423	1,196,428	117,223			
Rehabilitation Services & Vocational Rehab Grants to States	84.126	N/A	N/A	7/1/23-6/30/24	4,500	4,500	4,500		4,500		4,500				
						4,500	4,500		4,500		4,500				
Total U.S. Department of Education						15,326,719	40,036,070	(45,638)	15,459,274	209,423	41,542,559	1,552,127			

(CONTINUED)

ATLANTIC CAPE COMMUNITY COLLEGE
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2024

													BALANCE JUNE 30, 2024		
	FAL NUMBER	PASS THROUGH ENTITY IDENTIFYING NUMBER	GRANT ID NUMBER	GRANT PERIOD	AWARD AUTHOR- IZATIONS	FY24 CASH RECEIVED	AMOUNT RECEIVED TO DATE	FY24 RETURN TO GRANTOR	FY24 GRANT EXPENDITURES	TRANSFER	PASS- THROUGH TO SUBRECIPIENTS	CUMULATIVE GRANT EXPENDITURES	ACCOUNTS RECEIVABLE	DEFERRED REVENUE	DUE TO GRANTOR AT 6/30/2024
U.S. DEPARTMENT OF AGRICULTURE:															
(DIRECT FUNDING)	10.351	N/A	35-001-413944614	7/13/20-7/13/23	\$ 40,000	\$ 30,280	\$ 33,348					\$ 33,348			
bizHub Project Total U.S. Department of Agriculture						30,280	33,348					33,348			
U.S. DEPARTMENT OF TREASURY:															
Coronavirus State and Local Fiscal Recovery Funds (CSLFRF): (PASS THROUGH NJ OFFICE OF THE SECRETARY OF HIGHER EDUCATION)															
Professional Development Grant	21.027	100-084-6140	N/A	7/1/23-12/31/26	22,215	22,215	22,215	\$	3,595			3,595		\$ 18,620	
Mental Health in Higher Education:	21.027	100-084-6140	N/A	7/1/23-12/31/26	202,713	202,713	202,713		68,580			68,580		134,133	
Total U.S. Department of Treasury (CSLFRF)						224,928	224,928		72,175			72,175		152,753	
U.S. DEPARTMENT OF LABOR:															
(PASS THROUGH BERGEN COMMUNITY COLLEGE)	17.268	N/A	N/A	7/15/19-7/14/23	531,840	174,340	503,818		119,448			523,398	\$ 19,580		
Scaling Apprenticeships in Health Professions (NJ HealthWorks)						174,340	503,818		119,448			523,398	19,580		
(U.S. ECONOMIC DEVELOPMENT ADMINISTRATION, PASS THROUGH ATLANTIC COUNTY ECONOMIC ALLIANCE)	17.289	N/A	24A60CP000237-01-00	2/1/24-1/31/25	124,365				21,431			21,431	21,431		
ACEA Veteran Drone Pilot Apprenticeship Program									21,431			21,431	21,431		
Total U.S. Department of Labor						174,340	503,818		140,879			544,829	41,011		
U.S. SMALL BUSINESS ADMINISTRATION:															
Congress Earmarks Initiative	59.059	N/A	SBAHQ23IO118	9/1/23-8/31/28	1,000,000	1,000,000	1,000,000		92,169			92,169		907,831	
Congress Earmarks Initiative	59.059	N/A	SBAHQ22IO110	9/1/22-10/31/23	212,000		212,000		72,514			163,725		\$ 48,275	
Total U.S. Small Business Administration						1,000,000	1,212,000		164,683			255,894		907,831	48,275
U.S. DEPARTMENT OF COMMERCE:															
(U.S. ECONOMIC DEVELOPMENT ADMINISTRATION, PASS THROUGH ATLANTIC COUNTY ECONOMIC ALLIANCE)	11.302	N/A	ED22PHI3070003	4/1/22-12/31/23	20,000	17,061	17,061		14,803			20,000	2,939		
USEDA Prime Grant for Aviation-Related Statewide Planning						17,061	17,061		14,803			20,000	2,939		
NATIONAL SCIENCE FOUNDATION:															
(PASS THROUGH SINCLAIR COMMUNITY COLLEGE)	47.076	2300117	2300117-1	10/1/23-9/30/26	31,384				2,242			2,242	2,242		
Educating Entrepreneurial Technicians for Unmanned Aerial Systems									2,242			2,242	2,242		
(PASS THROUGH H. LEE MOFFITT CANCER CENTER AND RESEARCH INSTITUTE, INC.)	47.070	2234836	15-22235-99-01-G1	5/24/23-9/30/24	15,575	12,469	12,469		12,469			12,469			
Educating Entrepreneurial Technicians for Unmanned Aerial Systems						12,469	12,469		12,469			12,469			
Total National Science Foundation						12,469	12,469		14,711			14,711	2,242		
Total Federal Awards						\$ 16,785,797	\$ 42,039,694	\$ (45,638)	\$ 15,866,525	\$ -	\$ 209,423	\$ 42,483,516	\$ 1,598,319	\$ 1,060,584	\$ 48,275

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

**ATLANTIC CAPE COMMUNITY COLLEGE
SCHEDULE OF EXPENDITURES OF STATE FINANCIAL ASSISTANCE
FOR THE FISCAL YEAR ENDED JUNE 30, 2024**

BALANCE JUNE 30, 2024												
	GRANT ID NUMBER	GRANT PERIOD	AWARD AUTHORIZ- ATIONS	FY24 CASH RECEIVED	AMOUNT RECEIVED TO DATE	FY24 RETURN TO GRANTOR	FY24 GRANT EXPENDITURES	PASS- THROUGH TO SUBRECIPIENTS	CUMULATIVE GRANT EXPENDITURES	ACCOUNTS RECEIVABLE	DEFERRED REVENUE	DUE TO GRANTOR AT 6/30/2024
STUDENT FINANCIAL AID CLUSTER: NEW JERSEY COMMISSION ON HIGHER EDUCATION:												
	100-074-2401-001	7/1/23-6/30/24	\$ 268,032	\$ 265,632	\$ 265,632		\$ 268,032		\$ 268,032	\$ 2,400		
Educational Opportunity Fund (EOF) Article III	100-074-2401-001	7/1/22-6/30/23	486,400		238,879	\$ (800)			238,079			
	100-074-2401-001	7/1/21-6/30/22	223,488		217,275	(1,300)			215,975			
Educational Opportunity Fund (EOF) Article III	100-074-2401-001	7/1/23-6/30/24	72,395	72,395	72,395	(1,969)	70,426		70,426			
Educational Opportunity Fund (EOF) Article III - Summer	100-074-2401-001	11/19/23-2/16/24	35,480	35,480	35,480	(18,909)	16,571		16,571			
NEW JERSEY HIGHER EDUCATION STUDENT ASSISTANCE AUTHORITY:												
	100-074-2405-007	7/1/23-8/31/24	2,015,277	1,940,077	1,940,077		2,015,277		2,015,277	141,693		\$ 66,493
Tuition Aid Grant (TAG)	100-074-2405-007	7/1/22-8/31/23	2,055,296	106,280	2,112,042	(56,746)	105,093		2,055,296			
	100-074-2405-007	7/1/21-6/30/22	1,866,892		1,869,285	(2,393)			1,866,892			
Tuition Aid Grant (TAG)	100-074-2405-007	7/1/20-6/30/21	2,169,093		2,171,181	(2,088)			2,169,093			
Tuition Aid Grant (TAG)	100-074-2405-313	7/1/23-6/30/24	357,039	357,039	357,039		357,039		357,039			
Tuition Aid Grant (TAG)	100-074-2405-313	7/1/22-6/30/23	336,283		449,590	(113,307)			336,283			
NJ Stars Program	100-074-2405-308	7/1/23-6/30/24	3,535	3,535	3,535		3,535		3,535			
NJ Stars Program	100-074-2405-332	7/1/23-6/30/24	2,070,020	2,115,979	2,115,979		2,070,020		2,070,020			45,959
NJ BEST	100-074-2405-332	7/1/22-6/30/23	1,774,035		1,832,552	(58,517)			1,774,035			
Community College Opportunity Grant	100-074-2405-332	7/1/21-6/30/22	1,233,555		1,239,486	(5,931)			1,233,555			
Community College Opportunity Grant	100-074-2405-332	7/1/20-6/30/21	1,509,529		1,510,933	(1,404)			1,509,529			
Community College Opportunity Grant	N/A	7/1/23-6/30/24	267,442	267,442	267,442		267,442		267,442			
Community College Opportunity Grant				5,163,859	16,698,802	(263,364)	5,173,435		16,467,079	144,093		112,452
New Jersey State Financial Aid												
NEW JERSEY OFFICE OF THE SECRETARY OF HIGHER EDUCATION:												
	100-074-2401-002	7/1/23-6/30/24	260,786	260,786	260,786		242,710		242,710			18,076
Educational Opportunity Fund (EOF) Article IV	100-074-2401-002	7/1/22-6/30/23	260,786		260,786	(31,859)			228,927			
Educational Opportunity Fund (EOF) Article IV	100-074-2401-002	7/1/24-6/30/25	1,436	1,436	1,436					\$ 1,436		
Educational Opportunity Fund (EOF) Article IV - Summer	100-074-2401-002	7/1/23-6/30/24	968	968	968	(968)						
Educational Opportunity Fund (EOF) Article IV - Summer	100-074-2401-002	7/1/23-6/30/24	131,785	131,785	131,785		124,069		124,069			7,716
Educational Opportunity Fund (EOF) Special Projects	100-074-2401-002	7/1/22-6/30/23	39,598		39,598	(12,563)			27,035			
Educational Opportunity Fund (EOF) Special Projects	100-074-2401-002	7/1/22-6/30/23	36,450		36,450	(11,630)			24,820			
Educational Opportunity Fund (EOF) Retention Initiative	100-074-6140	6/25/21-1/31/26	2,989,198		2,989,198		502,488		2,860,161		129,037	
NJ Offshore Wind Safety Training Challenge	100-074-2400-061	7/1/23-6/30/24	257,819	257,819	257,819		257,819		257,819			
Community College Opportunity Planning Grant	100-082-6140	7/1/23-8/30/2024	100,000	100,000	100,000		49,647		49,647		50,353	
Some College No Degree	100-062-4545-384	4/4/22-8/31/22	13,614		13,614	(2,563)			11,051			
NJ Career Accelerator Internship Grant Program	100-078-6140	7/1/22-6/30/23	250,000		250,000	(206,927)			43,073			
Center for Adult Transition	100-078-6140	5/15/23-8/30/24	269,621	269,621	269,621		131,247		131,247		138,374	
Center for Adult Transition - FY23	100-078-6140	7/1/23-8/30/24	230,400	230,400	230,400		16,849		16,849		213,551	
Center for Adult Transition - FY24	100-064-6140	7/1/23-6/30/24	44,125	44,125	44,125		44,125		44,125			
Hunger Free Campus	100-064-6140	7/1/22-6/30/23	52,113	2,113	52,113				52,113			
Hunger Free Campus	100-082-2000-A92	7/1/21-6/30/25	4,000,000	495,226	3,992,739				3,992,739			
Securing Our Children's Future Bond Act				1,794,279	8,931,438	(266,510)	1,368,954		8,106,385		532,751	25,792
NEW JERSEY DEPARTMENT OF TREASURY HIGHER EDUCATION ADMINISTRATION:												
	100-082-2155-015	7/1/23-6/30/24	7,137,460	7,137,460	7,137,460		7,137,460		7,137,460			
Operational Costs - County Colleges	100-082-2155-017	7/1/23-6/30/24	529,906	355,398	355,398		529,906		529,906	174,508		
Employer Contributions - Alternate Benefits Program	100-082-2155-017	7/1/22-6/30/23	543,685	180,909	543,685				543,685			
Employer Contributions - State Benefits Program	100-082-2155-016	7/1/23-6/30/24	1,593,471	1,484,404	1,484,404		1,593,471		1,593,471	109,067		
P.L. 1971, Chapter 12 Debt Service	100-082-2155-016	7/1/22-6/30/23	1,538,174	459,084	1,538,174				1,538,174			
				9,617,255	11,059,121		9,260,837		11,342,696	283,575		
NEW JERSEY DEPARTMENT OF HEALTH AND HUMAN SERVICES:												
(PASS THROUGH ATLANTIC COUNTY WORKFORCE DEVELOPMENT BOARD)												
	N/A	2/1/22-6/30/23	553,665	51,969	245,049				245,049			
WFNJ/Foundations for Success	N/A	7/1/23-6/30/24	39,967	3,442	3,442		4,823		4,823	1,381		
WFNJ/Oceanside Literacy	N/A	3/1/23-6/30/23	11,892	2,618	2,618				2,618			
WFNJ/Oceanside Literacy	N/A	7/1/23-6/30/24	94,961	56,244	56,244		72,391		72,391	16,147		
Supplemental Learning Lab	N/A	7/1/22-6/30/23	80,350	20,521	59,607				59,607			
Supplemental Learning Lab				134,794	366,960		77,214		384,488	17,528		
(PASS THROUGH NEW JERSEY COUNCIL OF COUNTY COLLEGES)												
	N/A	9/15/23-12/30/23	1,482	1,482	1,482		1,482		1,482			
Mental Health Mini Grant				136,276	368,442		78,696		385,970	17,528		

(CONTINUED)

ATLANTIC CAPE COMMUNITY COLLEGE
SCHEDULE OF EXPENDITURES OF STATE FINANCIAL ASSISTANCE
FOR THE FISCAL YEAR ENDED JUNE 30, 2024

										BALANCE JUNE 30, 2024		
	GRANT ID NUMBER	GRANT PERIOD	AWARD AUTHORIZ-ATIONS	FY24 CASH RECEIVED	AMOUNT RECEIVED TO DATE	FY24 RETURN TO GRANTOR	FY24 GRANT EXPENDITURES	PASS-THROUGH TO SUBRECIPIENTS	CUMULATIVE GRANT EXPENDITURES	ACCOUNTS RECEIVABLE	DEFERRED REVENUE	DUE TO GRANTOR AT 6/30/2024
NEW JERSEY DEPARTMENT OF LABOR AND WORKFORCE DEVELOPMENT:												
Adult Education - Basic Grants to States	100-062-4545-384-N561	7/1/23-6/30/24	49,238	\$ 10,732	\$ 10,732		\$ 30,674	\$ 14,831	\$ 30,674	\$ 19,942		
Adult Education - Basic Grants to States	100-062-4545-384-N561	7/1/22-6/30/23	161,539	36,558	136,087				136,087			
Adult Education - Basic Grants to States		4/18/23-10/30/23	61,111	53,785	53,785		53,785	18,163	53,785			
Adult Education - Online Adult Learning		6/15/23-9/25/24	750,000	92,245	92,245		129,656		129,656	37,411		
Lifelong Learning Accounts				193,320	292,849		214,115	32,994	350,202	57,353		
NEW JERSEY DEPARTMENT OF COMMUNITY AFFAIRS:												
Neighborhood Revitalization Tax Credit (NRTC) Program	2023-02240-0822-00	3/1/23-12/31/25	565,960	48,461	48,461		270,531		270,531	222,070		
Neighborhood Revitalization Tax Credit (NRTC) Program	100-022-8020-168	4/1/21-3/31/22	50,000	20,000	50,000				50,000			
				68,461	98,461		270,531		320,531	222,070		
NEW JERSEY EDUCATIONAL FACILITIES AUTHORITY:												
Higher Education Technology Infrastructure Fund	N/A	1/25/24-7/24/25	434,088	210,503	210,503		360,287		360,287	149,784		
				210,503	210,503		360,287		360,287	149,784		
NEW JERSEY ECONOMIC DEVELOPMENT AUTHORITY:												
New Jersey Asset Activation Planning Grant		5/9/24-11/8/24	50,000	25,000	25,000		8,813		8,813	\$ 16,187		
(PASS THROUGH COUNTY OF CAPE MAY)												
Innovation Challenge Grant - Bizhub	N/A	1/25/19-6/30/23	65,000		65,000		7,390		65,000			
				25,000	90,000		16,203		73,813	16,187		
Total State Financial Assistance				\$ 17,208,953	\$ 37,749,616	\$ (529,874)	\$ 16,743,058	\$ 32,994	\$ 37,406,963	\$ 874,403	\$ 548,938	\$ 138,244

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

ATLANTIC CAPE COMMUNITY COLLEGE
Notes to Schedules of Expenditures of Federal Awards and State Financial
Assistance For the Fiscal Year Ended June 30, 2024

Note 1: **BASIS OF PRESENTATION**

The accompanying schedules of expenditures of federal awards and state financial assistance ("the schedules") include federal and state award activity of Atlantic Cape Community College (hereafter referred to as the "College"). The College is defined in note 2 to the College's basic financial statements. The information in these schedules is presented in accordance with the requirements of Title 2 U.S. Code of Federal Regulations (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance) and State of New Jersey Circular 15-08-OMB, *Single Audit Policy for Recipients of Federal Grants, State Grants and State Aid*. All federal and state awards received directly from federal and state agencies, as well as federal awards and state financial assistance passed through other government agencies, are included on the schedules. Because these schedules present only a selected portion of the operations of the College, it is not intended to and does not present the financial position and changes in operations of the College. Accordingly, some amounts presented in the respective schedules may differ from amounts presented in, or used in the preparation of, the College's June 30, 2024 financial statements.

Note 2: **SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

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

Note 3: **INDIRECT COST RATE**

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

Note 4: **OTHER STUDENT LOAN PROGRAMS**

The College is responsible only for the performance of certain administrative duties with respect to Federal Direct Student Loans and New Jersey Class Loans; accordingly, these loans balances are not included in the College's basic financial statements. It is not practical to determine the balance of loans outstanding to students of the College under these programs as of June 30, 2024.

Note 5: **MAJOR PROGRAMS**

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

ATLANTIC CAPE COMMUNITY COLLEGE
(a component unit of the County of Atlantic)
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE YEAR ENDING JUNE 30, 2024

I. SUMMARY OF AUDITORS RESULTS

Financial Statements

Type of auditor's report issued: Unmodified Opinion

Internal control over financial reporting:

- | | |
|---|---------------|
| 1) Material weakness identified? | No |
| 2) Significant deficiencies identified? | None reported |

Noncompliance material to the Basic Financial Statements noted?	No
---	----

Federal Awards

Internal control over major programs:

- | | |
|---|---------------|
| 1) Material weakness identified? | No |
| 2) Significant deficiencies identified? | 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 Uniform Guidance?	No
--	----

Identification of major programs:

Student Financial Aid Cluster

84.063	Federal Pell Grant Program
84.007	Federal Supplemental Educational Opportunity Grants
84.033	Federal Work-Study Program
84.268	Federal Direct Loans – Subsidized/Unsubsidized/PLUS

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

Auditee qualified as low-risk auditee?	Yes
--	-----

ATLANTIC CAPE COMMUNITY COLLEGE
(a component unit of the County of Atlantic)
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE YEAR ENDING JUNE 30, 2024
(CONTINUED)

I. SUMMARY OF AUDITORS RESULTS - CONTINUED

State Awards

Dollar threshold used to distinguish between type A and Type B Programs:	\$750,000
Auditee qualified as low-risk auditee?	Yes
Type of auditor's report issued on compliance for major programs:	Unmodified Opinion
Internal Control over major programs:	
1) Material weakness identified?	No
2) Significant deficiencies identified?	None reported
Any audit findings disclosed that are required to be reported in accordance with NJ OMB Circular Letter 15-08?	No

Identification of major programs:

<u>GMIS Numbers</u>	<u>Name of State Program</u>
100-074-2401-001	Educational Opportunity Fund Article III
100-074-2405-007	Tuition Aid Grant (TAG)
100-074-2405-313	NJ Stars Program
100-074-2405-308	NJ BEST
100-074-2405-332	Community College Opportunity Grant
N/A	New Jersey Class Loans
100-082-2155-017	Employer Contributions – Alt. Benefit Program

ATLANTIC CAPE COMMUNITY COLLEGE
(a component unit of the County of Atlantic)
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE YEAR ENDING JUNE 30, 2024
(CONTINUED)

II. FINDINGS RELATING TO THE FINANCIAL STATEMENTS WHICH ARE REQUIRED TO BE REPORTED IN ACCORDANCE WITH GENERALLY ACCEPTED GOVERNMENTAL AUDITING STANDARDS

Our audit disclosed no material Findings or Questioned Costs

III. FEDERAL AWARDS AND STATE FINANCIAL ASSISTANCE FINDINGS AND QUESTIONED COSTS

Federal:

Our audit disclosed no material Findings or Questioned Costs.

State:

Our audit disclosed no material Findings or Questioned Costs.

ATLANTIC CAPE COMMUNITY COLLEGE
(a component unit of the County of Atlantic)
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE YEAR ENDING JUNE 30, 2024
(CONTINUED)

STATUS OF PRIOR YEAR FINDINGS

None

STATISTICAL SECTION

(UNAUDITED)

Financial Trends Information

Financial trends information is intended to assist the user in understanding and assessing how the College's financial position has changed over time. Please refer to the following schedules for a historical view of the College's financial performance.

ATLANTIC CAPE COMMUNITY COLLEGE
NET POSITION BY COMPONENT
LAST TEN FISCAL YEARS
(UNAUDITED)

	For the Year Ended June 30,									
	2024	2023	2022	2021	2020	2019	2018	2017	2016	2015
Investment in Capital Assets	\$ 77,228,584	\$ 79,117,280	\$ 78,477,674	\$ 74,568,714	\$ 71,200,805	\$ 72,886,720	\$ 75,814,158	\$ 75,289,360	\$ 70,698,513	\$ 67,194,490
Restricted - expendable	1,390,786	1,541,697	1,649,273	1,670,353	1,710,838	1,759,974	2,043,003	3,158,309	3,547,177	3,680,323
Restricted - nonexpendable	880,903	875,462	868,524	860,817	859,163	854,125	846,653	835,685	825,765	817,160
Unrestricted (Deficit)	(4,688,418)	(7,239,923)	(9,898,342)	(14,441,325)	(22,082,633)	(25,861,038)	(27,200,058)	(27,279,336)	(23,603,807)	(22,816,930)
Total Net Position	<u>\$ 74,811,855</u>	<u>\$ 74,294,516</u>	<u>\$ 71,097,129</u>	<u>\$ 62,658,559</u>	<u>\$ 51,688,173</u>	<u>\$ 49,639,781</u>	<u>\$ 51,503,756</u>	<u>\$ 52,004,018</u>	<u>\$ 51,467,648</u>	<u>\$ 48,875,043</u>

Source: Annual Comprehensive Financial Reports of the College

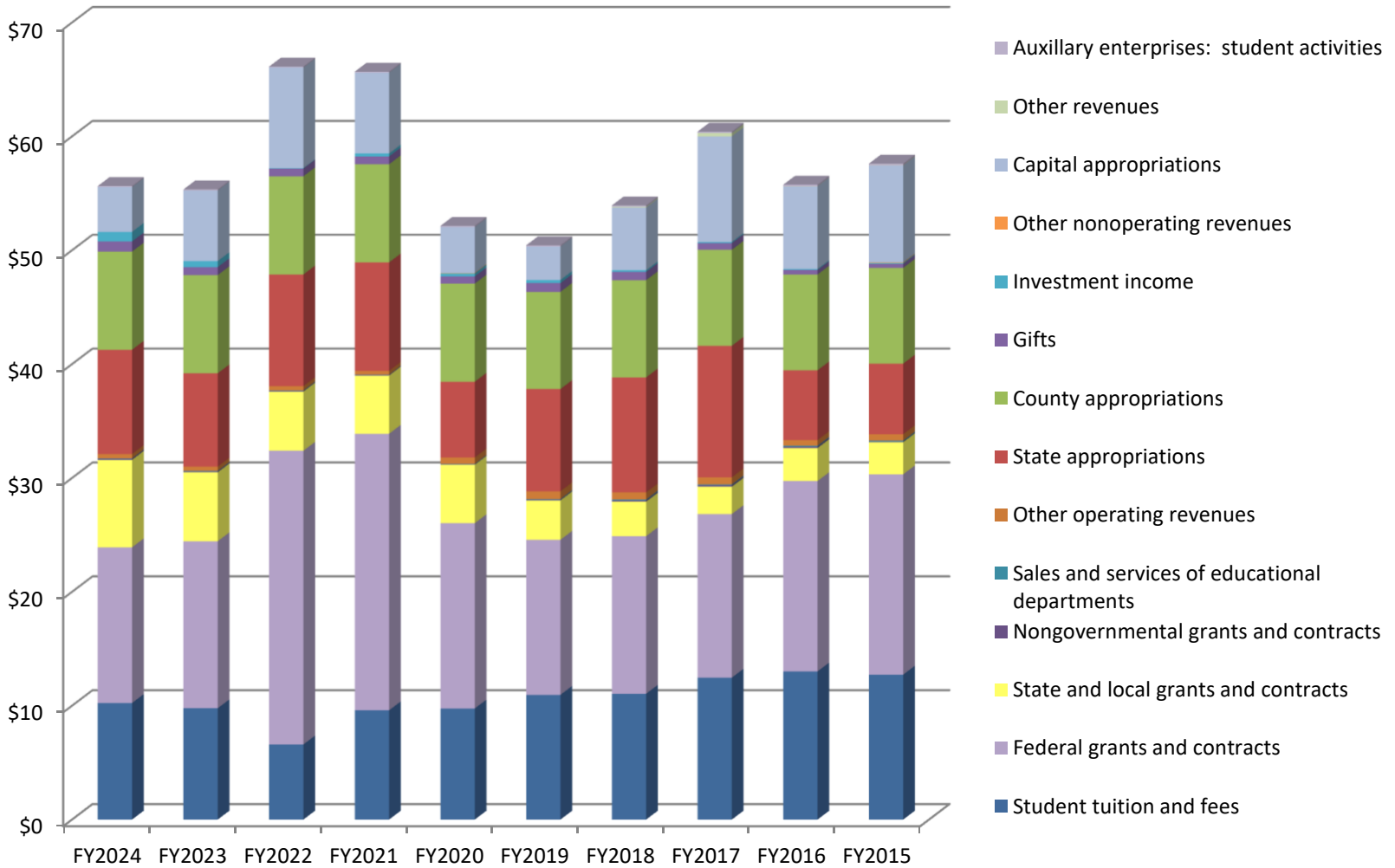
**ATLANTIC CAPE COMMUNITY COLLEGE
CAPITAL ASSET INFORMATION
LAST TEN FISCAL YEARS
(UNAUDITED)**

	For the Year Ended									
	June 30, 2024	June 30, 2023	June 30, 2022	June 30, 2021	June 30, 2020	June 30, 2019	June 30, 2018	June 30, 2017	June 30, 2016	June 30, 2015
Academic Space										
Net assignable square feet	190,125	190,125	189,629	189,629	189,629	189,629	189,629	167,629	167,629	167,629
Mays Landing	116,375	116,375	115,879	115,879	115,879	115,879	115,879	93,879	93,879	93,879
Worthington Atlantic City	53,182	53,182	53,182	53,182	53,182	53,182	53,182	53,182	53,182	53,182
Cape May County	20,568	20,568	20,568	20,568	20,568	20,568	20,568	20,568	20,568	20,568
Administrative and support buildings										
Net assignable square feet	182,265	182,265	182,265	181,959	181,959	181,959	181,959	181,959	181,959	181,959
Mays Landing	135,152	135,152	135,152	134,846	134,846	134,846	134,846	134,846	134,846	134,846
Worthington Atlantic City	22,662	22,662	22,662	22,662	22,662	22,662	22,662	22,662	22,662	22,662
Cape May County	24,451	24,451	24,451	24,451	24,451	24,451	24,451	24,451	24,451	24,451
Athletic facilities										
Practice and intramural fields	3	3	3	3	3	3	3	3	3	3
Gymnasiums	1	1	1	1	1	1	1	1	1	1
Transportation										
Vehicles	12	12	10	10	12	12	12	12	12	12
Parking capacity	1,866	1,866	1,866	1,868	1,868	1,868	1,861	1,882	1,882	1,882
Mays Landing	1,296	1,296	1,296	1,298	1,298	1,298	1,298	1,308	1,308	1,308
Worthington Atlantic City	252	252	252	252	252	252	245	256	256	256
Cape May County	318	318	318	318	318	318	318	318	318	318

Source: College records

**ATLANTIC CAPE COMMUNITY COLLEGE
REVENUES BY SOURCE
LAST TEN FISCAL YEARS
(UNAUDITED)**

Millions



ATLANTIC CAPE COMMUNITY COLLEGE
REVENUES BY SOURCE
LAST TEN FISCAL YEARS
(UNAUDITED)

	FY2024 ACTUAL	FY2023 ACTUAL	FY2022 ACTUAL	FY2021 ACTUAL	FY2020 ACTUAL	FY2019 ACTUAL	FY2018 ACTUAL	FY2017 ACTUAL	FY2016 ACTUAL	FY2015 ACTUAL
Student tuition and fees	\$ 24,335,571	\$ 22,719,633	\$ 22,154,334	\$ 21,497,433	\$ 23,806,723	\$ 22,645,055	\$ 22,462,604	\$ 23,657,536	\$ 24,820,999	\$ 25,635,567
Allowances	(14,098,864)	(12,942,486)	(15,557,322)	(11,900,849)	(14,049,952)	(11,690,475)	(11,411,093)	(11,193,510)	(11,810,732)	(12,905,396)
Student tuition and fees, net	10,236,707	9,777,147	6,597,012	9,596,584	9,756,771	10,954,580	11,051,511	12,464,026	13,010,267	12,730,171
Federal grants and contracts	13,673,450	14,667,092	25,794,022	24,287,472	16,275,557	13,619,298	13,838,463	14,368,475	16,721,372	17,596,061
State and local grants and contracts	7,682,087	6,052,613	5,199,242	5,117,107	5,129,801	3,462,203	3,030,770	2,402,557	2,896,765	2,818,259
Nongovernmental grants and contracts	95,816	74,296	57,270	56,250	34,764	54,709	112,170	127,445	123,422	54,304
Sales and services of educational departments	31,872	45,936	39,586	18,136	37,687	55,329	77,356	67,627	75,981	82,304
Other operating revenues	383,690	380,753	378,479	331,757	566,378	685,396	624,544	626,157	501,552	567,518
Operating Revenues	32,103,622	30,997,837	38,065,611	39,407,306	31,800,958	28,831,515	28,734,814	30,056,287	33,329,359	33,848,617
State appropriations	9,155,135	8,194,188	9,807,079	9,521,867	6,651,389	8,978,848	10,098,949	11,552,290	6,126,540	6,194,910
County appropriations	8,621,869	8,621,924	8,621,977	8,621,685	8,622,037	8,536,603	8,536,679	8,431,319	8,408,622	8,409,196
Gifts	889,534	702,160	679,579	689,059	630,207	770,454	728,020	586,768	401,750	350,384
Investment income	844,352	533,508	38,826	255,733	265,746	275,198	144,328	100,880	81,144	77,724
Other nonoperating revenues	0	0	0	3,365	38,521	0	0	0	0	55,200
Nonoperating revenues	19,510,890	18,051,780	19,147,461	19,091,709	16,207,900	18,561,103	19,507,976	20,671,257	15,018,056	15,087,414
Capital appropriations	3,937,867	6,200,939	8,831,712	7,100,213	4,030,264	2,940,594	5,498,809	9,269,879	7,254,485	8,502,101
Other revenues	0	0	0	0	0	0	78,300	294,040	12,988	22,115
Auxiliary enterprises: student activities	85,312	88,670	86,563	87,248	105,866	101,523	117,187	127,708	140,656	148,771
	\$ 55,637,691	\$ 55,339,226	\$ 66,131,347	\$ 65,686,476	\$ 52,144,988	\$ 50,434,735	\$ 53,937,086	\$ 60,419,171	\$ 55,755,544	\$ 57,609,018

	FY2024 ACTUAL	FY2023 ACTUAL	FY2022 ACTUAL	FY2021 ACTUAL	FY2020 ACTUAL	FY2019 ACTUAL	FY2018 ACTUAL	FY2017 ACTUAL	FY2016 ACTUAL	FY2015 ACTUAL
Student tuition and fees	43.74%	41.06%	33.50%	32.73%	45.65%	44.90%	41.65%	39.16%	44.52%	44.50%
Allowances	-25.34%	-23.39%	-23.52%	-18.12%	-26.94%	-23.18%	-21.16%	-18.53%	-21.18%	-22.40%
Student tuition and fees, net	18.40%	17.67%	9.98%	14.61%	18.71%	21.72%	20.49%	20.63%	23.33%	22.10%
Federal grants and contracts	24.57%	26.50%	39.00%	36.97%	31.21%	27.00%	25.66%	23.78%	29.99%	30.54%
State and local grants and contracts	13.81%	10.94%	7.86%	7.79%	9.84%	6.86%	5.62%	3.98%	5.20%	4.89%
Nongovernmental grants and contracts	0.17%	0.13%	0.09%	0.09%	0.07%	0.11%	0.21%	0.21%	0.22%	0.09%
Sales and services of educational departments	0.06%	0.08%	0.06%	0.03%	0.07%	0.11%	0.14%	0.11%	0.14%	0.14%
Other operating revenues	0.69%	0.69%	0.57%	0.51%	1.09%	1.36%	1.16%	1.04%	0.90%	0.99%
Operating Revenues	57.70%	56.01%	57.56%	60.00%	60.99%	57.16%	53.27%	49.75%	59.78%	58.76%
State appropriations	16.45%	14.81%	14.83%	14.50%	12.76%	17.80%	18.72%	19.12%	10.99%	10.75%
County appropriations	15.50%	15.58%	13.04%	13.12%	16.53%	16.93%	15.83%	13.95%	15.08%	14.60%
Gifts	1.60%	1.27%	1.03%	1.05%	1.21%	1.53%	1.35%	0.97%	0.72%	0.61%
Investment income	1.52%	0.96%	0.06%	0.39%	0.51%	0.55%	0.27%	0.17%	0.15%	0.13%
Other nonoperating revenues	0.00%	0.00%	0.00%	0.00%	0.07%	0.00%	0.00%	0.00%	0.00%	0.10%
Nonoperating revenues	35.07%	32.62%	28.96%	29.06%	31.08%	36.81%	36.17%	34.21%	26.94%	26.19%
Capital appropriations	7.08%	11.21%	13.35%	10.81%	7.73%	5.83%	10.19%	15.34%	13.01%	14.76%
Other revenues	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.15%	0.49%	0.02%	0.04%
Auxiliary enterprises: student activities	0.15%	0.16%	0.13%	0.13%	0.20%	0.20%	0.22%	0.21%	0.25%	0.26%
	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%

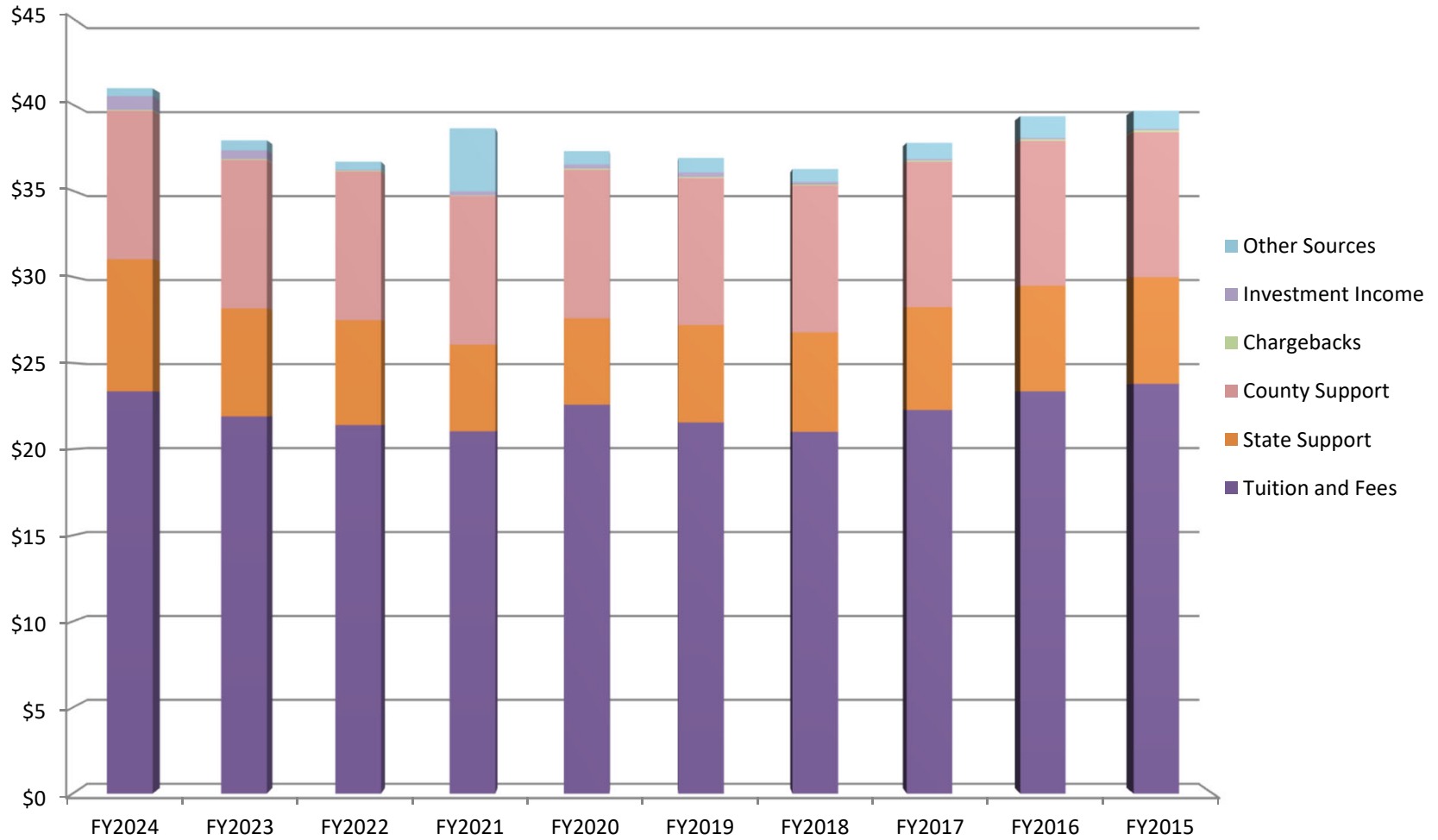
Note: GASB Statement No. 75 was implemented for June 30, 2017 year end.

(Excludes Additions to Permanent Endowments)

Source: Statement of Revenues, Expenses, and Changes in Net Position by Year

**ATLANTIC CAPE COMMUNITY COLLEGE
REVENUES BY SOURCE
CURRENT UNRESTRICTED OPERATING FUND
LAST TEN FISCAL YEARS
(UNAUDITED)**

Millions



ATLANTIC CAPE COMMUNITY COLLEGE
REVENUES BY SOURCE
CURRENT UNRESTRICTED OPERATING FUND
LAST TEN FISCAL YEARS
(UNAUDITED)

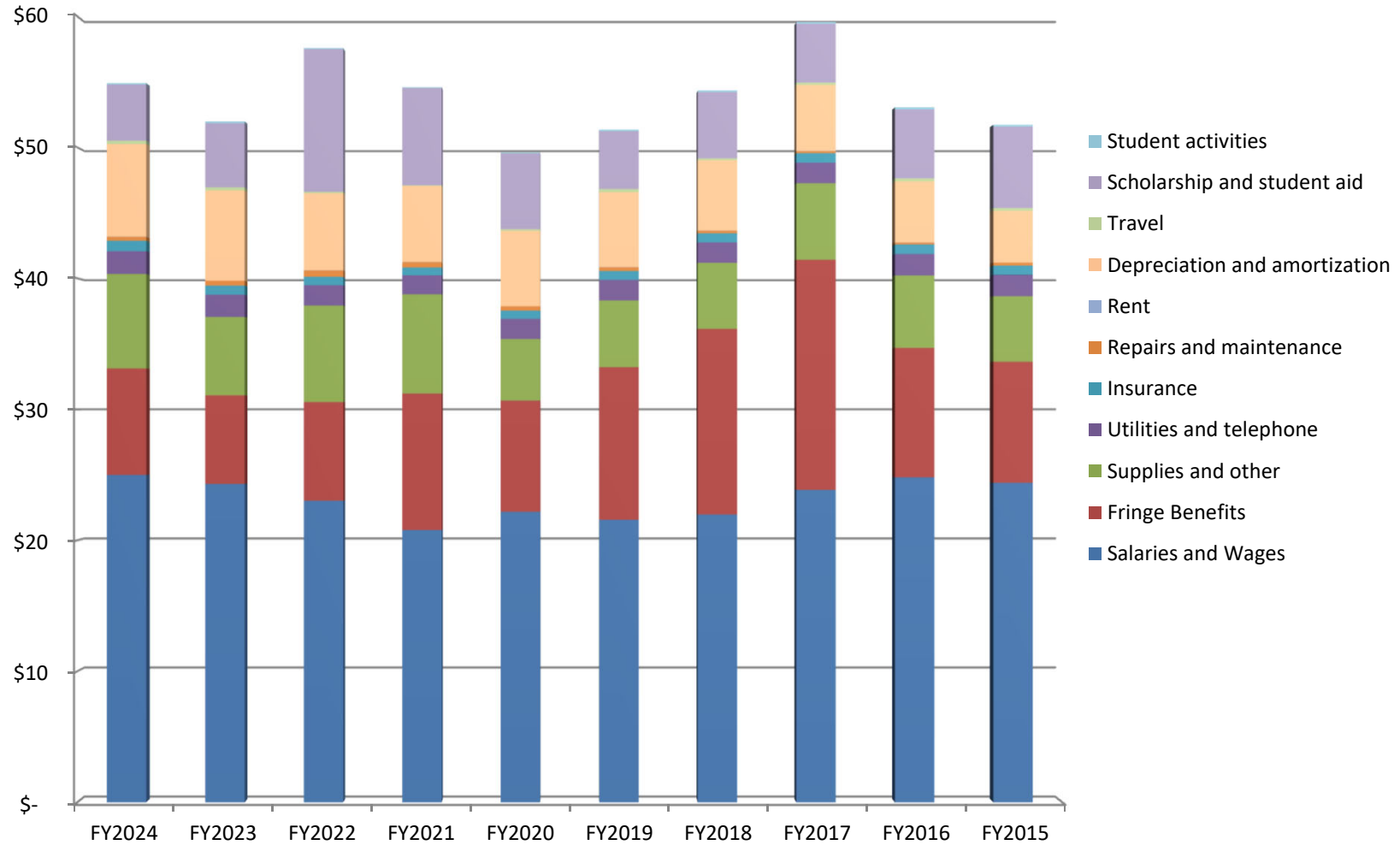
	FY2024 ACTUAL	FY2023 ACTUAL	FY2022 ACTUAL	FY2021 ACTUAL	FY2020 ACTUAL	FY2019 ACTUAL	FY2018 ACTUAL	FY2017 ACTUAL	FY2016 ACTUAL	FY2015 ACTUAL
Source:										
Credit Tuition and Fees	\$ 21,993,193	\$ 20,607,001	\$ 20,315,812	\$ 20,584,914	\$ 21,981,223	\$ 20,688,445	\$ 20,107,654	\$ 21,278,827	\$ 22,290,697	\$ 22,695,549
Continuing Education Programs	1,360,712	1,294,698	1,079,573	455,139	597,844	861,843	894,796	990,872	1,066,620	1,093,266
Tuition and Fees	23,353,905	21,901,699	21,395,385	21,040,053	22,579,067	21,550,288	21,002,450	22,269,699	23,357,317	23,788,815
State Support	7,667,366	6,261,209	6,096,722	5,028,625	5,017,319	5,649,578	5,773,278	5,974,625	6,126,540	6,194,910
County Support	8,621,346	8,621,346	8,621,346	8,621,346	8,621,346	8,535,828	8,535,828	8,430,448	8,407,171	8,407,171
Chargebacks	54,670	56,960	62,358	32,119	57,968	64,439	66,499	70,427	94,387	121,428
Investment Income	798,417	502,571	36,220	236,858	245,628	256,172	132,196	95,842	78,122	75,505
Other Sources	448,835	581,716	471,979	3,657,510	773,943	848,546	744,175	942,016	1,257,862	1,054,243
TOTAL	\$ 40,944,539	\$ 37,925,501	\$ 36,684,010	\$ 38,616,511	\$ 37,295,271	\$ 36,904,851	\$ 36,254,426	\$ 37,783,057	\$ 39,321,399	\$ 39,642,072

	FY2024 ACTUAL	FY2023 ACTUAL	FY2022 ACTUAL	FY2021 ACTUAL	FY2020 ACTUAL	FY2019 ACTUAL	FY2018 ACTUAL	FY2017 ACTUAL	FY2016 ACTUAL	FY2015 ACTUAL
Source:										
Tuition and Fees	57.04%	57.75%	58.32%	54.49%	60.54%	58.39%	57.93%	58.94%	59.40%	60.01%
State Support	18.73%	16.51%	16.62%	13.02%	13.45%	15.31%	15.93%	15.81%	15.58%	15.63%
County Support	21.06%	22.73%	23.50%	22.33%	23.12%	23.13%	23.54%	22.31%	21.38%	21.21%
Chargebacks	0.13%	0.15%	0.17%	0.08%	0.16%	0.17%	0.18%	0.19%	0.24%	0.31%
Investment Income	1.95%	1.33%	0.10%	0.61%	0.66%	0.70%	0.37%	0.25%	0.20%	0.19%
Other Sources	1.09%	1.53%	1.29%	9.47%	2.07%	2.30%	2.05%	2.50%	3.20%	2.66%
TOTAL	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%

Source: Schedules of Budget Comparison To Actual

**ATLANTIC CAPE COMMUNITY COLLEGE
EXPENDITURES BY NATURAL CLASSIFICATION
LAST TEN FISCAL YEARS
(UNAUDITED)**

Millions



ATLANTIC CAPE COMMUNITY COLLEGE
EXPENDITURES BY NATURAL CLASSIFICATION
LAST TEN FISCAL YEARS
(UNAUDITED)

	FY2024 ACTUAL	FY2023 ACTUAL	FY2022 ACTUAL	FY2021 ACTUAL	FY2020 ACTUAL	FY2019 ACTUAL	FY2018 ACTUAL	FY2017 ACTUAL	FY2016 ACTUAL	FY2015 ACTUAL
<u>Compensation</u>										
Salaries and Wages	\$ 24,983,305	\$ 24,303,612	\$ 23,024,275	\$ 20,786,926	\$ 22,185,944	\$ 21,562,203	\$ 21,968,434	\$ 23,856,062	\$ 24,805,205	\$ 24,392,423
Fringe Benefits	8,130,637	6,757,995	7,524,400	10,414,636	8,478,490	11,656,497	14,169,775	17,564,926	9,877,457	9,238,260
Total Compensation	33,113,942	31,061,607	30,548,675	31,201,562	30,664,434	33,218,700	36,138,209	41,420,988	34,682,662	33,630,683
<u>Other Expenditures</u>										
Supplies and other	7,223,658	5,993,017	7,370,602	7,574,758	4,700,488	5,082,373	5,045,453	5,843,985	5,539,948	5,002,350
Utilities and telephone	1,738,088	1,693,186	1,553,153	1,449,170	1,548,803	1,572,188	1,554,973	1,566,252	1,633,870	1,633,998
Insurance	795,789	701,078	640,510	605,045	619,148	686,187	699,938	723,061	725,052	704,949
Repairs and maintenance	294,995	366,345	494,189	379,680	325,105	285,029	199,437	153,213	148,320	222,468
Rent	15,156	9,668	12,326	12,073	11,651	10,732	10,241	21,299	7,284	7,083
Depreciation and amortization	7,067,608	6,873,448	5,870,570	5,843,938	5,759,415	5,723,540	5,361,021	5,028,518	4,662,374	3,946,402
Travel	257,415	242,747	110,209	44,125	126,908	233,365	153,429	192,708	237,147	220,360
	17,392,709	15,879,489	16,051,559	15,908,789	13,091,518	13,593,414	13,024,492	13,529,036	12,953,995	11,737,610
	50,506,651	46,941,096	46,600,234	47,110,351	43,755,952	46,812,114	49,162,701	54,950,024	47,636,657	45,368,293
<u>Scholarship and student aid</u>	4,275,798	4,889,922	10,891,697	7,426,421	5,785,929	4,425,942	5,055,970	4,481,558	5,262,088	6,210,634
<u>Auxilliary enterprises</u>										
Student activities	118,567	149,059	87,203	55,912	74,842	109,283	126,125	128,936	162,898	148,573
	\$ 54,901,016	\$ 51,980,077	\$ 57,579,134	\$ 54,592,684	\$ 49,616,723	\$ 51,347,339	\$ 54,344,796	\$ 59,560,518	\$ 53,061,643	\$ 51,727,500

	FY2024 ACTUAL	FY2023 ACTUAL	FY2022 ACTUAL	FY2021 ACTUAL	FY2020 ACTUAL	FY2019 ACTUAL	FY2018 ACTUAL	FY2017 ACTUAL	FY2016 ACTUAL	FY2015 ACTUAL
<u>Expenditures by Natural Classification</u>										
<u>Compensation</u>										
Salaries and Wages	49.5%	51.8%	49.4%	44.1%	50.7%	46.1%	44.7%	43.4%	52.1%	53.8%
Fringe Benefits	16.1%	14.4%	16.2%	22.1%	19.4%	24.9%	28.8%	32.0%	20.7%	20.4%
Total Compensation	65.6%	66.2%	65.6%	66.2%	70.1%	71.0%	73.5%	75.4%	72.8%	74.1%
<u>Other Expenditures</u>										
Supplies and other	14.3%	12.8%	15.8%	16.1%	10.7%	10.8%	10.3%	10.6%	11.6%	11.0%
Utilities and telephone	3.4%	3.6%	3.3%	3.1%	3.5%	3.4%	3.2%	2.9%	3.4%	3.6%
Insurance	1.6%	1.5%	1.4%	1.3%	1.4%	1.5%	1.4%	1.3%	1.5%	1.6%
Repairs and maintenance	0.6%	0.8%	1.1%	0.8%	0.7%	0.6%	0.4%	0.3%	0.3%	0.5%
Rent	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Depreciation and amortization	14.0%	14.6%	12.6%	12.4%	13.2%	12.2%	10.9%	9.2%	9.8%	8.7%
Travel	0.5%	0.5%	0.2%	0.1%	0.3%	0.5%	0.3%	0.4%	0.5%	0.5%
	34.4%	33.8%	34.4%	33.8%	29.9%	29.0%	26.5%	24.6%	27.2%	25.9%
	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%

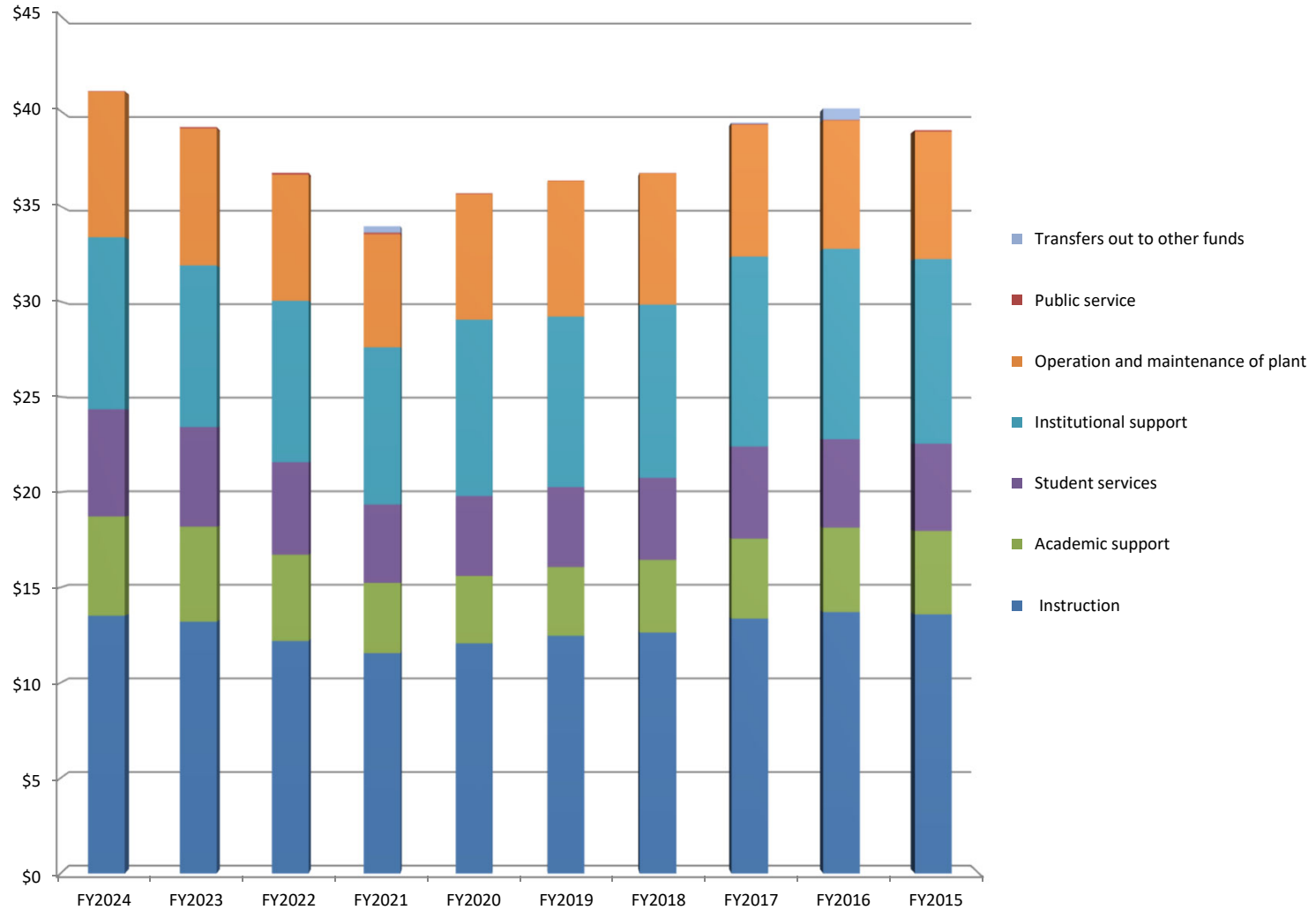
Note: GASB Statement No. 75 was implemented for June 30, 2017 year end.

GASB Statement No. 96 was implemented for June 30, 2023 year end.

Source: Statement of Revenues, Expenses, and Changes in Net Position by Year

**ATLANTIC CAPE COMMUNITY COLLEGE
EXPENDITURES BY FUNCTION
CURRENT UNRESTRICTED OPERATING FUND
LAST TEN FISCAL YEARS
(UNAUDITED)**

Millions



ATLANTIC CAPE COMMUNITY COLLEGE
EXPENDITURES BY FUNCTION
CURRENT UNRESTRICTED OPERATING FUND
LAST TEN FISCAL YEARS
(UNAUDITED)

	FY2024 ACTUAL	FY2023 ACTUAL	FY2022 ACTUAL	FY2021 ACTUAL	FY2020 ACTUAL	FY2019 ACTUAL	FY2018 ACTUAL	FY2017 ACTUAL	FY2016 ACTUAL	FY2015 ACTUAL
Functional category:										
Educational and general:										
Instruction	\$ 12,785,829	\$ 12,531,001	\$ 11,588,626	\$ 11,207,107	\$ 11,693,854	\$ 11,953,587	\$ 12,107,886	\$ 12,830,064	\$ 13,162,859	\$ 12,948,059
Credit instruction	729,655	668,259	602,509	346,791	369,264	508,650	528,150	533,049	546,280	642,532
Continuing education instruction	13,515,484	13,199,260	12,191,135	11,553,898	12,063,118	12,462,237	12,636,036	13,363,113	13,709,139	13,590,591
Academic support	5,200,521	4,984,131	4,525,549	3,683,088	3,535,176	3,607,211	3,805,360	4,194,522	4,420,263	4,370,483
Student services	5,625,248	5,232,432	4,855,543	4,111,558	4,194,020	4,193,086	4,304,070	4,829,018	4,646,032	4,580,976
Institutional support	9,025,705	8,469,981	8,462,269	8,243,610	9,253,933	8,944,293	9,083,622	9,970,427	9,986,231	9,683,970
Operation and maintenance of plant	7,636,283	7,194,265	6,620,366	5,936,113	6,595,325	7,121,231	6,897,030	6,918,137	6,736,448	6,684,695
Public service	38,662	72,461	95,282	84,681	40,083	22,892	18,738	35,621	29,957	79,997
Transfers out to other funds	0	0	0	333,500	0	0	0	80,000	599,130	0
TOTAL	\$ 41,041,903	\$ 39,152,530	\$ 36,750,144	\$ 33,946,448	\$ 35,681,655	\$ 36,350,950	\$ 36,744,856	\$ 39,390,838	\$ 40,127,200	\$ 38,990,712

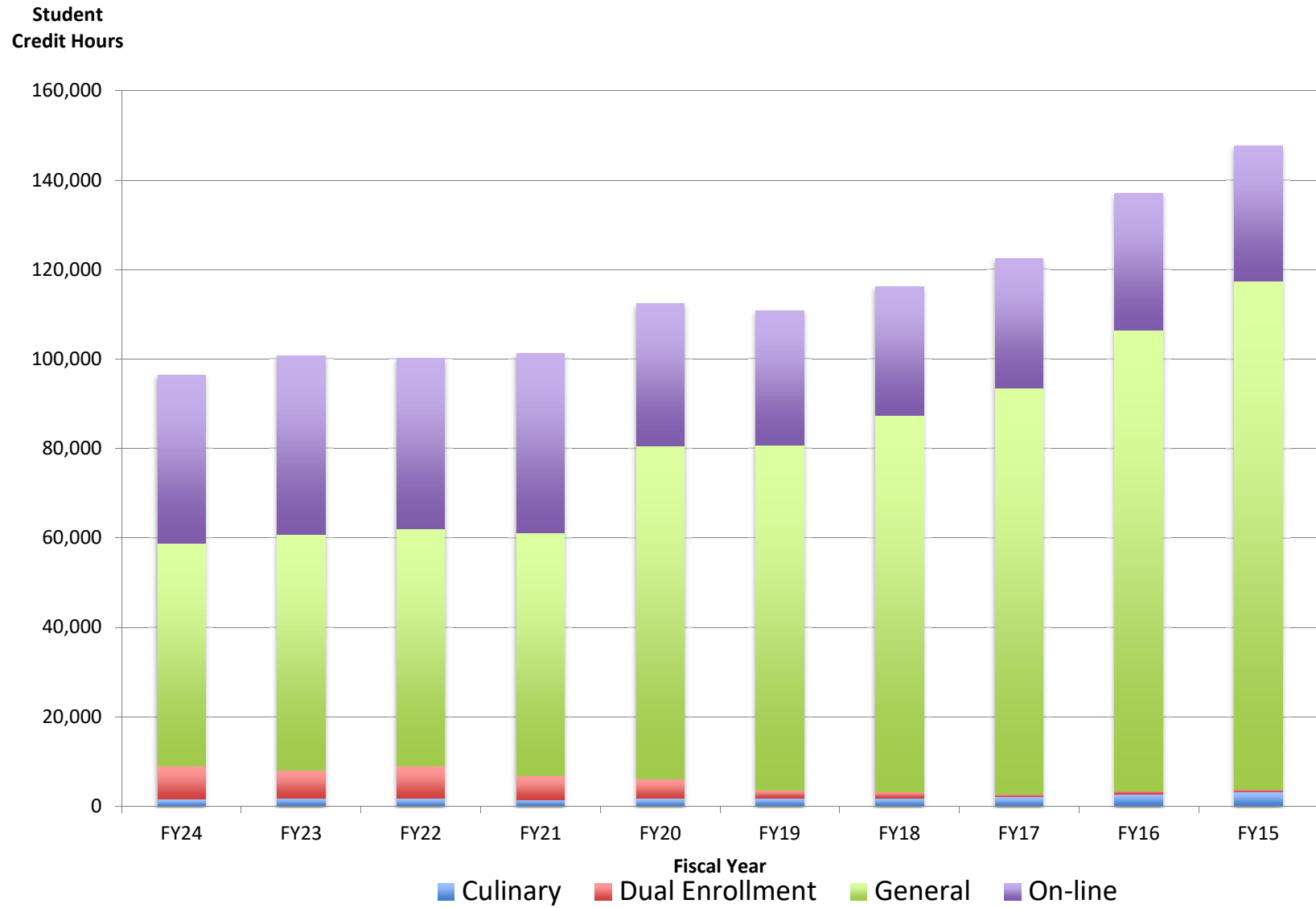
	FY2024 ACTUAL	FY2023 ACTUAL	FY2022 ACTUAL	FY2021 ACTUAL	FY2020 ACTUAL	FY2019 ACTUAL	FY2018 ACTUAL	FY2017 ACTUAL	FY2016 ACTUAL	FY2015 ACTUAL
Functional category:										
Educational and general:										
Instruction	31.15%	32.01%	31.53%	33.01%	32.77%	32.88%	32.95%	32.57%	32.80%	33.21%
Credit instruction	1.78%	1.71%	1.64%	1.02%	1.04%	1.40%	1.44%	1.35%	1.36%	1.65%
Continuing education instruction	32.93%	33.72%	33.17%	34.04%	33.81%	34.28%	34.39%	33.92%	34.16%	34.86%
Academic support	12.67%	12.74%	12.32%	10.85%	9.91%	9.92%	10.36%	10.65%	11.02%	11.21%
Student services	13.71%	13.36%	13.21%	12.11%	11.75%	11.54%	11.71%	12.26%	11.58%	11.75%
Institutional support	21.99%	21.63%	23.03%	24.28%	25.94%	24.61%	24.72%	25.31%	24.89%	24.84%
Operation and maintenance of plant	18.61%	18.37%	18.01%	17.49%	18.48%	19.59%	18.77%	17.56%	16.79%	17.14%
Public service	0.09%	0.18%	0.26%	0.25%	0.11%	0.06%	0.05%	0.09%	0.07%	0.21%
Transfers out to other funds	0.00%	0.00%	0.00%	0.98%	0.00%	0.00%	0.00%	0.20%	1.49%	0.00%
TOTAL	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%

Source: Schedules of Budget Comparison To Actual

Revenue Capacity Information

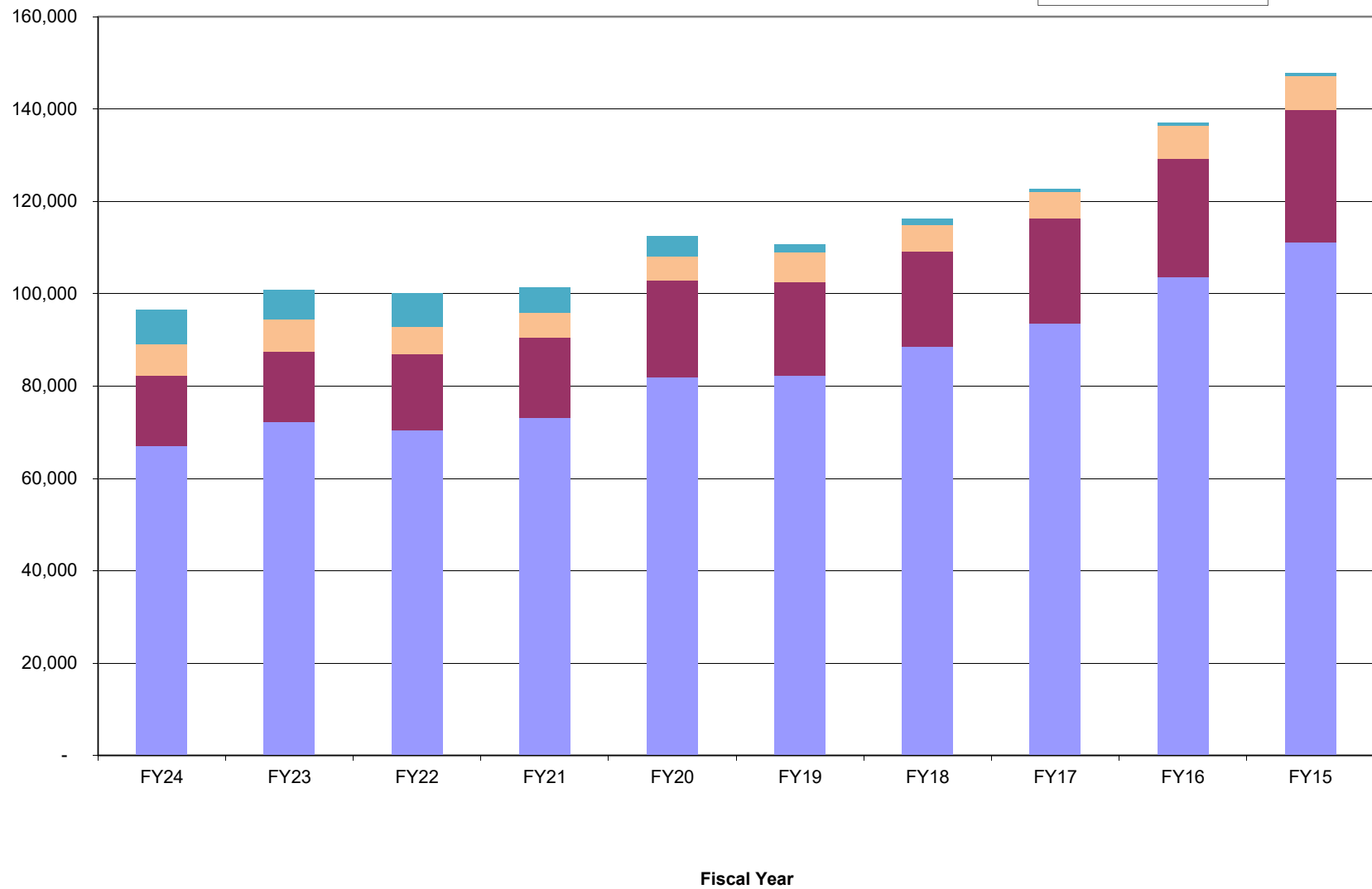
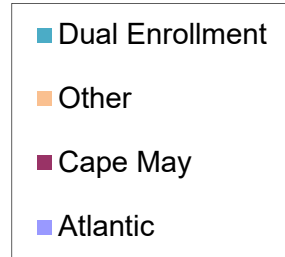
Revenue capacity information is intended to assist the user in understanding and assessing the factors affecting the College's ability to generate revenues. Please refer to the following schedules for a historical view of student credit hour enrollments which are the College's most significant revenue source.

**ATLANTIC CAPE COMMUNITY COLLEGE
CREDIT HOUR ENROLLMENTS BY TUITION TYPE
LAST TEN FISCAL YEARS
(UNAUDITED)**



**ATLANTIC CAPE COMMUNITY COLLEGE
CREDIT HOUR ENROLLMENTS BY COUNTY OF ORIGIN
LAST TEN FISCAL YEARS
(UNAUDITED)**

**Student
Credit Hours**



**ATLANTIC CAPE COMMUNITY COLLEGE
ENROLLMENT DATA
LAST TEN FISCAL YEARS
(UNAUDITED)**

CREDIT HOUR ENROLLMENT BY SEMESTER

Fiscal Year Ended	<u>Summer</u>	<u>Fall</u>	<u>Spring</u>	<u>Total</u>
6/30/2024	10,034	41,481	44,943	96,458
6/30/2023	11,375	43,276	46,080	100,731
6/30/2022	9,072	43,943	47,143	100,158
6/30/2021	11,089	45,744	44,385	101,218
6/30/2020	10,706	50,875	50,821	112,402
6/30/2019	11,424	50,332	49,003	110,759
6/30/2018	11,465	55,200	49,548	116,213
6/30/2017	11,637	58,407	52,568	122,612
6/30/2016	13,376	63,818	59,825	137,019
6/30/2015	13,547	68,932	65,274	147,753

Total student credit-hours including high school dual enrollment credit hours,
not including non-credit equivalent credit hours

Source: Annual Enrollment Reports

**ATLANTIC CAPE COMMUNITY COLLEGE
ENROLLMENT DATA
LAST TEN FISCAL YEARS
(UNAUDITED)**

CREDIT HOUR ENROLLMENT COMPARISON BY COUNTY OF ORIGIN

		Atlantic	Cape May	Other	Dual Enrollment	Total
FY24	General	39,536	7,863	2,391		49,790
	Culinary	875	196	461		1,532
	On-line	26,595	7,313	3,786		37,694
	Dual Enrollment				7,442	7,442
	Total	67,006	15,372	6,638	7,442	96,458
FY23	General	42,595	8,023	2,090		52,708
	Culinary	806	199	754		1,759
	On-line	28,822	7,060	4,005		39,887
	Dual Enrollment				6,377	6,377
	Total	72,223	15,282	6,849	6,377	100,731
FY22	General	42,204	8,851	2,111		53,166
	Culinary	802	139	710		1,651
	On-line	27,470	7,384	3,255		38,109
	Dual Enrollment				7,232	7,232
	Total	70,476	16,374	6,076	7,232	100,158
FY21	General*	43,098	9,376	1,820		54,294
	Culinary	673	107	612		1,392
	On-line	29,252	8,007	2,887		40,146
	Dual Enrollment				5,386	5,386
	Total	73,023	17,490	5,319	5,386	101,218
FY20	General	58,599	14,114	1,802		74,515
	Culinary	709	229	732		1,670
	On-line	22,585	6,536	2,646		31,767
	Dual Enrollment				4,450	4,450
	Total	81,893	20,879	5,180	4,450	112,402
FY19	General	60,644	13,950	2,590		77,184
	Culinary	686	226	937		1,849
	On-line	20,838	6,186	2,952		29,976
	Dual Enrollment				1,750	1,750
	Total	82,168	20,362	6,479	1,750	110,759
FY18	General	67,548	14,007	2,572		84,127
	Culinary	742	235	863		1,840
	On-line	20,289	6,258	2,328		28,875
	Dual Enrollment				1,371	1,371
	Total	88,579	20,500	5,763	1,371	116,213
FY17	General	72,369	15,856	2,671		90,896
	Culinary	845	258	982		2,085
	On-line	20,320	6,579	2,168		29,067
	Dual Enrollment				564	564
	Total	93,534	22,693	5,821	564	122,612
FY16	General	80,976	18,699	3,173		102,848
	Culinary	1,094	272	1,361		2,727
	On-line	21,428	6,754	2,559		30,741
	Dual Enrollment				703	703
	Total	103,498	25,725	7,093	703	137,019
FY15	General	89,812	20,864	3,100		113,776
	Culinary	1,048	333	1,706		3,087
	On-line	20,291	7,365	2,559		30,215
	Dual Enrollment				675	675
	Total	111,151	28,562	7,365	675	147,753

* - Due to the COVID-19 pandemic, the majority of FY21 general courses were held remotely

Source: County and Fiscal Year totals agree to audited Full-Time Equivalent Enrollment reports

**ATLANTIC CAPE COMMUNITY COLLEGE
ENROLLMENT DATA
LAST TEN FISCAL YEARS
(UNAUDITED)**

% CREDIT HOUR ENROLLMENT COMPARISON BY COUNTY OF ORIGIN

		Atlantic	Cape May	Other	Dual Enrollment	% of Total
FY24	General	59.00%	51.15%	36.02%		51.62%
	Culinary	1.31%	1.28%	6.94%		1.59%
	On-line	39.69%	47.57%	57.04%		39.08%
	Dual Enrollment				100.00%	7.72%
	Total	100.00%	100.00%	100.00%	100.00%	100.00%
FY23	General	58.98%	52.50%	30.52%		52.33%
	Culinary	1.12%	1.30%	11.01%		1.75%
	On-line	39.91%	46.20%	58.48%		39.60%
	Dual Enrollment				100.00%	6.33%
	Total	100.00%	100.00%	100.00%	100.00%	100.00%
FY22	General	59.88%	54.06%	34.74%		53.08%
	Culinary	1.14%	0.85%	11.69%		1.65%
	On-line	38.98%	45.10%	53.57%		38.05%
	Dual Enrollment				100.00%	7.22%
	Total	100.00%	100.00%	100.00%	100.00%	100.00%
FY21	General*	59.02%	53.61%	34.22%		53.64%
	Culinary	0.92%	0.61%	11.51%		1.38%
	On-line	40.06%	45.78%	54.28%		39.66%
	Dual Enrollment				100.00%	5.32%
	Total	100.00%	100.00%	100.00%	100.00%	100.00%
FY20	General	71.56%	67.60%	34.79%		66.29%
	Culinary	0.87%	1.10%	14.13%		1.49%
	On-line	27.58%	31.30%	51.08%		28.26%
	Dual Enrollment				100.00%	3.96%
	Total	100.00%	100.00%	100.00%	100.00%	100.00%
FY19	General	73.80%	68.51%	39.98%		69.69%
	Culinary	0.83%	1.11%	14.46%		1.67%
	On-line	25.36%	30.38%	45.56%		27.06%
	Dual Enrollment				100.00%	1.58%
	Total	100.00%	100.00%	100.00%	100.00%	100.00%
FY18	General	76.26%	68.33%	44.63%		72.39%
	Culinary	0.84%	1.15%	14.97%		1.58%
	On-line	22.90%	30.53%	40.40%		24.85%
	Dual Enrollment				100.00%	1.18%
	Total	100.00%	100.00%	100.00%	100.00%	100.00%
FY17	General	77.37%	69.87%	45.89%		74.13%
	Culinary	0.90%	1.14%	16.87%		1.70%
	On-line	21.72%	28.99%	37.24%		23.71%
	Dual Enrollment				100.00%	0.46%
	Total	100.00%	100.00%	100.00%	100.00%	100.00%
FY16	General	78.24%	72.69%	44.73%		75.06%
	Culinary	1.06%	1.06%	19.19%		1.99%
	On-line	20.70%	26.25%	36.08%		22.44%
	Dual Enrollment				100.00%	0.51%
	Total	100.00%	100.00%	100.00%	100.00%	100.00%
FY15	General	80.80%	73.05%	42.09%		77.00%
	Culinary	0.94%	1.17%	23.16%		2.08%
	On-line	18.26%	25.79%	34.75%		20.45%
	Dual Enrollment				100.00%	0.46%
	Total	100.00%	100.00%	100.00%	100.00%	99.99%

* - Due to the COVID-19 pandemic, the majority of FY21 general courses were held remotely

Source: County and Fiscal Year totals agree to audited Full-Time Equivalent Enrollment reports

Demographic and Economic Information

Demographic and economic information is intended (1) to assist the user in understanding the socioeconomic environment within which the College operates and (2) to provide information that facilitates comparisons of financial statement information over time and among Colleges. Please refer to the following exhibits for a historical view of the demographic and economic statistics and factors prevalent in the location in which the College operates.

**ATLANTIC CAPE COMMUNITY COLLEGE
DEMOGRAPHIC AND ECONOMIC STATISTICS
LAST TEN CALENDAR YEARS
(UNAUDITED)**

	SERVICE AREA	SERVICE AREA	SERVICE AREA	SERVICE AREA	SERVICE AREA	SERVICE AREA
<u>YEAR</u>	<u>POPULATION</u>	<u>PERSONAL INCOME (\$ths)</u>	<u>PER CAPITA INCOME</u>	<u>UNEMPLOYMENT %</u>	<u>SECONDARY AND ELEMENTARY ENROLLMENT</u>	<u>SERVICE AREA HIGH SCHOOL GRADUATES</u>
2023	369,823	\$24,119,121	\$65,218	6.4	53,199	3,779
2022	370,787	\$22,757,876	\$61,377	5.5	50,376	3,836
2021	370,662	\$22,851,375	\$61,650	5.4	50,470	3,792
2020	369,234	\$21,418,358	\$58,008	11.0	54,806	3,878
2019	369,633	\$19,405,347	\$52,499	6.1	55,101	4,003
2018	368,851	\$18,161,986	\$49,239	6.2	55,521	3,937
2017	369,544	\$17,459,827	\$47,247	8.2	56,098	3,955
2016	370,409	\$16,900,411	\$45,626	8.7	56,610	3,989
2015	372,473	\$16,672,552	\$44,762	9.0	58,132	4,131
2014	374,066	\$16,390,613	\$43,817	12.0	58,062	4,352

Note: The College's service area is comprised on Atlantic and Cape May Counties, New Jersey
Note: Secondary & Elementry Enrollments & High School Graduates are based on fiscal year, i.e., 2023 (07/01/2022-06/30/2023)

Source: State of New Jersey Department of Labor and Workforce Development,

State of New Jersey Department of Education, U.S. Bureau of Labor Statistics
and Bureau of Economic Analysis

ATLANTIC CAPE COMMUNITY COLLEGE
MAJOR PRIVATE EMPLOYERS, 2023
Service Area: Atlantic and Cape May Counties, New Jersey
(UNAUDITED)

LARGEST EMPLOYERS		
COUNTY	EMPLOYER	TYPE
ATLANTIC	Spirit Halloween Stores	Retail
ATLANTIC	Spirit Airlines	Aircraft/ Aerospace
ATLANTIC	Lockheed Martin	Aircraft/ Aerospace
ATLANTIC	FAA Technical Center	Aircraft/ Aerospace
ATLANTIC	Northrop Grumman Systems Corporation	Aircraft/ Aerospace
ATLANTIC	AtlantiCare	Healthcare
ATLANTIC	Shore Medical Center	Healthcare
ATLANTIC	Stockton University	Education
ATLANTIC	Borgata Hotel Casino and Spa	Hospitality
ATLANTIC	Tropicana Casino and Resort	Hospitality
ATLANTIC	Ocean Resort and Casino	Hospitality
ATLANTIC	Atlantic City Electric	Utility
CAPE MAY	Cape Regional Medical Center	Healthcare
CAPE MAY	Morey's Piers	Entertainment
CAPE MAY	Colonial Electric Supply	Utility
CAPE MAY	Ocean First Bank	Financial Services
CAPE MAY	Lund's Fisheries	Food & Beverage
CAPE MAY	Capemay.com	IT & Communicaitons
CAPE MAY	ICONA Resorts	Hospitality
CAPE MAY	Cape Resorts	Hospitality

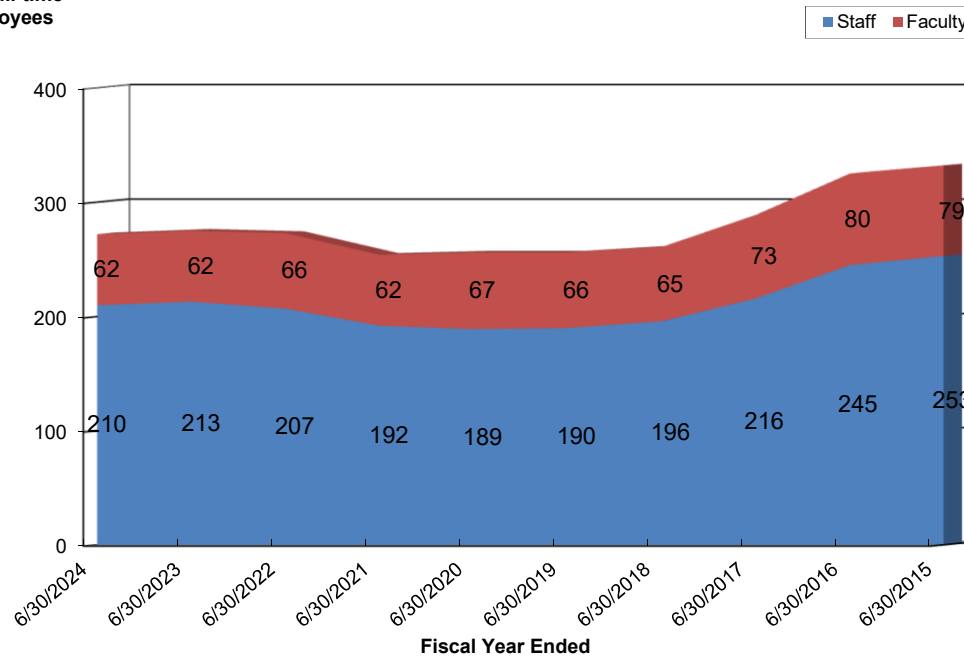
Source: choose.newjersey

ATLANTIC CAPE COMMUNITY COLLEGE
FULL-TIME COLLEGE STAFFING
LAST TEN FISCAL YEARS
(UNAUDITED)

CREDIT HOUR ENROLLMENT AND FULL TIME COLLEGE STAFFING

Fiscal Year Ended	Credit Hour Enrollment (AUDITED)*	FTE	% Change	Faculty	Staff	TOTAL FULL-TIME	% Change
6/30/2024	96,458	3,215	-4.2%	62	210	272	-1.1%
6/30/2023	100,731	3,358	0.6%	62	213	275	0.7%
6/30/2022	100,158	3,339	-1.0%	66	207	273	7.5%
6/30/2021	101,218	3,374	-10.0%	62	192	254	-0.8%
6/30/2020	112,402	3,747	1.5%	67	189	256	0.0%
6/30/2019	110,759	3,692	-4.7%	66	190	256	-1.9%
6/30/2018	116,213	3,874	-5.2%	65	196	261	-9.7%
6/30/2017	122,612	4,087	-10.5%	73	216	289	-11.1%
6/30/2016	137,019	4,567	-7.3%	80	245	325	-2.1%
6/30/2015	147,753	4,925	-6.4%	79	253	332	-1.8%

of Full-time Employees



* - includes Dual Enrollment Credits

Source: College records