

EXHIBIT A



**BOARD OF TRUSTEES
Business/Finance Committee Agenda Items**

To: Board of Trustees
From: Office of the President
Date: December 3, 2014

The following Finance Committee items are recommended to the Ocean County College Board of Trustees for approval at its meeting on **Monday, December 8, 2014**:

1. Recommend acceptance of the statement of income and expenditures as of October 31, 2014 (**Exhibit A-1**)
2. Recommend acceptance of the Ocean County College Report of Audit for the fiscal year ended June 30, 2014 (**Exhibit A-2**)
3. Recommend adoption of a resolution to identify a qualified pool of vendors for professional construction management services for various campus-wide projects at Ocean County College to be used on an as-needed basis (**Exhibit A-3**)
4. Recommend that the following contracts be awarded:
 - a. For the second year of a two-year agreement for employee and student background screening services at Ocean County College (**Exhibit A-4**)
 - b. For the demolition of and asbestos removal from areas within the Instructional Building at Ocean County College (**Exhibit A-5**)
 - c. For the purchase and installation of new light fixtures in Parking Lots #1 and #4 at Ocean County College (**Exhibit A-6**)

Business and Finance Committee Meeting Agenda
December 3, 2014
Page 2

- d. For the planning, management, lighting, staging, and video and sound display for the “Three Sails Jazz Festival” scheduled for June 2015 **(Exhibit A-7)**
 - e. For the printing of the 2015-2015 Ocean County College catalog **(Exhibit A-8)**
5. Recommend adoption of resolutions to award the following contracts:
- a. For the purchase of computers and a mobile cart for the American Sign Language Program and servers and vault storage for the Technology Department at Ocean County College **(Exhibit A-9)**
 - b. For the renewal of Kaspersky security licenses for use at Ocean County College **(Exhibit A-10)**
6. Recommend that the following contracts be amended:
- a. An additional \$24,130, for a maximum total of \$1,215,888.84, to Blackney Hayes Architects, Philadelphia, Pennsylvania, for a change order for additional services as a result of unknown costs of the LEED certification process and documentation as part of professional architectural and engineering services for the construction of the Gateway Building (contract originally awarded at the July 27, 2009, Board meeting) **(Exhibit A-11)**
 - b. An additional \$9,000, for a maximum total of \$33,500, to Settembrino Architects, Red Bank, New Jersey, for additional analysis and design work required by expansion of the ground floor renovations in areas not included in the original scope of work as part of the professional architectural and engineering consulting services for renovations to the Administration Building at Ocean County College (contract originally awarded at the May 27, 2014, Board meeting) **(Exhibit A-12)**
 - c. An additional \$12,265, for a maximum total of \$365,522, to Future Excavating, Freehold, New Jersey, for the installation of a retaining wall, light pole base, and additional fence rail for the TV studio as part of the improvements to drainage at Ocean County College (contract originally awarded at the June 23, 2014, Board meeting) **(Exhibit A-13)**
 - d. An additional \$35,900, for a maximum total of \$84,400, to Langan Engineering and Environmental Services, Inc., Elmwood Park, New Jersey, for change orders for directional signage in Parking Lot #5 and asphalt overlay in Parking Lot #2 as part of the professional engineering consulting services for lighting and site work in the parking lots at Ocean County College (contract originally awarded at the March 24, 2014, Board meeting) **(Exhibit A-14)**

Business and Finance Committee Meeting Agenda
December 3, 2014
Page 3

- e. An additional \$419, for a maximum total of \$40,551, to Perceptive Software, Shawnee, Kansas, for the purchase of additional licenses for Document Imaging-Image Now software for use at Ocean County College (contract originally awarded at the September 22, 2014, Board meeting) **(Exhibit A-15)**
- f. An additional \$25,000, for a maximum total of \$332,000, to Spiezle Architectural Group, Trenton, New Jersey, for additional professional architectural consulting services for the development of the Ocean County College Facilities Master Plan (contract originally awarded at the March 24, 2014, Board meeting) **(Exhibit A-16)**
- 7. Recommend acknowledgement of a contract award to purchase energy generation services for public use from an online auction website on behalf of the New Jersey County College Energy Consortium for a twenty-three month period **(Exhibit A-17)**
- 8. Recommend rejection of bid proposals received on October 28, 2014, for audio/video design in accordance with bid specifications and requirements due to the proposals exceeding the budgeted amount for this project **(Exhibit A-18)**
- 9. Recommend acceptance of a \$1,000 grant award from the Ocean County Cultural and Heritage Commission for a Performing Arts Grant Project to support the "Three Sails Jazz Festival" scheduled for June 2015. Project Manager: Mr. Mark Wilson, Lecturer II, Music. Funding period: January 1, 2015, through December 31, 2015.

EXHIBIT A-1

EXHIBIT A

OCEAN COUNTY COLLEGE

STATEMENT OF CURRENT EXPENDITURES FY 2014-2015
For the Period Ending October, 2014 (not audited)

	ACTUAL	ENCUMBRANCES	TOTAL	FY2014-2015 BUDGET	(OVER) UNDER BUDGET	% BUDGET
REVENUE:						
Tuition & Fees	18,056,099		18,056,099	37,341,495	19,285,396	48.35%
State Appropriation	2,472,040		2,472,040	7,509,205	5,037,165	32.92%
County Appropriation	3,675,065		3,675,065	14,700,259	11,025,194	25.00%
Miscellaneous	166,876		166,876	800,000	633,124	20.86%
Total Revenue:	24,370,080		24,370,080	60,350,959	35,980,879	40.38%

EXPENDITURES:

Instruction	5,238,606	678,011	5,916,617	20,646,482	14,729,865	28.66%
Academic Support	2,893,847	770,987	3,664,833	11,516,804	7,851,971	31.82%
Student Services	1,750,740	149,067	1,899,807	5,912,414	4,012,607	32.13%
Institutional Support	4,287,358	1,695,019	5,982,377	11,020,660	5,038,283	54.28%
Plant Maint-Opr.	2,856,800	3,040,052	5,896,852	9,222,196	3,325,344	63.94%
Scholarships	235,821	0	235,821	532,403	296,581	44.29%
Debt Services	0	0	0	1,500,000	1,500,000	0.00%
Total Expenditures:	17,263,172	6,333,136	23,596,309	60,350,959	36,754,650	39.10%

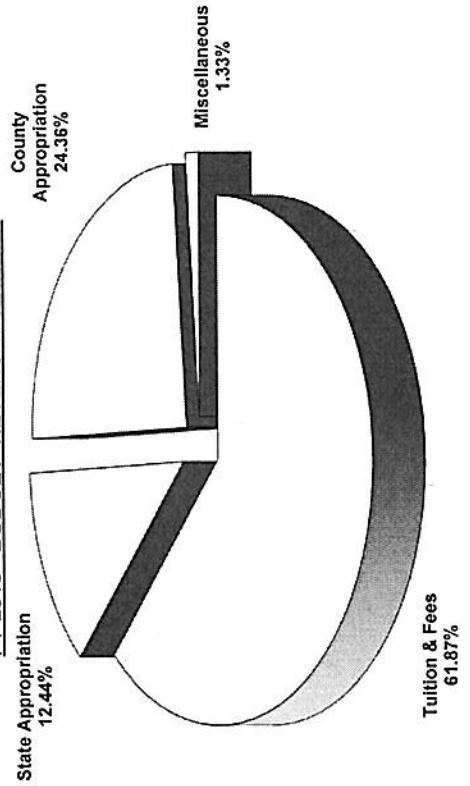
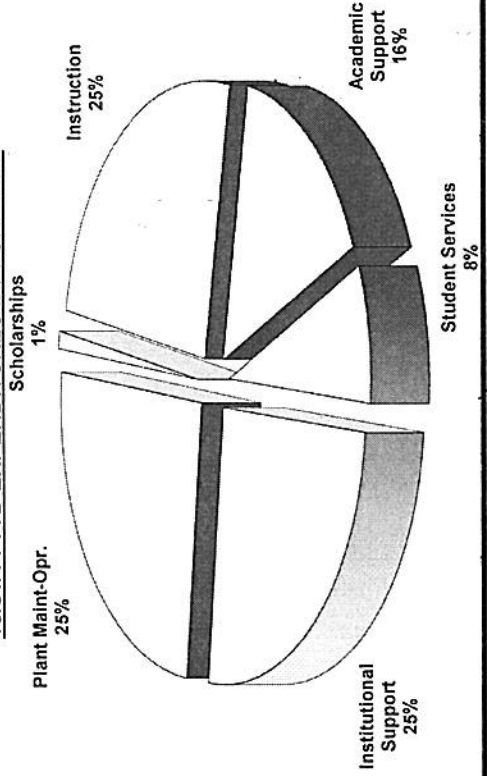
FY 2015 BUDGET REVENUE SOURCES**10/31/14 YTD EXPENDITURES BY FUNCTION**

EXHIBIT A-2



2014

Report of Audit

Fiscal Year Ended June 30, 2014
Toms River/Manahawkin, New Jersey

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Introductory Section

**Fiscal Year Ended
June 30, 2014**

**OCEAN COUNTY COLLEGE
MEMBERS OF THE BOARD OF TRUSTEES
AS OF JUNE 30, 2014**

<u>Name</u>	<u>Term Expires</u>
Mr. Carl V. Thulin, Jr., Chair	2016
Mrs. Linda L. Novak, Vice Chair	2014
Mr. Jerry Dasti, Treasurer	2014
Mr. Stephan R. Leone, Secretary	2013
Mr. Frank J. Dupignac, Jr.	2016
Mr. Emil A. Kaunitz, Jr.	2014
Mr. Thomas E. Monahan	2014
Mrs. Joanne Pehlivanian	2017
Dr. Wilda Smithers	2017
Alumni Representative	2014
County Superintendent of Schools	Ex-Officio Member

College Officials

Dr. Jon H. Larson, President
 Dr. James McGinty, Executive Vice President, Operational
 Mr. Richard Strada, Executive Vice President, Instructional
 Mr. Donald Doran, Vice President of Student Affairs
 Ms. Sara Winchester, Executive Vice President of Finance and Administration
 Dr. Jianping Wang, Vice President of Academic Affairs
 Mr. John C. Sahradnik, Esq., College Attorney



Financial Section

**Fiscal Year Ended
June 30, 2014**



CliftonLarsonAllen LLP
CLAconnect.com

INDEPENDENT AUDITORS' REPORT

Board of Trustees
Ocean County College
Toms River, New Jersey

Report on the Financial Statements

We have audited the accompanying financial statements of the business-type activities and the discretely presented component unit of Ocean County College (the College), a component unit of the County of Ocean, State of New Jersey, as of and for the years ended June 30, 2014 and 2013, and the related notes to the financial statements, which collectively comprise the entity's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

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

Auditors' Responsibility

Our responsibility is to express opinions on these financial statements based on our audits. We did not audit the financial statements of Ocean County College Foundation, which represent 100 percent, 100 percent, and 100 percent, respectively, of the assets, net position, and revenues of the discretely presented component unit. Those statements were audited by other auditors whose report has been furnished to us, and our opinion, insofar as it relates to the amounts included for Ocean County College Foundation, is based solely on the report of the other auditors. We conducted our audits in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audits to obtain reasonable assurance about whether the financial statements are free from material misstatement. The financial statements of Ocean County College Foundation, the discretely presented component unit, were not audited in accordance with *Government Auditing Standards*.

Board of Trustees
Ocean County College

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

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

Opinions

In our opinion, based on our audits and the reports of other auditors, the financial statements referred to above present fairly, in all material respects, the respective financial position of the business-type activities and the discretely presented component unit of the College as of June 30, 2014 and 2013, and the respective changes in financial position and, where applicable, cash flows thereof for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that management's discussion and analysis on pages 8-26 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.

Board of Trustees
Ocean County College

Other 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 accompanying schedules of expenditures of federal awards and state financial assistance, as required by U.S. Office of Management and Budget Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*, and New Jersey's OMB Circular 04-04-OMB, *Single Audit Policy for Recipients of Federal Grants, State Grants and State Aid*, are presented for purposes of additional analysis and are not a required part of the basic financial statements.

The schedules of expenditures of federal awards and state financial assistance are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated November 21, 2014, on our consideration of the College's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the result of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the College's internal control over financial reporting and compliance.



CliftonLarsonAllen LLP

Plymouth Meeting, Pennsylvania
November 21, 2014



Required Supplementary Information

**Fiscal Year Ended
June 30, 2014**

**OCEAN COUNTY COLLEGE
MANAGEMENT'S DISCUSSION AND ANALYSIS
YEAR ENDED JUNE 30, 2014
(Unaudited)**

This report presents management's review and analysis of Ocean County College's (The College) financial performance during the fiscal years ended June 30, 2014, 2013 and 2012. Its intent is to provide financial analyses and management's discussion comparing the three fiscal years. Combined with the financial statements and accompanying notes that follow, this explains and clarifies College-wide financial performance, as well as the direction envisioned for the future.

General Financial Information

The 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 Statement of Net Position combines and consolidates current financial resources with capital assets. The Statement of Revenues, Expenses, and Changes in Net Position focuses on the gross and net costs of College activities and how they are supported through State and County appropriations, tuition and other revenues. The financial statements for the Ocean County College Foundation (The Foundation) are also included in the reports as a component unit, pursuant to GASB Statement No. 39. The Foundation is a non-profit organization housed on campus whose mission is fund-raising to support the College through scholarships, awards, education loans and special projects. The following analysis focuses on the College only.

In 2014, Ocean County College is celebrating its 50th Anniversary. This is a unique opportunity to share the college's historic milestones, achievements and innovative firsts since its founding in 1964. It is also an opportunity to build support for the future by reengaging alumni, cultivating new and potential supporters and making a powerful case for investing in the future of Ocean County College for the next 50 years. The celebration reinforces the current institutional key messages of quality and excellence while reflecting back on the many achievements over the last 50 years. Throughout the year the College will celebrate with special events and remembrances.

The year 2014 was also notable for the Middle States Commission on Higher Education accreditation visit which is conducted every ten years. The team visited OCC in April of 2014 and on June 26, 2014 issued a report that reaffirmed accreditation and commended the college for the quality of the self-study report. The self-study included a long-term capital plan and a five-year operating budget projection. The financial reviewers had no questions regarding the financial stability of the College and no follow-up actions were required. The subsequent Periodic Review Report is due June 2019.

Enrollment

Audited enrollments were limited to credit courses only. Total state-funded credit hour enrollments were as follows:

	FY 2014	FY2013	FY2012	Change 2013-2014	Change 2012-2013
Total Credit Hours	217,723	224,117	234,164	(6,394)	(10,047)

Many initiatives are underway to increase enrollment. A new customer relations management system (CRM) called Ellucian Recruiter has been implemented. Recruiter is advanced student recruitment and enrollment management software that is helping us identify and communicate with potential students in a more personalized fashion. In addition, the system is being used to communicate with currently enrolled students to encourage them to register for upcoming semesters and take advantage of various College services. Ellucian Student Planning is under development. This tool will assist students with degree-tracking, course planning and

**OCEAN COUNTY COLLEGE
MANAGEMENT'S DISCUSSION AND ANALYSIS
YEAR ENDED JUNE 30, 2014
(Unaudited)**

scheduling. Mapping their academic journey from the beginning helps ensure they stay on the right track toward their academic goal. The Student Planning system will also interact with the recently implemented Student Finance system. The Student Finance system provides real time account information to students in an easy to understand format. With both Student Planning and Student Finance systems in place, students will be able to set up and track payment plans online.

Another 2014 initiative designed to retain current students is the Commit to Complete Tuition Discount Program. Any full time student (full time is defined as taking 12 credits or more) who successfully completes 30 credits between the Fall and Spring semesters during one academic year will be eligible for one 3 credit Summer course tuition free. Any part time student (defined as taking 11 credits or less per term) who successfully completes 24 credits over two consecutive academic years will be eligible for one three credit Summer course tuition-free. Successful credit completion is defined as earning a final grade of C or better.

All applicable fees must be paid by the student and the discount must be used during one of the summer semesters in the same academic year and is not cumulative or transferable. Students may earn a maximum of two free summer courses over the course of their studies at OCC. The program proved popular in Summer 2014 and the hope is that it will incentivize students to complete their degrees without interruption.

In October 2013, a complete overhaul of the OCC website was completed. The site was consolidated from over 10,000 pages to just 1,700 updated, user-friendly pages. A major goal of the redesign project was to move content for employees and current students to the intranet and focus on the needs of prospective students and the community on the public website. The site navigation is more intuitive and guides website visitors to the correct information based on what they are trying to do. For example, the redesign features a new Alumni page including easy access to Alumni benefits, events, Rewards Program information, and a quick and easy way to update personal information. Going forward, the website will be continually updated to address the future needs of the campus community and prospective students.

A national marketing initiative is underway to increase enrollment in Ocean Online courses. The goal is to increase out-of-county student enrollment. The marketing efforts have produced a 10.4% increase in out-of-county students over the past three years.

	FY 2014	FY2013	FY2012	Change 2013-2014	Change 2012-2013
Online Credit Hours (included in total credit hours above)	40,501	40,124	38,700	377	1,424

**OCEAN COUNTY COLLEGE
MANAGEMENT'S DISCUSSION AND ANALYSIS
YEAR ENDED JUNE 30, 2014
(Unaudited)**

	Actual FY14	Actual FY13	Actual FY12	3 Year Increase
E-Learning Only				
In County	33,318	33,793	32,194	3.5%
Out of County	7,183	6,331	6,506	10.4%
Total E-Learning	40,501	40,124	38,700	4.7%

The College offers 13 fully online associate degree programs and 9 certificate programs. In FY2014 approximately 18.6% of total college credits were delivered via the online learning format. The program emphasizes quality and retention and is designed to allow the College to grow without expanding the physical campus. The Continuing & Professional Education Department also offers on-line programs to update and enhance professional skills. The most popular non-credit programs focus on health care fields and computer training.

The College has entered into a unique eLearning partnership with Sussex County Community College (SCCC). The partnership allows SCCC to offer previously developed OCC e-learning courses. OCC rebrands the courses for SCCC and their students log on to a separate node of the existing OCC learning management system. This unique approach has allowed SCCC to jumpstart on-line instruction at their institution while at the same time allowing OCC to realize more benefit from existing on-line courses. The partnership is a new revenue stream for OCC and there is great potential for expansion to other institutions in the future.

OCC maintains a focus on retention, producing stronger than national averages in retention, graduation and transfer rates. Based upon recent data OCC is ranked among all county colleges in the state as having the highest three-year graduation rate and the highest two-year graduation rate. These rates of retention and graduation illustrate the success of several programs and initiatives designed to encourage persistence, including the Foundations of Excellence in the First Year, a mandatory New Student Orientation/Advising program for first-time/full-time students, the Student Success class, the NJ Stars program, and the Commit to Complete Tuition Discount Program.

Ocean County College is participating in New Jersey's statewide Phi Theta Kappa's Community College Completion Corps (NJ C4). The NJ C4 initiative is an effort to increase the number of community college students completing their associate degrees and certificates. Completion helps ensure they have the credentials needed to successfully transfer to four-year colleges and universities to earn their bachelor's degrees, and enter careers that provide family-sustaining wages.

Several grants have been awarded to the College with a focus on the returning adult student. These grants provide support services specialized for returning adults that encourage persistence in academic programs. Additionally, the Veterans Services program at the College has been centralized within the Financial Aid Office and expanded. Veterans are typically in need of high levels of support and the College is positioned to provide both advising/counseling as well as financial aid resources in a user-friendly environment. For the 2nd year in a row the College was officially designated as a Military Friendly School for demonstrating a commitment to supporting student veterans on campus and in their careers.

OCEAN COUNTY COLLEGE
MANAGEMENT'S DISCUSSION AND ANALYSIS
YEAR ENDED JUNE 30, 2014
(Unaudited)

In addition to the main campus in Toms River, classes are held at a variety of Ocean County education facilities during their non-peak times. In FY2014, 20,296 credit-hours (over 9% of the total) were delivered at several off-site locations throughout the county, continuing to provide residents greater access to higher education. The Southern Education Center (SEC) in Manahawkin has been operating at near full capacity for the past several years, hosting 14,213 credits in FY2014. Additionally, the College uses the Ocean County Vocational School's 50,000 square foot Marine Academy for Technology and Environmental Science (MATES) on the SEC campus in the late afternoons, evenings, and on weekends. The collaborative use of the building has allowed the College to expand its offerings in the southern end of the county with no additional capital outlay and minimal overhead costs.

The NJ STARS program provides tuition funding from the state for NJ high school students who rank in the top 15% of their class at the end of either junior or senior year, and are attending one of the 19 NJ community colleges. The College maintains the highest NJ STARS enrollment in the state with 378 students in FY2014, compared to 364 students in FY2013 and 545 students in FY2012. The State has established a permanent budget line for this program, and the College actively promotes it as a viable choice for the best and brightest students in Ocean County. During FY2014 the State revised the eligibility requirements. Eligibility for the program is now based on student's junior year ranking as well as the senior year. This change will allow colleges to confirm STARS eligibility early in the senior year of high school and help students make a better informed decision before graduation.

The College has stepped up efforts to meet the needs of today's students by developing a variety of new programs. The following programs have been recently implemented or are under development:

- *AA in Performing Arts: launched in September 2014*
- *AA in Fine Arts program: development completed and it will launch Spring 2015*
- *AA in Digital Mass Media with Gaming & Animation Option: under development*
- *AA in Global Studies: launched in September 2014*
- *AAS in Business with Web Marketing Option: launched in September 2013*
- *AS in Hospitality, Recreation, and Tourism Management Program: development completed and it will launch in Spring 2015*
- *AS in Homeland Security with Geographic Information Systems Option: A grant application to develop the degree was submitted October 2014*
- *AAS in Construction Management Technology: in the planning stage*
- *AAS in Construction Management Technology, Surveying Option: in the planning stage*
- *Construction Management Technology Certificate: in the planning stage*
- *AutoCAD Certificate: in the planning stage*
- *AAS in Computer Science, Cyber Technology Option: A grant application to develop the degree was submitted October 2014*
- *AS in Homeland Security, Cyber Technology Option: A grant application to develop the degree was submitted October 2014*
- *AAS in Holistic Health and Wellness: is complete and will launch in Spring 2015*
- *AS in Radiology Technician: in the planning stage*
- *AS in Digital Medical Information Management: in the planning stage*

**OCEAN COUNTY COLLEGE
MANAGEMENT'S DISCUSSION AND ANALYSIS
YEAR ENDED JUNE 30, 2014
(Unaudited)**

Several of these new programs will connect with programs offered by the Ocean County Vocational Technical School and will provide a seamless pathway from high school to college for this previously underserved population.

Another significant factor in enrollment is the College's partnership with Kean University which provides residents of Ocean County the opportunity to graduate from OCC and remain on campus to obtain baccalaureate and master's degrees from a public institution. The Kean@Ocean collaboration currently includes fully articulated programs leading to a bachelor's degree in accounting, management, marketing, criminal justice, elementary education, English, history, nursing, biology, physical education, sociology, public administration, special education, finance, psychology and graphic design. In addition, Kean@Ocean has received branch campus status approval from the State for their graduate degree offerings which include Counselor Education and Nursing. In FY2014 2,987 students enrolled as part of the Kean@Ocean option, a 3.7% decrease over FY2013's 3,102 students which had reflected a 6.1% decrease from the 3,305 students in FY2012. We believe enrollment will increase as OCC students become familiar with the Gateway Building and Kean University programs.

Statement of Net Position

The Statement of Net Position presents all assets, liabilities and net position for the College. Both assets and liabilities are classified as either current (available or due within one year) or non-current. Net position is categorized into (a) the amount invested in capital assets (b) restricted (expendable or non-expendable) which are designated by an outside funding source and (c) unrestricted.

Assets and liabilities as of June 30th were as follows:

	FY 2014	FY 2013	FY 2012	1 Yr Change 2013-2014	1 Yr Change 2012-2013
Current Assets	\$ 41,671,253	\$ 39,418,813	\$ 36,292,181	\$ 2,252,440	\$ 3,126,632
Capital Assets	81,759,797	78,781,706	74,234,166	2,978,091	4,547,540
Non-Current Assets	5,711,617	2,697,471	3,428,327	3,014,146	(730,856)
Total Assets	129,142,667	120,897,990	113,954,674	8,244,677	6,943,316
Current Liabilities	11,862,573	8,884,164	10,181,225	2,978,409	(1,297,061)
Non-Current Liabilities	16,738,046	17,105,570	16,260,509	(367,524)	845,061
Total Liabilities	28,600,619	25,989,734	26,441,734	2,610,885	(452,000)
Net Position	\$ 100,542,048	\$ 94,908,256	\$ 87,512,940	\$ 5,633,792	\$ 7,395,316

Non-Current assets increased in FY2014 primarily due to entries related to the state-funded capital grants which are discussed in detail in the next section. A non-current receivable was also recognized for the present value of a \$3.5 million dollar pledge from the Jay and Linda Grunin Foundation to support Performing Arts programming. The increase to capital assets resulted from the final construction costs made for the Gateway Building and the initial expenditures for the new Student Center.

**OCEAN COUNTY COLLEGE
MANAGEMENT'S DISCUSSION AND ANALYSIS
YEAR ENDED JUNE 30, 2014
(Unaudited)**

Current Liabilities includes recognition of the Separation Incentive Program offered during the Spring of FY2014. A total of 19 participants chose to retire under the program and will receive their corresponding incentive payments in FY2015. This should result in significant savings to the College as most of these vacancies will not be filled. Deferred grant revenue was also recognized in relation to the state-funded capital grants.

Summary of Net Position

The College held the following net position as of June 30th:

	FY 2014	FY 2013	FY 2012	1 Yr Change 2013-2014	1 Yr Change 2012-2013
Net Position:					
Unrestricted	\$ 31,479,170	\$ 31,052,165	\$ 25,152,706	\$ 427,005	\$ 5,899,459
Restricted Expendable	3,362,440	774,020	714,966	2,588,420	59,054
Capital Assets, net	65,700,438	63,082,071	61,645,268	2,618,367	1,436,803
Total Net Position	\$ 100,542,048	\$ 94,908,256	\$ 87,512,940	\$ 5,633,792	\$ 7,395,316

Restricted Expendable Net Position primarily includes the value of the Grunin Foundation pledge and funds received from a private donation that is earmarked for the development of a Community Sailing Center.

Unrestricted Net Position has been designated to support necessary capital renewal/improvement and deferred maintenance projects. Many of these projects are already underway and funds have been allocated to support major capital projects (primarily the new Student Center) that cannot be funded solely by Chapter 12.

Other projects to be funded by unrestricted net position include renovations to the Administration Building, utility and infrastructure upgrades to the Upper Campus, college contributions relative to the state capital grants and support for the construction of a new Health Sciences building. A detailed explanation of the projects is provided below in the project summary section of this report, and the list of funding commitments can be found in Note 10 to the following financial statements.

Historically, capital funds have been provided through the Chapter 12 program which is funded jointly by the State and the County. It is clear that the Chapter 12 program alone will not provide the capital funds needed to support the needs of the student population and aging campus in the foreseeable future. Both the FY2012 Chapter 12 allocation of \$8,500,000 and the FY2013 allocation of \$1,500,000 are dedicated to the new Student Center which is currently under construction. The existing facility was built for 3,000 students and is woefully inadequate to accommodate our student body of over 10,000 credit students, Kean students, and non-credit students. The Chapter 12 funds will be supplemented by a major allocation of College funds.

**OCEAN COUNTY COLLEGE
MANAGEMENT'S DISCUSSION AND ANALYSIS
YEAR ENDED JUNE 30, 2014
(Unaudited)**

FY2014 and FY2015 Chapter allocations for a combined total of \$7,450,000 are earmarked toward the construction of a new Health Sciences building.

The College's long term financial plan calls for several bonded projects to take place over the next ten years and funding has been set aside for future debt service. The debt service fund balance is needed to relieve the operating budget in years when multiple bonds are in place at the same time. The College has developed a multi-year capital program in partnership with the County of Ocean to ensure funds are available for campus expansion, renovation, and necessary deferred maintenance/renewal projects. The County has committed to issuing bonds outside the Chapter 12 program on behalf of the College, and in turn, the College has committed to repaying varying portions of the debt service. This cooperative agreement will allow the College to take advantage of Ocean County's excellent bond rating and avoid the time and expense associated with selling bonds through a third party agency.

This cooperative arrangement began in August of 2009 when the first bond in the amount of \$9,000,000 was sold. \$3,000,000 was used for Phase II of the Arts and Community Center project and 6,000,000 was used for the construction of a Combined Heat and Power Plant. The \$15,000,000 bond for the College's share of the Gateway Building was sold in December 2010. The College is responsible for repaying 50% of the debt service on this bond to the County of Ocean. In July 2012, a third bond was issued representing the County's share of the 2012 and 2013 Chapter 12 allocations. The College is responsible for \$1,897,500 of the principal. The debt service for these bonds has been budgeted and the long term capital plan ensures that the College's operating budget will be prepared to fund the debt service over the entire repayment term. Future plans include another bond issue of approximately \$8,000,000 for the new Health Sciences building, with the College and County sharing responsibility for the debt service obligation.

Ocean County College has been awarded over \$12.4 million from state-backed bonds to fund capital construction projects and instructional technology. The bulk of the funds are being used for the Instructional Building which is currently closed for renovations. The total, including matching amounts from Ocean County and the College, comes to \$15,961,904. In addition to the Instructional Building renovation, the projects that have been funded include:

- Renovation and upgrade of the Nursing Building: Originally opened in 1970, it was re-opened in September 2014 after being closed for an extended period. The HVAC system was reconfigured and the existing duct work remediated. The Nursing Building has also been equipped with state-of-the-art allied health equipment.
- Campus-wide upgrade of classroom technology: Over the summer of 2014, most classrooms were upgraded to a new standard, which includes smart boards, built-in overhead projectors, and other related computer technology.
- Strengthen the College's technology infrastructure: Wireless capability has been expanded on campus and a faster, more reliable connection between the Southern Education Center in Manahawkin and the Main Campus in Toms River has been installed.

The unexpected infusion of capital dollars will allow OCC to upgrade and modernize the campus while incurring no debt, with the exception of the \$1,549,603 ELF bond which requires a 25% debt service match from unrestricted net position.

**OCEAN COUNTY COLLEGE
MANAGEMENT'S DISCUSSION AND ANALYSIS
YEAR ENDED JUNE 30, 2014
(Unaudited)**

Capital Assets

The FY2014 ending Construction in Progress balance primarily represents construction on the new Student Center. The increase in the Building and Improvements balance is a result of construction completed on the Gateway Building.

An outline of Capital Asset activity for the year ended June 30, 2014 follows:

	Balance June 30, 2013	Increases	Decreases	Adjustments	Balance June 30, 2014
Capital Assets, Non-Depreciable:					
Land	\$ 589,258	\$ -	\$ -	\$ -	\$ 589,258
Construction in Progress	14,518,917	5,795,792	(365,533)	(15,738,746)	4,210,430
	15,108,175	5,795,792	(365,533)	(15,738,746)	4,799,688
Capital Assets, Depreciable:					
Land Improvements	5,669,553	-	-	50,680	5,720,233
Buildings and Improvements	68,793,559	-	-	15,625,601	84,419,160
Equipment and Furniture	13,339,310	373,089	(165,468)	62,465	13,609,396
Vehicles	39,477	-	-	-	39,477
Infrastructure	914,119	-	-	-	914,119
	88,756,018	373,089	(165,468)	15,738,746	104,702,385
Total Asset Cost	103,864,193	6,168,881	(531,001)	-	109,502,073
Less Accumulated Depreciation	(25,082,487)	(2,799,602)	139,813	-	(27,742,276)
Capital Assets, Net	\$ 78,781,706	\$ 3,369,279	\$ (391,188)	\$ -	\$ 81,759,797

The FY2013 increase in Building and Improvements is a result of completed construction on the Gateway Building and Combined Heat and Power project.

**OCEAN COUNTY COLLEGE
MANAGEMENT'S DISCUSSION AND ANALYSIS
YEAR ENDED JUNE 30, 2014
(Unaudited)**

An outline of Capital Asset activity for the year ended June 30, 2013 follows:

	Balance June 30, 2012	Increases	Decreases	Adjustments	Balance June 30, 2013
Capital Assets, Non-Depreciable:					
Land	\$ 589,258	\$ -	\$ -	\$ -	\$ 589,258
Construction in Progress	14,582,715	7,451,674	(672,639)	(6,842,833)	14,518,917
	15,171,973	7,451,674	(672,639)	(6,842,833)	15,108,175
Capital Assets, Depreciable:					
Land Improvements	5,639,842	-	-	29,711	5,669,553
Buildings and Improvements	62,134,145	-	-	6,659,414	68,793,559
Equipment and Furniture	13,130,329	278,735	(223,462)	153,708	13,339,310
Vehicles	39,477	-	-	-	39,477
Infrastructure	914,119	-	-	-	914,119
	81,857,912	278,735	(223,462)	6,842,833	88,756,018
Total Asset Cost	97,029,885	7,730,409	(896,101)	-	103,864,193
Less Accumulated Depreciation	(22,795,719)	(2,510,031)	223,263	-	(25,082,487)
Capital Assets, Net	\$ 74,234,166	\$ 5,220,378	\$ (672,838)	\$ -	\$ 78,781,706

Adjustments represent transfers of completed construction projects from Construction in Progress.

Statement of Revenues, Expenses and Changes in Net Position

This report illustrates the results of college-wide operations. The main components of operating revenue are tuition and fees (net of financial aid), Federal and State of New Jersey grants, and auxiliary enterprises. State and local appropriations, capital appropriations and grants, as well as investment income and gifts are classified as non-operating revenue. Operating expenses are presented by functional classification.

Revenues

Revenue was received from three main sources: County Support, State Aid, and Tuition and Fees. The balance of revenue was received from miscellaneous sources including investment income, miscellaneous fees, and income from various programs. Total Operating Revenues increased \$2,530,327 or 6.6% from \$38,416,784 in FY2013 to \$40,947,111 in FY2014, compared to the \$602,444 or 1.6% increase from FY2012 to FY2013.

Both Net Student Tuition and Fees and Federal & State Grant revenues decreased compared to FY2013, while Auxiliary revenue showed the largest gain. This is attributed to the recognition of a \$3.5 million long-term restricted pledge from the Jay and Linda Grunin Foundation to support fine arts programming.

**OCEAN COUNTY COLLEGE
MANAGEMENT'S DISCUSSION AND ANALYSIS
YEAR ENDED JUNE 30, 2014
(Unaudited)**

County and State Appropriations

The County of Ocean continued its outstanding support of the College and provided a FY2014 operating appropriation of \$14,700,259 equal to FY2013 and FY2012. Level funding is anticipated for FY2015.

The allocation from the State of New Jersey decreased \$132,374 from FY2013 to FY2014, after an increase of \$84,493 from FY2012. The total allocation from the State to New Jersey community colleges is expected to increase slightly FY2015. The level of State funding is likely to remain an issue for New Jersey community colleges in the foreseeable future due to the unfavorable state-wide economic climate. The College is continuing to develop alternative revenue streams such as increasing out-of-county e-Learning enrollment and the Kean/Ocean partnership to offset future funding uncertainties.

Tuition & Fees

Tuition and fee revenues from all sources comprise more than half of the College's total operating revenue. Net Tuition and Fee Revenue decreased \$115,140 or 0.5% between FY2013 and FY2014, compared to a 5.1% increase from FY2012 to FY2013. The FY2014 minor variance is attributed to an increase in the per credit tuition and fee rates which offset the enrollment decline. Tuition & fee revenues are reported *net of discounts and allowances*. This ensures revenues received from student aid grants are not double counted as both Tuition revenue and Grant revenue. Students' growing reliance on state and federal aid indicates that the College must continue to devote resources to support the Financial Aid operation as it grows.

Ocean County College continues to charge one of the lowest tuition rates in the State. The tuition rate increased \$2.00 from \$92 to \$94 per credit in FY2011 and there was no increase in FY2012. In FY2013 tuition increased \$4.00 to \$98 per credit and a \$3.00 increase in FY2014 to \$101. OCC anticipates continuing the practice of implementing moderate annual tuition increases, thereby avoiding substantial increases that may create a financial burden for current students.

Grants

Total aid (includes grants, loans and work study) disbursed to students in FY2014 equaled \$26,802,681, in FY2013 \$28,297,977 and in FY2012 \$29,600,589. In fiscal year 2014, the Ocean County College Office of Financial Aid distributed aid to 11,449 students. This is a 2.9% decrease in headcount from FY2013, commensurate with the overall enrollment decrease. The decrease in aid can also be attributed to the change in PELL eligibility implemented by the federal government. In total, 76% of the student population (15,152 unduplicated headcount) received aid in FY2014. It is notable that the number of verifications required by the funding agencies has been growing at a more rapid pace than aid disbursed and additional staff has been necessary to ensure that verification processing does not delay student attendance.

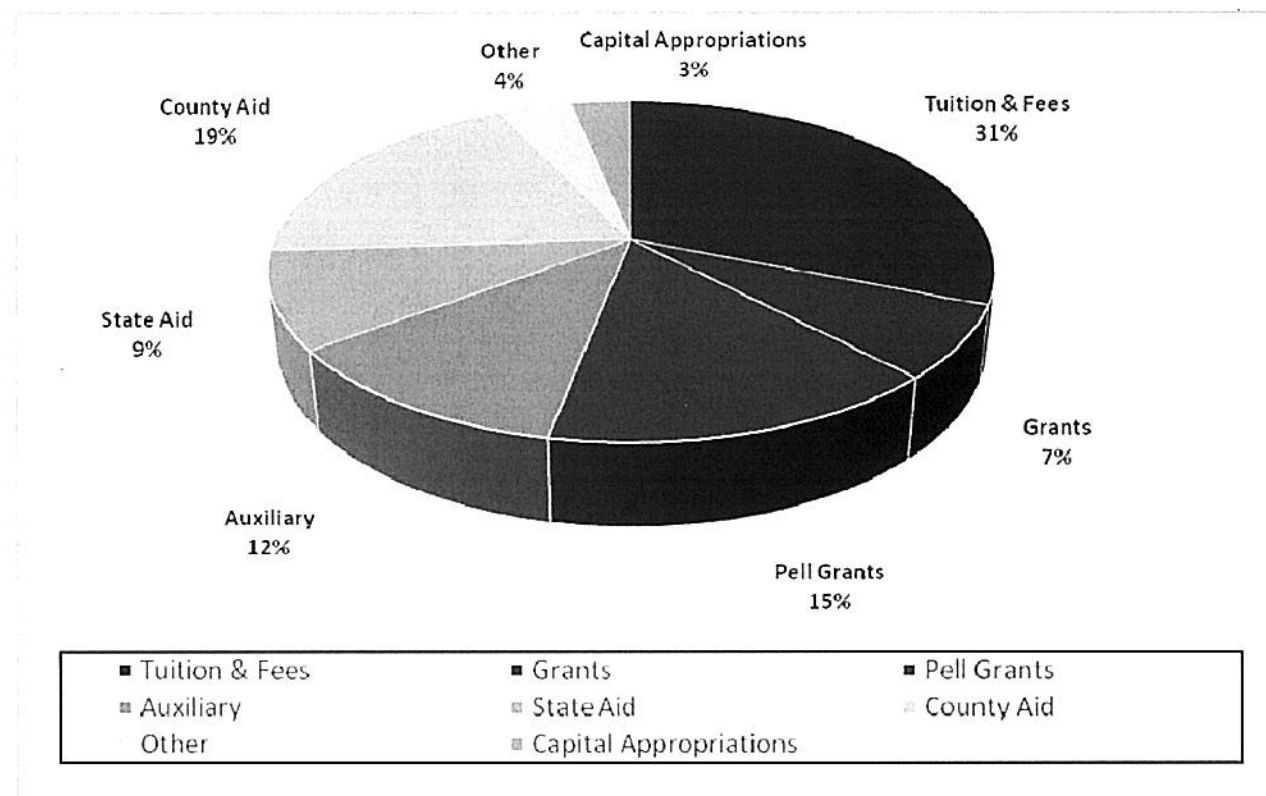
The \$220,000 per year grant for five years originally awarded in FY2011 for Student Support Services Program (TRIO) by the federal US Department of Education continues. The goal is to increase persistence, academic standing, and transfer and graduation rates through intensive/intrusive advising models. Resources include tutoring, workshops on financial aid, developing financial literacy, modifying Student Success courses, and facilitation with transfer and cultural activities.

OCC is the proud recipient of a \$50,000 per year grant for three years from Santander University. Ocean County College is the first community college to participate in Santander University which is a charitable arm of Santander Bank and actively supports universities all over the world. The grant will allow OCC to offer Lakewood

**OCEAN COUNTY COLLEGE
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High School students academic support and guidance to help them prepare to be the first in their family to attend college. The program seeks to increase college access and positive educational outcomes for this underserved population. Students that graduate from Lakewood High School after participating in the Santander Universities / Ocean County College partnership will be eligible for scholarships to attend Ocean County College as full time students. OCC will continue to offer support services to these students to help ensure their success as first generation college students

The following is a graphical illustration of Total Revenues for the year ending June 30, 2014:



Expenses

College operating expenses totaled \$73,334,228 in FY2014 compared with \$68,217,280 in FY2013 and \$69,342,556 in FY2012. The increase of 9% in Academic Support expenditures was a result of the expanded outreach efforts in support of Ocean Online and expanded student success/completion support.

Institutional Support expenditures increased due to measures to bring Information Technology support services in-house with the hire of a Chief Information Officer and IT support personnel, the addition of several much needed Human Resources staff, and the mandatory expenditure match required under the HETI state capital bond program. Operations & Maintenance of Plant saw higher than typical expenditures due to an unusually harsh winter, deferred maintenance outlays and utility fluctuations.

**OCEAN COUNTY COLLEGE
MANAGEMENT'S DISCUSSION AND ANALYSIS
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Annual salary increases for non-represented employees were below 2% for both FY2013 and FY2014 which was commensurate with the low rate of inflation. A contract settlement was reached with the Supportive Staff Association in February 2014 resulting in a 1.65% wage increase and a one-time payment of \$1,600 to each full-time member. The Association membership had been working under an expired contract, with no annual salary increases since FY2010. Negotiations continued with the full-time faculty therefore no annual salary increases were awarded to these unionized employees during FY2014.

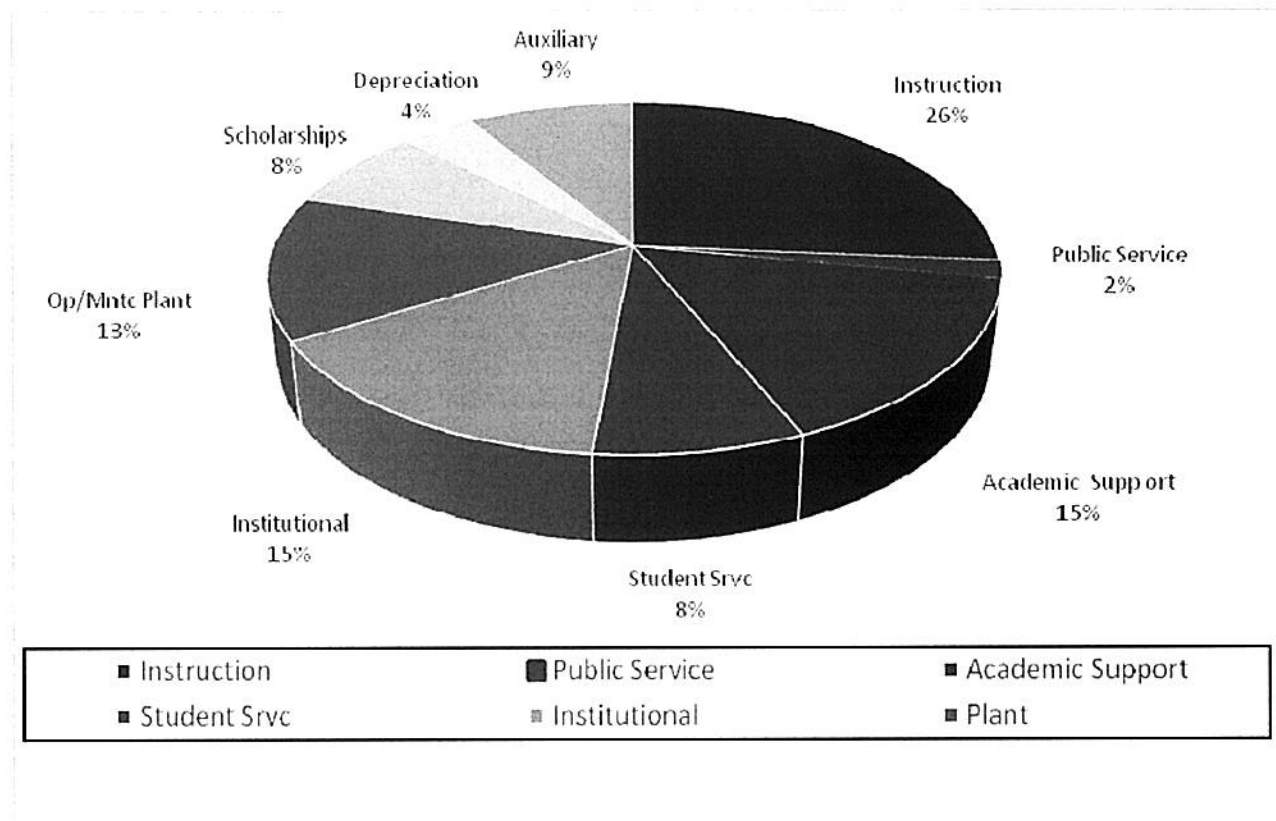
A non-operating expenditure of \$610,450 was incurred by the College for the interest portion of the debt-service payments to the County of Ocean during FY2014. The College is fortunate to benefit from the high bond rating established by the County of Ocean. The principal portion of these payments is reflected in the statements as a reduction of the liability which was established upon the bond issuances. A portion of Unrestricted Net Position has been set-aside to cover future payments in order to minimize the impact on current operating activity.

Comparing FY2013 to FY2012, Instructional expenditures decreased due to faculty vacancies and a reduction in adjunct salary expense due to decreased enrollment.

	FY 2014	FY 2013	FY 2012	1 Yr Change 2013-2014	1 Yr Change 2012-2013
Operating Expenses:					
Instruction	\$ 19,361,592	\$ 18,599,023	\$ 19,824,766	\$ 762,569	\$ (1,225,743)
Public Service	1,223,958	1,120,558	1,084,802	103,400	35,756
Academic Support	11,394,864	10,444,178	9,992,084	950,686	452,094
Student Services	5,760,099	5,651,481	5,555,854	108,618	95,627
Institutional Support	10,963,755	9,531,263	9,636,841	1,432,492	(105,578)
Operation & Maintenance of Plant	9,720,028	8,135,330	7,958,550	1,584,698	176,780
Scholarships & Fellowships	5,672,101	6,141,186	6,596,826	(469,085)	(455,640)
Depreciation	2,799,602	2,510,031	2,445,566	289,571	64,465
Total	66,895,999	62,133,050	63,095,289	4,762,949	(962,239)
Auxiliary Expenses	6,438,229	6,084,230	6,226,041	353,999	(141,811)
Other Operating Expenses	-	-	21,226	-	(21,226)
Total Operating Expenses	\$ 73,334,228	\$ 68,217,280	\$ 69,342,556	\$ 5,116,948	\$ (1,125,276)

**OCEAN COUNTY COLLEGE
MANAGEMENT'S DISCUSSION AND ANALYSIS
YEAR ENDED JUNE 30, 2014
(Unaudited)**

Following is a graphical illustration of Expenses for the year ended June 30, 2014:



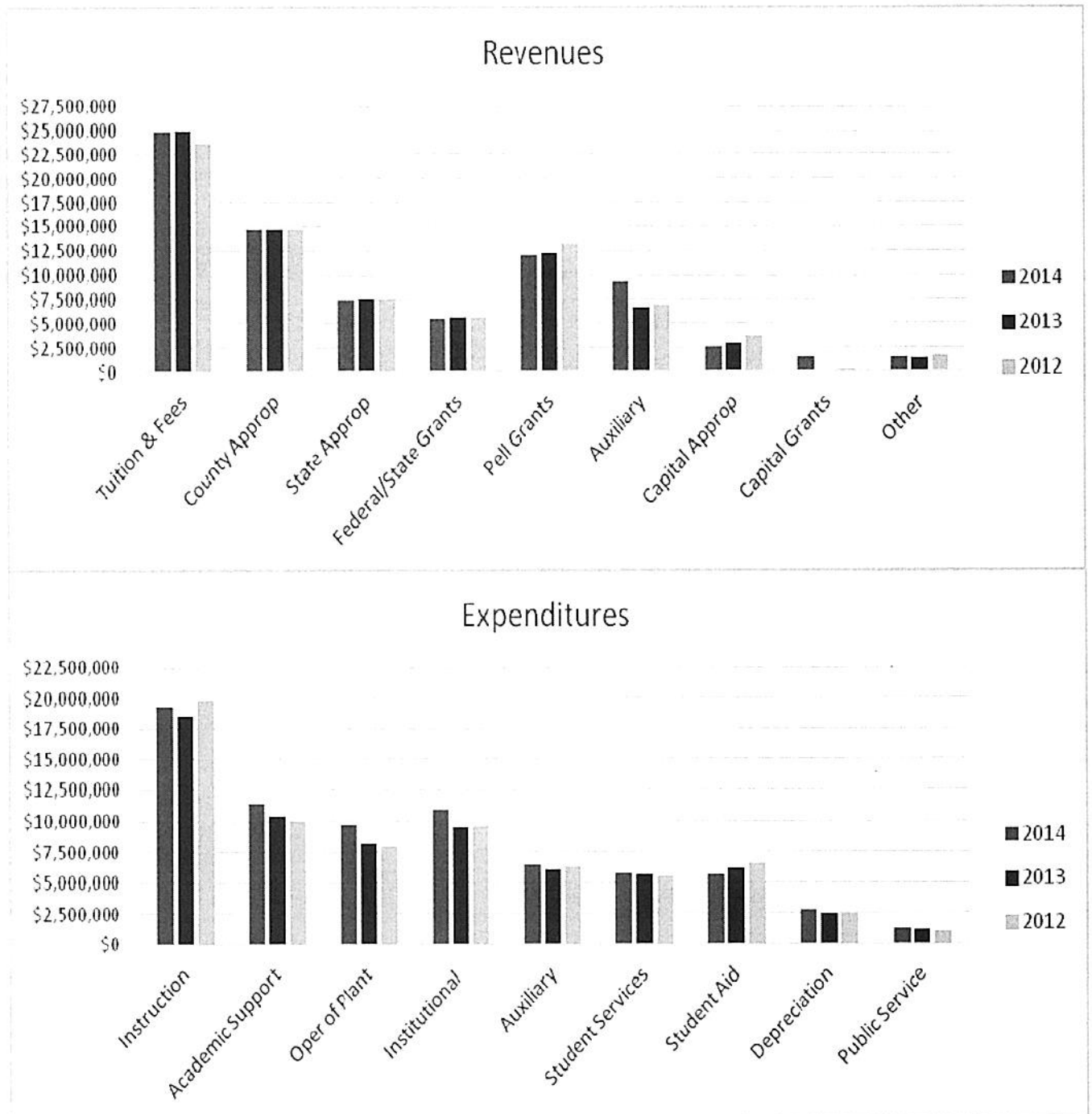
OCEAN COUNTY COLLEGE
MANAGEMENT'S DISCUSSION AND ANALYSIS
YEAR ENDED JUNE 30, 2014
(Unaudited)

Following is a summary of the entire report for the periods ending June 30, 2014, 2013 and 2012.

	FY 2014	FY 2013	FY 2012	1 Yr Change 2013-2014	1 Yr Change 2012-2013
Operating Revenue:					
Tuition, Net	\$ 12,633,013	\$ 12,640,765	\$ 13,886,806	\$ (7,752)	\$ (1,246,041)
Fees	10,306,368	10,304,012	7,841,002	2,356	2,463,010
Chargeback to Other Counties	10,547	5,805	5,770	4,742	35
Continuing Prof Education	1,897,408	2,011,894	2,017,694	(114,486)	(5,800)
Federal, State and Local Grants	5,502,013	5,616,805	5,712,886	(114,792)	(96,081)
Auxiliary Enterprises	9,372,139	6,725,277	6,932,252	2,646,862	(206,975)
Other Operating Revenues	1,225,623	1,112,226	1,417,930	113,397	(305,704)
Total Operating Revenues	40,947,111	38,416,784	37,814,340	2,530,327	602,444
Operating Expenses	66,895,999	62,133,050	63,095,289	4,762,949	(962,239)
Auxiliary Expenses	6,438,229	6,084,230	6,226,041	353,999	(141,811)
Other Expenses	-	-	21,226	-	(21,226)
Total Expenses	73,334,228	68,217,280	69,342,556	5,116,948	(1,125,276)
Operating Loss	(32,387,117)	(29,800,496)	(31,528,216)	(2,586,621)	1,727,720
Non-Operating Rev/(Exp):					
State Appropriations	7,416,357	7,548,731	7,464,238	(132,374)	84,493
County Appropriations	14,700,259	14,700,259	14,700,259	-	-
Federal Pell Grant Revenue	12,086,990	12,316,083	13,272,450	(229,093)	(956,367)
Investment Income	217,240	176,029	159,762	41,211	16,267
Interest Expense	(610,450)	(621,841)	(561,364)	11,391	(60,477)
Capital Appropriations	2,564,564	3,014,343	3,612,538	(449,779)	(598,195)
Capital Grants & Gifts	1,557,892	-	299,352	1,557,892	(299,352)
Other Non-Operating Revenue	88,057	62,208	53,411	25,849	8,797
	38,020,909	37,195,812	39,000,646	825,097	(1,804,834)
Increase in Net Position	5,633,792	7,395,316	7,472,430	(1,761,524)	(77,114)
Net Position - Beginning of Year	94,908,256	87,512,940	80,040,510	7,395,316	7,472,430
Net Position - End of Year	\$ 100,542,048	\$ 94,908,256	\$ 87,512,940	\$ 5,633,792	\$ 7,395,316

**OCEAN COUNTY COLLEGE
MANAGEMENT'S DISCUSSION AND ANALYSIS
YEAR ENDED JUNE 30, 2014
(Unaudited)**

The following are graphical illustrations of revenues and expenses of the College over the last three fiscal years:



**OCEAN COUNTY COLLEGE
MANAGEMENT'S DISCUSSION AND ANALYSIS
YEAR ENDED JUNE 30, 2014
(Unaudited)**

Projects Completed and in Process

Combined Heat & Power Plant/Green Power Project

A Combined Heat and Power Plant (CHP) has been constructed on the College campus. CHP is the generation of two useful types of energy from a single fuel source. CHP is a highly reliable and efficient form of power generation with low emissions. The CHP will decrease energy costs, reduce the impact of utility power outages, and drastically reduce greenhouse gas and other pollutant emissions. The Combined Heat & Power Plant (CHP) is funded by a \$6,000,000 bond and various grants that total close to \$3,000,000. This unique funding plan allows the College to take advantage of grant opportunities available for energy saving projects through the State of New Jersey. The CHP will provide power to the new Gateway Building and College Center as well as most of the existing buildings on campus. The CHP began operations near the end of FY2014.

J. Philip Citta Community Sailing Center

As noted previously in the explanation of restricted funds, the College received private donations of over \$500,000 to fund the development of a sailing center. With the cooperative support of the Ocean County Freeholders and Parks Department, the College anticipates the construction of a T-dock, an air conditioned building and a connected boat storage facility. The Center will be used by the College sailing team for its fleet of sailboats. Construction is expected to begin in FY2015.

Gateway Building

The Gateway Building opened in the Fall of 2014 and is the result of a highly successful collaboration between Ocean County College, the County of Ocean and Kean University. This partnership achieved the long-awaited goal of expanding access to baccalaureate and master degree programs for Ocean County residents. Kean University funded half the cost of the building through its Foundation. OCC funded its half of the building through a bond that was issued by Ocean County in December 2010. The debt service will be funded 50% by the County and 50% by the College. Ocean County also contributed to the infrastructure costs. OCC oversaw the building construction. The Gateway Building allowed for the expansion of Kean offerings on the OCC campus as well as providing additional instructional space for OCC students. The Gateway Building features a 200-seat lecture hall, 26 classrooms, administrative and faculty offices, coffee kiosk, conference room, student lounge, and a fifth-floor meeting and event area. Students are enjoying the physical manifestation of the Kean/Ocean partnership.

New Student Center

The current College Center was built in 1970 to serve 3,000 students. This structure is currently serving over 10,000 students and will be replaced by a new \$19,000,000 building which is under construction. The new Student Center has been designed and will include student dining space, bookstore, club and organization space, study space as well as general student lounge space. An allocation of \$8.5 million in Chapter 12 funds was made available in FY2012 to support this major initiative, with an additional \$1.5 million in FY2013. College funds have been allocated to cover the remaining balance as well as fund the demolition of the current facility. It has been determined that it is not economically feasible to repurpose the existing building due to its age and condition. It is anticipated that a portion of Kean University student fees will be provided to the College to

**OCEAN COUNTY COLLEGE
MANAGEMENT'S DISCUSSION AND ANALYSIS
YEAR ENDED JUNE 30, 2014
(Unaudited)**

contribute to operating costs. Construction began in FY2014 and occupancy of the new Student Center is planned for the Spring of 2015.

Instructional Building Renovation

A complete overhaul and upgrade of the College's largest classroom building is underway. Originally constructed in 1967, the building is a three-story structure of approximately 60,000 sq. ft. The project will upgrade structural and mechanical systems as well as reconfigure the entrance and improve building aesthetics. Several classrooms will be converted to laboratories and all classrooms and labs will be equipped with state-of-the-art instructional equipment. One floor will house a centralized tutoring center that will allow for the consolidation of resources and better service to students.

Proposed New Health Sciences Building

The proposed three story, 50,000-square-foot state-of-the-art building will provide ample space and advanced learning technologies to support the development of health care professionals for the 21st century. The new facilities will contain Health Assessment Rooms to afford students with a comprehensive training center that provides a wide range of realistic practical experiences. The training rooms will be used primarily as a lab and classroom for students. The simulation labs will contain care units that include exam tables and related equipment, and hospital beds. Cameras and microphones will be located above the patient care areas to allow recording of the students as they learn basic nursing skills. The proposed funding plan for the building is below:

Health Sciences Building	County	State	College	Total
FY 14 Chapter 12	\$ 2,125,000	\$ 2,125,000	\$ -	\$ 4,250,000
FY 15 Chapter 12	1,600,000	1,600,000	-	3,200,000
County Bond	2,000,000	-	6,000,000	8,000,000
Subtotal, Building Cost	5,725,000	3,725,000	6,000,000	15,450,000
Equipment	-	-	1,000,000	1,000,000
Total	\$ 5,725,000	\$ 3,725,000	\$ 7,000,000	\$ 16,450,000

Economic Factors That Affect the Future

The College is actively seeking ways to moderate operating expenses. Custodial services were outsourced in 2014 and the College has been very pleased with the performance of the contractor. The level of cleanliness has improved campus-wide and the financial impact of campus growth on the operating budget will be moderated by the outsourced contract.

The cost of employee health benefits continues to escalate. After a shocking 23% increase in calendar year 2010, the State Health Benefits Plan (SHBP) increased premiums 6% for calendar year 2011. There was a slight decrease in calendar 2012, and then a 14.7% increase in calendar year 2013. The increases were somewhat offset by the implementation of legislation that requires employees to contribute a percentage of premiums based on salary.

**OCEAN COUNTY COLLEGE
MANAGEMENT'S DISCUSSION AND ANALYSIS
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(Unaudited)**

The College is actively pursuing relationships with successful OCC Alumni that can be showcased to demonstrate the impact of an OCC education to prospective students. Ten banners highlighting successful OCC Alumni have been installed on campus. Alumni are now featured on huge banners on the Hering Science Building and the Gymnasium and smaller banners have been placed on monoliths on the campus mall. An additional five banners have been installed at other locations including the Fine Arts walkway, the Administration building and Bartlett Hall. The banners will be changed every two years to highlight different alumni and celebrate new accomplishments

Efforts to control expenses in FY2014 included a reorganization prompted by the nineteen retirements associated with the separation incentive plan as well as other staff changes that took place in FY2013 and FY2014. The Presidents Leadership Team (PLT) was reduced from twelve senior staff members to nine, saving significant budget dollars. The Student Affairs Division was reorganized to include the Enrollment Management team and the Admissions Office was restructured with a renewed focus on strategic recruitment. Faculty retirements have been replaced with a combination of twelve-month full-time Lecturer II's and adjuncts. This approach provides more class coverage for less cost.

The College realizes that expense containment alone will not sustain it in the long term. New Online programs have been developed and implemented through a partnership with NCS Pearson. These new programs are being marketed to attract students from all over the country. At the same time, the College is seeking to develop an international program that will be accounted for as an auxiliary enterprise and will be funded entirely by new revenue. This venture has the potential to bring countless new students to OCC and increase tuition revenue without subsidies from the State or County.

In 2014, Ocean County College, in connection with the Ocean County College Foundation, became the proud recipient of the single largest gift to a New Jersey community college. The unprecedented gift of \$5,750,000 from the Jay and Linda Grunin Foundation consists of a \$2,000,000 endowment to the Foundation and \$250,000 per year gift to the College beginning in 2014 and continuing until 2028 which will be used to support high quality, professional productions. The OCC Arts and Community Center has been renamed the Jay & Linda Grunin Center for the Arts and will house the performances.

The Grunin gift made the seven outstanding 2014 Grunin Spotlight Series performances possible. The faculty and staff of the Performing Arts planned performances and events that will showcase top talent and provide opportunities for students to learn from the artists. Tickets have been set aside for students to attend select performances of the Grunin Spotlight Series free of charge. In addition, many of these exceptional performers will offer a Master Class to OCC students at no cost. The College is extremely grateful to the Grunin Foundation and very proud to have the opportunity to offer exceptional cultural experiences to our students and to Ocean County.

FY2014 marked a year brimming with planning activity. The College began the process of developing a new Ten Year Master Plan. Spiezle Architectural Group was hired after an intense RFP and interview process. Led by the Assistant Vice President of Facilities Management and Construction, Spiezle has been meeting with the various constituency groups including faculty, staff, students and the Board of Trustees. The new Master Plan is expected to guide the development of the campus through 2025.

**OCEAN COUNTY COLLEGE
MANAGEMENT'S DISCUSSION AND ANALYSIS
YEAR ENDED JUNE 30, 2014
(Unaudited)**

In addition to the Master Planning activity, OCC began the process of developing a new strategic plan. Faced with unfavorable enrollment trends and rapid changes within higher education, OCC hired consultants from Strategic Initiatives to assess the current state of the institution. The assessment revealed that in order to develop the organizational capabilities, agility and resilience necessary to thrive in these disruptive times, OCC needs to rework its mission and strategic plan. Using the framework from Excellence on the Edge, eight strategy teams were formed to develop a new strategic framework.

The planning process is intended to build on existing strengths and increase organizational capacity to overcome weaknesses. The Ocean County College community, made up of a cross section of college employees and community leaders, has come together with the goal of building a resilient and high performing college. The initiative has been named Charting our New Course and it will continue through FY2015 when the new mission statement and strategic plan will be finalized. We believe that this comprehensive planning effort is the key component to the future success of Ocean County College.

Requests for Information

The financial report is designed to provide a general overview of the College's finances. Questions concerning any of the information provided in this report or other requests for additional information should be addressed to the Ocean County College business office.



Basic Financial Statements

**Fiscal Year Ended
June 30, 2014**

**OCEAN COUNTY COLLEGE
STATEMENTS OF NET POSITION
JUNE 30, 2014 AND 2013**

	2014		2013	
	College	Component Unit OCC Foundation	College	Component Unit OCC Foundation
ASSETS				
CURRENT ASSETS				
Cash and Cash Equivalents	\$ 21,455,267	\$ 476,670	\$ 21,992,651	\$ 421,124
Investments	11,024,915	2,384,494	10,027,986	2,207,103
Accounts Receivable, Net of Allowance of \$674,197 and \$2,444,125 at June 30, 2014 and 2013, respectively	4,801,153	-	4,052,468	-
Inventories	1,085,735	-	935,611	-
Prepaid Items	467,877	1,868	216,598	3,706
Contribution Receivable, Current Portion	238,063	-	-	-
Other Assets	300,913	113,138	338,068	129,672
Intergovernmental Accounts Receivable: County of Ocean Capital Appropriation	2,297,330	-	1,855,431	-
Total Current Assets	41,671,253	2,976,170	39,418,813	2,761,605
NON-CURRENT ASSETS				
Restricted Cash and Cash Equivalents	2,331,894	-	406,972	-
Endowment Investments	-	8,041,662	-	5,210,257
Student Loans Receivable, Net of Allowance of \$173,563 and \$120,000 at June 30, 2014 and 2013, respectively (Foundation)	29,269	213,582	29,269	253,975
Intergovernmental Accounts Receivable: County of Ocean Capital Appropriation	1,259,196	-	2,261,230	-
Contribution Receivable, Net of Current Portion	2,091,258	-	-	-
Capital Assets, Net	81,759,797	-	78,781,706	-
Total Non-Current Assets	87,471,414	8,255,244	81,479,177	5,464,232
Total Assets	129,142,667	11,231,414	120,897,990	8,225,837

See accompanying Notes to Financial Statements.

**OCEAN COUNTY COLLEGE
STATEMENTS OF NET POSITION (CONTINUED)
JUNE 30, 2014 AND 2013**

	2014		2013	
	College	Component Unit OCC Foundation	College	Component Unit OCC Foundation
LIABILITIES AND NET POSITION				
CURRENT LIABILITIES				
Accounts Payable	\$ 3,319,498	\$ 68,739	\$ 2,903,426	\$ 54,209
Accrued Expenses	1,825,836	-	523,555	-
Compensated Absences, Current Portion	1,168,244	-	992,368	-
Unearned Revenue:				
Student Tuition and Fees	2,966,549	-	3,333,132	-
Federal and State Grants	1,751,142	-	65,704	-
Other	-	45,500	-	24,551
County of Ocean - Debt Service Agreements	773,435	-	1,065,979	-
Other Short-Term Debt	57,869	-	-	-
Total Current Liabilities	<u>11,862,573</u>	<u>114,239</u>	<u>8,884,164</u>	<u>78,760</u>
NON-CURRENT LIABILITIES				
Compensated Absences	1,137,835	-	1,326,362	-
U.S. Government Grants Refundable	31,911	-	31,911	-
County of Ocean - Debt Service Agreement	15,281,362	-	15,747,297	-
Other Long-Term Debt	286,938	-	-	-
Total Non-Current Liabilities	<u>16,738,046</u>	<u>-</u>	<u>17,105,570</u>	<u>-</u>
Total Liabilities	28,600,619	114,239	25,989,734	78,760
NET POSITION				
Net Investment in Capital Assets	65,700,438	-	63,082,071	-
Restricted for:				
Non-Expendable:				
Program	-	2,296,384	-	269,947
Scholarships	-	4,535,016	-	3,881,400
Other	-	1,210,262	-	1,058,910
Expendable:				
Instructional Department Uses	2,691,547	-	122,472	-
Loans	21,561	-	21,561	-
Capital Projects	649,332	-	629,987	-
Program	-	230,850	-	223,583
Scholarships	-	868,443	-	1,003,659
Other	-	212,148	-	185,463
Unrestricted	31,479,170	1,764,072	31,052,165	1,524,115
Total Net Position	<u>\$ 100,542,048</u>	<u>\$ 11,117,175</u>	<u>\$ 94,908,256</u>	<u>\$ 8,147,077</u>

See accompanying Notes to Financial Statements.

OCEAN COUNTY COLLEGE
STATEMENTS OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION
YEARS ENDED JUNE 30, 2014 AND 2013

	2014		2013	
	College	Component Unit OCC Foundation	College	Component Unit OCC Foundation
REVENUES				
Operating Revenues:				
Student Tuition and Fees	\$ 35,031,840	\$ -	\$ 35,188,881	\$ -
Scholarship Discounts and Allowances	(10,184,504)	-	(10,226,405)	-
Federal and State Grants	5,502,013	-	5,616,805	-
Gifts and Contributions	-	2,867,560	-	1,185,012
Other	1,225,623	4,839	1,112,226	4,048
Auxiliary Enterprises	9,372,139	-	6,725,277	-
Total Revenues	40,947,111	2,872,399	38,416,784	1,189,060
EXPENSES				
Operating Expenses:				
Educational and General:				
Instructional	19,361,592	-	18,599,023	-
Public Service	1,223,958	-	1,120,558	-
Academic Support	11,394,864	-	10,444,178	-
Student Services	5,760,099	-	5,651,481	-
Institutional Support	10,963,755	343,329	9,531,263	273,981
Operations and Maintenance of Plant	9,720,028	-	8,135,330	-
Scholarship and Other Student Aid	5,672,101	533,101	6,141,186	688,465
Depreciation	2,799,602	-	2,510,031	-
Other Expenditures	-	143,664	-	175,360
Auxiliary Enterprises	6,438,229	-	6,084,230	-
Total Expenses	73,334,228	1,020,094	68,217,280	1,137,806
Operating Income (Loss)	(32,387,117)	1,852,305	(29,800,496)	51,254
NON-OPERATING REVENUES (EXPENSES)				
State Appropriations	7,416,357	-	7,548,731	-
County Appropriations	14,700,259	-	14,700,259	-
Pell Grants	12,086,990	-	12,316,083	-
Investment Income	217,240	1,171,356	176,029	638,220
Gifts - Other	88,057	-	62,208	-
Capital Grants	1,557,892	-	-	-
Interest Expense	(610,450)	-	(621,841)	-
On-Behalf Payments - Alternative Benefit Program:				
Revenues	836,127	-	840,522	-
Expenses	(836,127)	-	(840,522)	-
Total Non-Operating Revenues, Net	35,456,345	1,171,356	34,181,469	638,220
OTHER REVENUES				
Capital Appropriations	2,564,564	-	3,014,343	-
INCREASE IN NET POSITION	5,633,792	3,023,661	7,395,316	689,474
NET POSITION - BEGINNING OF YEAR	94,908,256	8,147,077	87,512,940	7,457,603
PRIOR PERIOD ADJUSTMENT	-	(53,563)	-	-
NET POSITION - END OF YEAR	<u>\$ 100,542,048</u>	<u>\$ 11,117,175</u>	<u>\$ 94,908,256</u>	<u>\$ 8,147,077</u>

See accompanying Notes to Financial Statements.

**OCEAN COUNTY COLLEGE
STATEMENTS OF CASH FLOWS
YEARS ENDED JUNE 30, 2014 AND 2013**

	2014 College	2013 College
CASH FLOWS FROM OPERATING ACTIVITIES		
Tuition and Fees	\$ 24,602,836	\$ 24,825,532
Grants and Contracts	5,406,916	6,059,381
Grant Payments	(1,662,731)	(1,128,533)
Payments to Suppliers	(17,588,120)	(15,219,209)
Payments to Employees/Benefits	(37,158,235)	(37,949,747)
Payments to Students	(5,672,101)	(6,141,186)
Auxiliary Enterprise Revenue	7,132,657	6,634,592
Auxiliary Service Payments	(6,562,978)	(5,926,997)
Other Revenue	1,225,623	1,288,255
Net Cash Used by Operating Activities	<u>(30,276,133)</u>	<u>(27,557,912)</u>
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES		
State Appropriations	7,416,357	7,548,731
County Appropriations	14,700,259	14,700,259
Pell Grant	12,086,990	12,316,083
Gifts and Grants for Other Than Capital Purposes	88,057	62,208
Net Cash Provided by Noncapital Financing Activities	<u>34,291,663</u>	<u>34,627,281</u>
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES		
Capital Appropriations	2,334,070	436,418
Capital Grants	4,930,660	11,189,439
Interest Paid on Capital Debt	(1,368,929)	(1,361,065)
Purchase of Capital Assets	(7,744,104)	(12,973,572)
Net Cash Used by Capital and Related Financing Activities	<u>(1,848,303)</u>	<u>(2,708,780)</u>
CASH FLOWS FROM INVESTING ACTIVITIES		
Redemption of Investments	10,000,000	10,039,150
Purchase of Investments	(11,000,000)	(10,000,000)
Interest and Dividends on Investments	220,311	35,125
Net Cash (Used) Provided by Investing Activities	<u>(779,689)</u>	<u>74,275</u>
NET INCREASE IN CASH AND CASH EQUIVALENTS	1,387,538	4,434,864
Cash and Cash Equivalents - Beginning of Year	<u>22,399,623</u>	<u>17,964,759</u>
CASH AND CASH EQUIVALENTS - END OF YEAR	<u>\$ 23,787,161</u>	<u>\$ 22,399,623</u>
RECONCILIATION TO STATEMENT OF NET POSITION		
Unrestricted Cash and Cash Equivalents	\$ 21,455,267	\$ 21,992,651
Restricted Cash and Cash Equivalents	<u>2,331,894</u>	<u>406,972</u>
TOTAL RECONCILIATION TO STATEMENT OF NET POSITION	<u>\$ 23,787,161</u>	<u>\$ 22,399,623</u>

See accompanying Notes to Financial Statements.

OCEAN COUNTY COLLEGE
STATEMENTS OF CASH FLOWS (CONTINUED)
YEARS ENDED JUNE 30, 2014 AND 2013

	2014 College	2013 College
RECONCILIATION OF OPERATING LOSS TO NET CASH		
USED BY OPERATING ACTIVITIES:		
Operating Loss	\$ (32,387,117)	\$ (29,800,496)
Adjustment to Reconcile Net Loss to Net Cash		
Used by Operating Activities:		
Depreciation Expense	2,799,602	2,510,031
Loss on Disposal of Plant Facilities	25,656	-
Changes in Operating Assets and Liabilities:		
Accounts Receivable, Net	(2,287,378)	1,340,482
Inventories	(150,124)	74,351
Prepaid Items	(251,279)	(2,183)
Other Assets	37,155	(81,659)
Accounts Payable	942,750	(1,420,552)
Accrued Expenses	1,289,631	9,076
Unearned Revenue:		
Student Tuition and Fees	(366,583)	(159,006)
Federal and State Grants	71,554	(27,956)
NET CASH USED BY OPERATING ACTIVITIES	<u><u>\$ (30,276,133)</u></u>	<u><u>\$ (27,557,912)</u></u>

See accompanying Notes to Financial Statements.

**OCEAN COUNTY COLLEGE
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2014 AND 2013**

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Description of Reporting Entity

Ocean County College (the College) is a two year publicly supported community college operating under the provisions of N.J.S.A. 18A:64A1 et.seq. The College was established in 1964 in Toms River, New Jersey and is a component unit of the County of Ocean.

The Board of Trustees of Ocean County College consists of the County Superintendent of Schools and eleven persons, eight of whom are appointed by the Ocean County Board of Chosen Freeholders, two by the Governor of the State of New Jersey, and one by the Student Body of Ocean County College. The term of office of appointed members is four years. The Board is responsible for the fiscal control of the College. A chairman is appointed by the Board and is responsible for the policy control of the College.

The College offers a wide range of academic programs, including associates degree in arts, science and applied science.

In addition to its main campus, the College also has a Southern Education Center, which is located in Manahawkin, New Jersey. This center has five classrooms, a conference room, a computer classroom, offices and a student lounge. It offers credit classes, Continuing & Professional Education courses and special events. The College also sponsors off-campus credit courses at various public school sites throughout the county.

Component Units

Ocean County College is a component unit of the County of Ocean as described in Governmental Accounting Standards Board (GASB) Statement No. 14 – *The Financial Reporting Entity* and GASB Statement No. 39 – *Determining Whether Certain Organizations Are Component Units*. 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 Ocean 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 Ocean's financial statements.

Ocean County College Foundation (the Foundation) is a New Jersey nonprofit corporation organized in October 1965. Its purpose is to support Ocean County College by providing scholarships, awards and loans to qualifying students, and conducting certain fundraising activities on behalf of the College. The Foundation solicits public and private contributions to carry out its objectives. The Foundation is governed by a board of directors, which includes representation by the College President and several Board Members. College employees and facilities are used to support some activities of the Foundation. During the fiscal years ended June 30, 2014 and 2013, the Foundation distributed \$586,944 and \$576,714, respectively, to the College for both restricted and unrestricted purposes. In accordance with GASB Statement No. 39 – *Determining Whether Certain Organizations Are Component Units* the Foundation is discretely presented in the financial statements of the College.

OCEAN COUNTY COLLEGE
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2014 AND 2013

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Component Units (Continued)

The audit reports of the Foundation for the fiscal years ended June 30, 2014 and 2013 can be obtained at the Foundation offices at the following address during normal business hours:

Ocean County College Foundation
College Drive, PO Box 2001
Toms River, New Jersey 08754

Basis of Presentation

The College financial statements are presented in accordance with GASB Statement No. 35 – *Basic Financial Statements and Management's Discussion and Analysis for Public Colleges and Universities*. The financial statement presentation required by GASB No. 35 provides a comprehensive, entity-wide perspective of the College's assets, liabilities, net position, revenues, expenses, changes in net position, cash flows and replaces the fund-group perspective previously required.

Basis of Accounting and Measurement Focus

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

Cash and Cash Equivalents and Investments

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

The College accounts for its investments at fair value in accordance with GASB Statement No. 31 – *Accounting and Financial Reporting for Certain Investments and for External Investment Pools*. Changes in unrealized gain (loss) on the carrying value of investments are reported as a component of investment income in the statement of revenues, expenses and changes in net position.

Additionally, the College deposits funds in public depositories protected from loss under the provisions of the Governmental Unit Deposit Protection Act (GUDPA). The Act was enacted in 1970 to protect Governmental Units from a loss of funds on deposit with a failed banking institution in New Jersey.

OCEAN COUNTY COLLEGE
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2014 AND 2013

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Cash and Cash Equivalents and Investments (Continued)

N.J.S.A. 17:9-41 et seq. establishes the requirements for the security of deposits of governmental units. The statute requires that no governmental unit shall deposit public funds in a public depository unless such funds are secured in accordance with the Act. Public depositories include State or federally chartered banks, savings banks or associations located in the State of New Jersey or state or federally chartered banks, savings banks or associations located in another state with a branch office in the State of New Jersey, the deposits of which are federally insured. All public depositories must pledge collateral, having a market value at least equal to five percent of the average daily balance of collected public funds, to secure the deposits of Governmental Units. If a public depository fails, the collateral it has pledged, plus the collateral of all other public depositories, is available to pay the full amount of their deposits to the Governmental Units.

Accounts Receivable and Allowance for Doubtful Accounts

Accounts receivable, students, and other, are reported at net realizable value. Accounts are written off when they are determined to be uncollectible based upon management's assessment of individual accounts. The allowance for doubtful accounts is estimated based on the College's historical losses and periodic review of individual accounts. Student accounts receivable are deemed uncollectible if payment is not received within two years. The College will write-off each individual student receivable deemed uncollectible by the end of the next fiscal year. The allowance for doubtful accounts as of June 30, 2014 and 2013 was \$674,197 and \$2,444,125 respectively. Approximately \$2 million in aged student accounts receivable were deemed uncollectible and were written off during FY14.

Prepaid Expenses

Prepaid expenses represent payments made to vendors for services that will benefit periods beyond fiscal year end.

Inventories

Inventories, consisting of merchandise available for sale at the College bookstore, are determined on a first-in, first-out (FIFO) method and are stated at the lower of cost or market.

Tuition

Each year the Board of Trustees sets tuition rates on a per credit hour basis. Rates vary based upon residence within Ocean County, out of county or out of state. Tuition revenue is earned in the fiscal year the classes are taken.

State Aid

The New Jersey Department of Treasury, Office of Management and Budget (OMB) allocates the annual appropriation for community college operating aid according to credit hour enrollments as prescribed by N.J.S.A.18A:64A-22.

**OCEAN COUNTY COLLEGE
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2014 AND 2013**

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

County Aid

N.J.S.A. 18A:64A-22 states that each county which operates a county college shall continue to provide moneys for the support of college in an amount no less than 25% of the operational expenses in the base State Fiscal year.

Unearned Revenue

Unearned revenue includes amounts received for tuition and fees, grants, corporate sponsorship payments and certain activities prior to the end of the fiscal year, but related to the subsequent accounting period.

Capital Assets

Capital assets include property, plant equipment and infrastructure assets, such as roads and sidewalks. Capital assets are defined by the College as assets with an initial unit cost of \$5,000 or more and an estimated useful life in excess of two years. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at estimated fair market value at the date of donation. The College capitalizes expenditures to construction in progress only if the cost enhances or changes the functionality of the space or significantly extends the life of an existing asset, if it does not; it is considered repairs or maintenance and expensed. Major outlays for capital assets and improvements are capitalized as projects are constructed.

Capital assets of the College are depreciated using the straight-line method over the following useful lives:

Assets	Years
Land Improvements	20
Infrastructure	40
Buildings and Building Improvements	45 - 50
Equipment and Furnishings	5 - 20

Depreciation expense for the fiscal years ending June 30, 2014 and 2013 was \$2,799,602 and \$2,510,031 respectively.

Financial Dependency

Among the College's largest revenue sources are appropriations from the State of New Jersey and County of Ocean, including contributions made by the State on behalf of the College for the Alternative Benefit Program. The College is economically dependent on these appropriations to carry on its operations.

OCEAN COUNTY COLLEGE
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2014 AND 2013

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Compensated Absences

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

Use of Estimates

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

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. Federal programs are audited in accordance with the Single Audit Act Amendments of 1996, the U.S. Office of Management and Budget Revised Circular A-133, *Audits of States, Local Governments and Non-Profit Organizations*, and the OMB A-133 Compliance Supplement.

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 ending June 30, 2014 and 2013 was \$10,184,504 and \$10,226,405 respectively.

On-Behalf Payments for Pension Contributions

The College accounts for its on-behalf payments for pension contributions in accordance with GASB Statement No. 24 – *Accounting and Financial Reporting for Certain Grants and Other Financial Assistance*. GASB No. 24 requires that revenue and expenditures be recorded in the financial statements for the State of New Jersey On-Behalf Payments for the Alternative Benefit Program.

OCEAN COUNTY COLLEGE
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2014 AND 2013

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Income Taxes

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

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 - 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 – 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.

Net Position

The College's net position is classified as follows:

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

Restricted for Non-Expendable Net Position – Restricted non-expendable net position includes resources in which the College is prohibited from expending the principal portion of the funds and is legally or contractually obligated to spend the investment earnings in accordance with restrictions imposed by external third parties.

Restricted for Expendable Net Position – Restricted expendable net position includes 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 – Unrestricted net position represents 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.

**OCEAN COUNTY COLLEGE
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2014 AND 2013**

NOTE 2 CASH AND CASH EQUIVALENTS

Custodial Credit Risk

Custodial credit risk is the risk that, in the event of a bank failure, the College's deposits may not be returned to it. Although the College does not have a formal policy regarding custodial credit risk, as described in Note 1, N.J.S.A. 17:9-41 et seq. requires that governmental units shall deposit public funds in public depositories protected from loss under the provisions of the GUDPA. As of June 30, 2014 and 2013 the College's carrying amount of deposits was \$23,787,161 and \$22,399,623,, respectively and the bank balance was \$27,237,287 and \$23,181,677, respectively. Of the above amounts, \$250,000 of the total deposits was insured by the Federal Deposit Insurance Corporation (FDIC) per banking institution as of June 30, 2014 and 2013, respectively, and the remainder was covered by a collateral pool maintained by the bank as required by New Jersey statutes in accordance with the GUDPA.

New Jersey Cash Management Fund

During the year, the College participated in the State of New Jersey Cash Management Fund. The Fund is governed by regulations of the State Investment Council, who prescribe standards designed to insure the quality of investments in order to minimize the risk to the Fund's participants. Deposits with the New Jersey Cash Management Fund are not subject to categorization as defined above. At June 30, 2014 and 2013, the College had \$122,645 and \$94,946, respectively, invested in the Fund.

NOTE 3 INVESTMENTS

Credit Risk and Custodial Credit Risk

Credit risk is the risk that an issuer or counterparty to an investment will not fulfill its obligations. N.J.S.A. does not limit the investment types that County Colleges may purchase and the investment policy adopted by the College has no restrictions that would limit its investment choices.

For an investment, custodial credit risk is the risk that, in the event of the failure of the counterparty, the College will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. Investment securities are exposed to custodial credit risk if the securities are uninsured, are not registered in the name of the College, and are held by either the counterparty or the counterparty's trust department or agent but not in the College's name.

Interest Rate Risk

Interest rate risk is the risk that changes in interest rates will adversely affect the fair value of an investment. The College does not have a formal policy that limits investment maturities as a means of managing its exposure to fair value losses arising from increasing interest rates.

Concentration of Credit Risk

The College does not place a limit on the amount that may be invested in any one issuer.

**OCEAN COUNTY COLLEGE
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2014 AND 2013**

NOTE 3 INVESTMENTS (CONTINUED)

As of June 30, 2014 and 2013, the College had the following investments:

Investment	Credit Rating	Fair Value	
		2014	2013
Certificates of Deposit	N/A	\$ 11,024,915	\$ 10,027,986
Total		<u>\$ 11,024,915</u>	<u>\$ 10,027,986</u>

Interest earnings were \$69,413 and \$47,298 for June 30, 2014 and 2013, respectively.

NOTE 4 CAPITAL ASSETS

The following schedule is a summarization of the changes in capital assets by source at June 30, 2014 and 2013:

	Balance June 30, 2013	Increases	Decreases	Balance June 30, 2014
Capital Assets, Non-Depreciable:				
Land	\$ 589,258	\$ -	\$ -	\$ 589,258
Construction in Progress	14,518,917	5,795,792	(16,104,279)	4,210,430
Total Capital Assets, Non-Depreciable	15,108,175	5,795,792	(16,104,279)	4,799,688
Capital Assets, Depreciable:				
Land Improvements	5,669,553	50,680	-	5,720,233
Buildings and Improvements	68,793,559	15,625,601	-	84,419,160
Equipment and Furniture	13,339,310	435,554	(165,468)	13,609,396
Vehicles	39,477	-	-	39,477
Infrastructure	914,119	-	-	914,119
Total Capital Assets, Depreciable	88,756,018	16,111,835	(165,468)	104,702,385
Less Accumulated Depreciation for:				
Land Improvements	(758,027)	(146,523)	-	(904,550)
Buildings and Improvements	(16,460,811)	(1,702,562)	-	(18,163,373)
Equipment and Furniture	(7,217,136)	(929,913)	139,813	(8,007,236)
Vehicles	(39,477)	-	-	(39,477)
Infrastructure	(607,036)	(20,604)	-	(627,640)
Total Accumulated Depreciation	(25,082,487)	(2,799,602)	139,813	(27,742,276)
Total Capital Assets, Depreciable Net	63,673,531	13,312,233	(25,655)	76,960,109
Capital Assets, Net	<u>\$ 78,781,706</u>	<u>\$ 19,108,025</u>	<u>\$ (16,129,934)</u>	<u>\$ 81,759,797</u>

**OCEAN COUNTY COLLEGE
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2014 AND 2013**

NOTE 4 CAPITAL ASSETS (CONTINUED)

	Balance June 30, 2012	Increases	Decreases	Balance June 30, 2013
Capital Assets, Non-Depreciable:				
Land	\$ 589,258	\$ -	\$ -	\$ 589,258
Construction in Progress	14,582,715	7,451,674	(7,515,472)	14,518,917
Total Capital Assets, Non-Depreciable	15,171,973	7,451,674	(7,515,472)	15,108,175
Capital Assets, Depreciable:				
Land Improvements	5,639,842	29,711	-	5,669,553
Buildings and Improvements	62,134,145	6,659,414	-	68,793,559
Equipment and Furniture	13,130,329	432,444	(223,463)	13,339,310
Vehicles	39,477	-	-	39,477
Infrastructure	914,119	-	-	914,119
Total Capital Assets, Depreciable	81,857,912	7,121,569	(223,463)	88,756,018
Less Accumulated Depreciation for:				
Land Improvements	(612,922)	(145,105)	-	(758,027)
Buildings and Improvements	(15,142,115)	(1,318,696)	-	(16,460,811)
Equipment and Furniture	(6,414,773)	(1,025,626)	223,263	(7,217,136)
Vehicles	(39,477)	-	-	(39,477)
Infrastructure	(586,432)	(20,604)	-	(607,036)
Total Accumulated Depreciation	(22,795,719)	(2,510,031)	223,263	(25,082,487)
Total Capital Assets, Depreciable Net	59,062,193	4,611,538	(200)	63,673,531
Capital Assets, Net	<u>\$ 74,234,166</u>	<u>\$ 12,063,212</u>	<u>\$ (7,515,672)</u>	<u>\$ 78,781,706</u>

NOTE 5 CONTRIBUTIONS RECEIVABLE

Contributions receivable represent unconditional promises to give from donors collectible in future years. Contributions receivable are recorded after discounting to the present value of the expected future cash flows. Significant fluctuation in the discount rates utilized in this calculation could result in a material change. The discount is computed using an estimated market interest rate that approximates the expected return of an intermediate term bond portfolio, which rate was 5% at June 30, 2014.

**OCEAN COUNTY COLLEGE
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2014 AND 2013**

NOTE 5 CONTRIBUTION RECEIVABLE (CONTINUED)

Contributions receivable at June 30 are expected to be realized and have been recorded as follows:

	<u>2014</u>	<u>2013</u>
Unconditional Promises Expected to be Collected:		
Within One Year	\$ 250,000	\$ -
Between One and Five Years	1,250,000	-
After Five Years	<u>2,000,000</u>	<u>-</u>
	3,500,000	-
Less:		
Present Value Discount	<u>(1,170,679)</u>	<u>-</u>
	<u>\$ 2,329,321</u>	<u>\$ -</u>

NOTE 6 ACCRUED COMPENSATED ABSENCES

Accrued compensated absences represent the College's liability for the cost of unused employee vacation time payable in the event of an employee's separation of employment. Vacation time is granted in varying amounts under college personnel policies and labor negotiated contracts. Vacation time in all cases has a defined expiration date. Regular sick leave benefits provide for ordinary sick pay and begin vesting after a predetermined number of years of service depending on employment unit, with a maximum payout of \$16,500.

In order to determine the value of the current portion of the unused sick leave liability, the College considered all employees who have the required number of years of continuous service and are within one year of reaching or exceeding the estimated retirement age. As of June 30, 2014 and 2013, the liabilities for accrued expenses consist of the following:

2014						
	Beginning Balance	Additions	Retirements	Ending Balance	Current Portion	Long-term Portion
Compensated Absences:						
Vacation Leave	\$ 624,722	\$ 12,492	\$ -	\$ 637,214	\$ 637,214	\$ -
Sick Leave	1,694,008	80,700	(105,843)	1,668,865	531,030	1,137,835
Total	<u>\$ 2,318,730</u>	<u>\$ 93,192</u>	<u>\$ (105,843)</u>	<u>\$ 2,306,079</u>	<u>\$ 1,168,244</u>	<u>\$ 1,137,835</u>

2013						
	Beginning Balance	Additions	Retirements	Ending Balance	Current Portion	Long-term Portion
Compensated Absences:						
Vacation Leave	\$ 565,298	\$ 59,818	\$ (394)	\$ 624,722	\$ 624,722	\$ -
Sick Leave	1,694,872	118,360	(119,224)	1,694,008	367,646	1,326,362
Total	<u>\$ 2,260,170</u>	<u>\$ 178,178</u>	<u>\$ (119,618)</u>	<u>\$ 2,318,730</u>	<u>\$ 992,368</u>	<u>\$ 1,326,362</u>

OCEAN COUNTY COLLEGE
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2014 AND 2013

NOTE 7 PENSION PLANS

Substantially all of the College's employees participate in one of the following defined benefit or defined contribution pension plans: (1) the Public Employees' Retirement System, (2) the New Jersey Alternative Benefit Program, or (3) the Defined Contribution Retirement Plan, all of which are administered and/or regulated by the New Jersey Division of Pensions. Each plan has a Board of Trustees that is primarily responsible for its administration. The Division issues a publicly available financial report that includes financial statements and required supplementary information. The report may be obtained by writing to:

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

Public Employees' Retirement System

The Public Employees' Retirement System (PERS) is a cost-sharing, multiple-employer defined benefit pension fund. The PERS provides retirement, death and disability benefits to qualified members. Membership is open to most state, county, municipal, authority, school board employees and elected officials who are not required to become members of any other NJ state retirement system and is mandatory in most cases given the requirements for eligibility are met. Vesting and benefit provisions are established by N.J.S.A. 43:15A and 43:3B.

The PERS is maintained on an actuarial reserve basis with contribution requirements of plan members determined by State statute. In accordance with Chapter 92, P.L. 2007 and Chapter 103, P.L. 2007, plan members enrolled in the Public Employees' Retirement System were required to contribute 5.5% of their annual base salary. Effective October 1, 2011, in accordance with Chapter 78, P.L. 2011, employee contributions to the PERS were increased to 6.5% of base salary. For employees enrolled in the retirement system prior to October 1, 2011, the increase was effective with the first payroll amount to be paid on or immediately after October 1, 2011. Subsequent increases are scheduled to be phased in on July 1st of each year over a seven year period bringing the total pension contribution rate to 7.5% of base salary as of July 1, 2018. The State Treasurer has the right under the current law to make temporary reductions in member rates based on the existence of surplus pension assets in the retirement system; however, statute also requires the return to the normal rate when such surplus pension assets no longer exist.

Annually, employer contributions to the PERS are actuarially determined and include the College's normal contribution plus any accrued liability, which ensures adequate funding for future pension system liability. The College's contribution, equal to the required contribution for each fiscal year, was as follows:

OCEAN COUNTY COLLEGE
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2014 AND 2013

NOTE 7 PENSION PLANS (CONTINUED)

Public Employees' Retirement System (Continued)

<u>Fiscal Year</u>	<u>Normal Contribution</u>	<u>Accrued Liability</u>	<u>Total Liability</u>	<u>Funded by State</u>	<u>Paid by College</u>
Public Employees Retirement System					
2014	\$ 332,498	\$ 852,522	\$ 1,185,020	\$ -	\$ 1,185,020
2013	371,787	739,670	1,111,457	-	1,111,457
2012	431,702	724,858	1,156,560	-	1,156,560

New Jersey Alternative Benefit Program

The New Jersey Alternate Benefit Program (ABP) is a tax-sheltered, defined contribution retirement program for higher education faculty and certain administrators, which was established pursuant to P.L. 1969, c. 242 (N.J.S.A. 18A:66-167 et seq.). The ABP provides retirement, death and disability benefits to qualified members. Membership is open to full-time and adjunct faculty, officers, part-time instructors, visiting professors, and certain professional administrative staff required to possess a college degree or its equivalent. "Full-time" has been defined to include anyone receiving 50% or more of base salary and may include anyone on sabbatical or paid leave of absence for a period not to exceed one year.

The contribution requirements of plan members are determined by State statute. In accordance with N.J.S.A. 18A:66-173, ABP members contribute 5% of base or contractual salary matched by an 8% employer contribution to a tax-deferred investment account. Plan members establish account(s) with 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. Plan members may also make additional voluntary contributions subject to section 403(b) of the Internal Revenue Code.

Amounts deferred under the mandatory and voluntary plans are not available to employees until termination, retirement, death or an unforeseeable emergency. The plan carriers are as follows.

Met Life (Travelers/CitiStreet)
AXA Financial (Equitable)
MassMutual Retirement Services
Voya Financial Services
Prudential Retirement Services
Teacher's Insurance and Annuity Association/College Retirement Equities Fund (TIAA/CREF)
The Variable Annuity Life Insurance Company (VALIC)

OCEAN COUNTY COLLEGE
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2014 AND 2013

NOTE 7 PENSION PLANS (CONTINUED)

New Jersey Alternative Benefit Program (Continued)

Under N.J.S.A. 18A:66-174, employer contributions for identified academic positions are made by the State of New Jersey on behalf of the College meaning that the State reimburses the employer contribution for employees whose jobs are determined to be directly related to instruction, which includes the employer contributions for full-time faculty and, most recently, adjuncts. Employer contributions for any positions that are determined to be primarily non-instructional are funded by the College. During fiscal years 2014 and 2013, the State reimbursed \$836,127 and \$840,522, respectively, to the College for the employer share. This amount is reflected in the accompanying financial statements as both revenues and expenditures. The College's share of the employer contribution for participants not eligible for State reimbursement was \$265,333 for FY 2014 and \$246,896 for FY 2013. The College's contribution, equal to the required contribution for each fiscal year, was as follows:

<u>Fiscal Year</u>	<u>Normal Contribution</u>	<u>Accrued Liability</u>	<u>Total Liability</u>	<u>Funded by State</u>	<u>Paid by College</u>
Alternative Benefit Program					
2014	\$ 1,101,460	\$ -	\$ 1,101,460	\$ 836,127	\$ 265,333
2013	1,087,418	-	1,087,418	840,522	246,896

Defined Contribution Retirement Program

The Defined Contribution Retirement Program (DCRP) is a defined contribution pension fund established July 1, 2007, under the provisions of Chapter 92, P.L. 2007 and Chapter 103, P.L. 2007, and expanded under the provisions of Chapter 89, P.L. 2008, and Chapter 1, P.L. 2010. The DCRP provides retirement, death and disability benefits to eligible members.

As with the PERS and the ABP, the contribution requirements of plan members are determined by State statute. In accordance with the provisions set forth by Chapter 92, P.L. 2007; Chapter 103, P.L. 2007; Chapter 89, P.L. 2008; and Chapter 1, P.L. 2010, members of the DCRP are required to contribute 5.5% of the annual base salary to be matched by a 3% employer contribution to a tax-deferred investment account established with Prudential Financial, which jointly administers the DCRP investments along with the New Jersey Division of Pensions and Benefits. The College's contribution, equal to the required contribution for each fiscal year, was as follows:

<u>Year</u>	<u>Liability</u>	<u>State</u>	<u>College</u>
Defined Contribution Retirement Plan			
2014	\$ 6,919	\$ -	\$ 6,919
2013	6,327	-	6,327
2012	4,612	-	4,612

OCEAN COUNTY COLLEGE
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2014 AND 2013

NOTE 8 HEALTH BENEFITS PROGRAM

Plan Description

The College participates in the New Jersey State Health Benefits Program (SHBP), a cost-sharing multiple-employer defined benefit healthcare plan administered by the State of New Jersey Division of Pensions and Benefits with oversight responsibility by the State Health Benefits Commission. The SHBP provides medical, prescription drug, mental health/substance abuse and Medicare Part B reimbursement to current employees, retirees and their covered dependents. The State Health Benefits Program Act is found in the New Jersey Statutes Annotated, Title 52, Article 14-17.25 et. seq. while rules governing the operation and administration of the program are found in Title 17, Chapter 9 of the New Jersey Administrative Code. The State of New Jersey Division of Pensions and Benefits issues a publicly available financial report that includes financial statements and required supplementary information for the SHBP. The report may be obtained by writing to the following:

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

Funding Policy

Prior to May 2010, employees who participated in the SHBP were not required to contribute to the cost of medical premiums. However, with the passing of Chapter 2, P.L. 2010 and upon the expiration of any labor agreement after May 21, 2010, employees enrolled in the SHBP were required to contribute a minimum of 1.5 percent of annual base salary towards the cost of their medical and/or prescription drug coverage. The minimum contribution was in addition to any premium paid for dental, vision or other health benefit.

Further health benefits legislation reform under Chapter 78, P.L. 2011 stipulated that employee contributions for health benefits are required at a specified percentage of the health benefits/prescription drug premiums based on the employee's salary range. However, the calculated contribution is not to be less than the 1.5% of base salary as required by Chapter 2, P.L. 2010. Effective July 28, 2011, the percentage of premium requirement was to be implemented over a four-year phase-in at contribution levels of $\frac{1}{4}$, $\frac{1}{2}$, $\frac{3}{4}$ and the full contribution rate during the phase-in years. According to the provisions set forth in the legislation, the College began the first year phase-in upon the expiration of collective bargaining agreements. Newly hired employees employed on or after June 28, 2011, and not part of a collective bargaining unit, contribute at the full contribution rate without any phase-in. Calculation charts and worksheets reflecting the contribution levels and phase-in years are available on the Division of Pensions and Benefits' Website.

The State is responsible for funding the health benefits of qualified retirees who have accumulated 25 years of service credit or qualify for disability retirement.

OCEAN COUNTY COLLEGE
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2014 AND 2013

NOTE 9 RISK MANAGEMENT

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

Property and Liability Insurance

The College maintains commercial insurance coverage for a broad range of insurance coverage with the exception of Workman's Compensation Insurance.

Joint Insurance Pool

Ocean County College is a member of the New Jersey Community College Insurance Pool for Workman's Compensation Insurance. The Insurance Pool is generally self-insured for losses and liabilities arising from workers' compensation claims. Losses are accrued based upon estimates of the aggregate liability for claims incurred using certain actuarial assumptions followed in the insurance industry and on the historical experience of the Insurance Pool. The Insurance Pool maintains cash balances in financial institutions that may exceed federally insured limits. It historically has not experienced any credit-related losses.

In any Insurance Pool fiscal year the revenue that is in excess of expense, including amounts recoverable from reinsurance or other insurance, subject to a reasonable reserve, and after deductions of incurred claims and other Insurance Pool expenses, results in a surplus, a claims fund balance is created. This balance is available for allocation by the Board. As of June 30, 2013, the most recent available report, the fund deficit was \$1,204,758.

Contributions to the Fund, are payable in an annual premium and are based on actuarial assumptions determined by the Fund's actuary. Contributions to the pool totaled \$293,890 and \$398,417, respectively for fiscal years ended 2014 and 2013.

Annual contributions to the Fund are determined by the Fund's Board of Trustees. The College is jointly and personally liable for claims insured by the Fund and its members during the period of its membership, including liability for supplemental assessments, if necessary. The Fund's Board of Trustees may authorize refunds to its members in any fund year for which contributions exceed the amount necessary to fund all obligations for that year.

OCEAN COUNTY COLLEGE
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2014 AND 2013

NOTE 10 DESIGNATION OF UNRESTRICTED NET POSITION

The following is a summary of the designations of unrestricted net position at June 30, 2014 and 2013:

	2014	2013
Operating		
Auxiliary Enterprises	\$ 1,400,000	\$ 1,125,000
Student Life Funding	739,305	1,047,696
GED & PASS Funds	-	11,828
Debt Service Set Aside	6,329,511	6,198,441
	<u>8,468,816</u>	<u>8,382,965</u>
Capital		
Campus Construction Projects:		
Student Center Reserve	10,000,000	10,000,000
College Center Demolition	1,000,000	-
Gateway & Upper Campus Improvements	2,150,000	2,150,000
Administration Building Renovations	2,500,000	2,500,000
New Health Sciences Building	1,000,000	5,441,600
HETI Technology Infrastructure - Match	488,844	718,200
ELF Classroom Technology - Debt Service Share	406,510	387,400
Facilities Master Plan	300,000	495,000
Combined Heat & Power Plant	360,000	360,000
CHP Connection Expansion	2,000,000	-
Branding Signage	-	130,000
Library Cooling Tower	-	87,000
Parking Lot #2 Relight Program	250,000	150,000
Building Renumbering/Signage, Roadway Signs	55,000	250,000
Stormwater Management/Drainage	650,000	-
Mill Creek Sailing Center	400,000	-
Hiering Science Labs	250,000	-
Energy Management	200,000	-
FY14 Addition to Debt Service Reserve	1,000,000	-
	<u>23,010,354</u>	<u>22,669,200</u>
Total	<u>\$ 31,479,170</u>	<u>\$ 31,052,165</u>

NOTE 11 COMMITMENTS

Management Information Services

The College entered into an agreement with Ellucian Company L.P. to provide support of the management and operation of its computer center totaling \$8,299,835. The agreement commenced January 1, 2013 and will terminate December 31, 2015. The agreement was amended on October 1, 2013 to include additional services to be provided totaling \$318,290. The amendment will also terminate December 31, 2015. The agreement and the amendment each contain an option for two additional years through December 31, 2017 with an additional contract cost of \$5,549,154 and \$282,924 respectively.

**OCEAN COUNTY COLLEGE
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2014 AND 2013**

NOTE 12 LONG-TERM OBLIGATIONS

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

	Balance June 30, 2013	Additions	Payments	Balance June 30, 2014	Current Portion
Bonds Payable	\$ 16,813,276	\$ -	\$ 758,479	\$ 16,054,797	\$ 773,435
Lease Payable	\$ -	\$ 344,807	\$ -	\$ 344,807	\$ 57,869

Long-term obligation activity for the year ended June 30, 2013, was as follows:

	Balance June 30, 2012	Additions	Payments	Balance June 30, 2013	Current Portion
Bonds Payable	\$ 15,655,000	\$ 1,897,500	\$ 739,224	\$ 16,813,276	\$ 1,065,979

During Fiscal Year 2010, the County of Ocean issued \$9,000,000 in general obligation bonds for various construction and renovation projects at Ocean County College. They have a variable interest rate ranging from 2.5% - 5.5% and the final maturity of these bonds is August 1, 2029. The College has entered into a debt service agreement to reimburse the County of Ocean for the principal and interest payments on these bonds.

Principal and interest payable to the County of Ocean due on bonds outstanding is as follows:

<u>Fiscal Year Ending June 30,</u>	<u>Principal</u>	<u>Interest Payable</u>	<u>Total</u>
2015	\$ 375,000	\$ 260,186	\$ 635,186
2016	390,000	246,761	636,761
2017	405,000	230,861	635,861
2018	425,000	214,261	639,261
2019	440,000	196,961	636,961
2020-2024	2,480,000	734,875	3,214,875
2025-2029	2,690,000	319,270	3,009,270
Thereafter	540,000	9,652	549,652
Total	<u>\$ 7,745,000</u>	<u>\$ 2,212,827</u>	<u>\$ 9,957,827</u>

During Fiscal Year 2011, the County of Ocean issued \$15,000,000 in general improvement bonds for the College's share of construction costs for the Gateway Building, which will be jointly owned by Ocean County College and Kean University Foundation. The final maturity of these bonds is December 1, 2030. The College has entered into a debt service agreement to reimburse the County of Ocean for 50% of the principal and interest payment on these bonds.

**OCEAN COUNTY COLLEGE
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2014 AND 2013**

NOTE 12 LONG-TERM OBLIGATIONS (CONTINUED)

Principal and interest payable to the County of Ocean due on bonds outstanding is as follows:

<u>Fiscal Year Ending June 30,</u>	<u>Principal</u>	<u>Interest Payable</u>	<u>Total</u>	<u>50% Share due from College</u>
2015	\$ 620,000	\$ 508,156	\$ 1,128,156	\$ 564,078
2016	630,000	495,656	1,125,656	562,828
2017	640,000	481,356	1,121,356	560,678
2018	655,000	460,256	1,115,256	557,628
2019	670,000	433,756	1,103,756	551,878
2020-2024	3,665,000	1,744,281	5,409,281	2,704,641
2025-2029	4,325,000	928,684	5,253,684	2,626,842
Thereafter	1,960,000	90,975	2,050,975	1,025,488
Total	<u>\$ 13,165,000</u>	<u>\$ 5,143,120</u>	<u>\$ 18,308,120</u>	<u>\$ 9,154,060</u>

During Fiscal Year 2013, the County of Ocean issued \$1,897,500 in general improvement bonds representing the College's share of the County's bonds issued for the County's 2012 and 2013 Chapter 12 allocations. The final maturity of these bonds is June 1, 2028.

Principal and interest payable to the County of Ocean due on bonds outstanding is as follows:

<u>Fiscal Year Ending June 30,</u>	<u>Principal</u>	<u>Interest Payable</u>	<u>Total</u>
2015	\$ 88,435	\$ 76,332	\$ 164,767
2016	92,647	72,795	165,442
2017	97,209	68,162	165,371
2018	102,473	63,302	165,775
2019	107,386	58,178	165,564
2020-2024	626,417	204,544	830,961
2025-2028	612,730	50,410	663,140
Total	<u>\$ 1,727,297</u>	<u>\$ 593,723</u>	<u>\$ 2,321,020</u>

NOTE 13 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 or would be covered by insurance coverage less the deductible.

NOTE 14 KEAN UNIVERSITY AGREEMENT

In September 2010, the College entered into an Ownership & Operating Agreement with Kean University Foundation (KUF) for the joint construction and operation of a 75,000 square foot academic building named the Gateway Building. The project is in response to the expanding presence of the Kean@Ocean program which provides local residents with the opportunity to obtain baccalaureate and master's degrees from a public institution without leaving Ocean County. Completed in September 2013, the building houses both Ocean County College and Kean University academic programs.

**OCEAN COUNTY COLLEGE
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2014 AND 2013**

NOTE 14 KEAN UNIVERSITY AGREEMENT (CONTINUED)

The College issued all contractual obligations and commitments to construct the Gateway Building, with KUF contributing 50% of the funding on a reimbursement basis. Each party has an equal undivided fifty percent (50%) interest in the building. The College and KUF continue to share equally in the operating costs associated with the structure.

In conjunction with this Agreement, the College and KUF also entered into a Ground Lease whereby the College shall lease an area that is approximately 50% of the acreage underneath the Gateway Building to KUF with an annual rent of \$1.00. The initial term of the lease is 30 years, with 2 additional renewal terms of 34 and 35 years each. As of June 30, 2014, Kean's portion of the construction costs are \$15,848,441.

NOTE 15 EDUCATION AND GENERAL EXPENSES BY FUNCTION

The College's operating expenses by functional classification are presented as follows:

	2014						Total
	Salaries & Benefits	Supplies & Materials	Services	Scholarships	Utilities	Depreciation	
Educational and General Expenditures:							
Instruction	\$ 16,723,027	\$ 794,960	\$ 1,843,605	\$ -	\$ -	\$ -	\$ 19,361,592
Public Service	673,592	32,918	517,448	-	-	-	1,223,958
Academic Support	7,121,301	640,232	3,633,331	-	-	-	11,394,864
Student Services	4,892,510	240,651	626,938	-	-	-	5,760,099
Institutional Support	6,705,990	1,517,641	2,740,124	-	-	-	10,963,755
Operation and Maintenance of Plant	3,547,060	758,866	3,125,364	-	2,263,082	-	9,694,372
Student Aid	-	-	-	5,672,101	-	-	5,672,101
Depreciation	-	-	-	-	-	2,799,602	2,799,602
Total Education and General Expenditures	<u>\$ 39,663,480</u>	<u>\$ 3,985,268</u>	<u>\$ 12,486,810</u>	<u>\$ 5,672,101</u>	<u>\$ 2,263,082</u>	<u>\$ 2,799,602</u>	<u>\$ 66,870,343</u>
Other Expenses							25,656
Auxiliary Expenses							<u>6,438,229</u>
Total							<u>\$ 73,334,228</u>

**OCEAN COUNTY COLLEGE
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2014 AND 2013**

NOTE 15 EDUCATION AND GENERAL EXPENSES BY FUNCTION (CONTINUED)

	2013						Total
	Salaries & Benefits	Supplies & Materials	Services	Scholarships	Utilities	Depreciation	
Educational and General Expenditures:							
Instruction	\$ 15,982,265	\$ 651,280	\$ 1,965,478	\$ -	\$ -	\$ -	\$ 18,599,023
Public Service	536,120	33,414	551,024	-	-	-	1,120,558
Academic Support	6,906,521	745,366	2,792,291	-	-	-	10,444,178
Student Services	4,669,815	222,714	758,952	-	-	-	5,651,481
Institutional Support	5,609,250	1,508,401	2,413,612	-	-	-	9,531,263
Operation and Maintenance of Plant	4,214,997	984,896	1,402,754	-	1,532,683	-	8,135,330
Student Aid	-	-	-	6,141,186	-	-	6,141,186
Depreciation	-	-	-	-	-	2,510,031	2,510,031
Total Education and General Expenditures	<u>\$ 37,918,968</u>	<u>\$ 4,146,071</u>	<u>\$ 9,884,111</u>	<u>\$ 6,141,186</u>	<u>\$ 1,532,683</u>	<u>\$ 2,510,031</u>	<u>\$ 62,133,050</u>
Other Expenses							-
Auxiliary Expenses							6,084,230
Total							<u>\$ 68,217,280</u>

NOTE 16 NEW ACCOUNTING STANDARDS ADOPTED

The College adopted GASB Statement No. 65, *Items Previously Reported as Assets and Liabilities* as of June 30, 2014. Statement No. 65 clarifies the appropriate reporting of deferred outflows of resources and deferred inflows of resources to ensure consistency in financial reporting. The adoption of Statement No. 65 did not have a material impact on the College's financial statements.

The College also adopted GASB Statement No. 66, *Technical Corrections – 2012 – an amendment of GASB Statements No. 10 and No. 62* as of June 30, 2014. Statement No. 66 enhances the usefulness of financial reports by resolving conflicting accounting and financial reporting guidance that could diminish the consistency of financial reporting. The adoption of Statement No. 66 did not have a material impact on the College's financial statements.

NOTE 17 RECENT ACCOUNTING PRONOUNCEMENTS

In June 2012, GASB issued statement No. 68, *Accounting and Financial Reporting for Pensions – an amendment of GASB Statement No. 27*. Statement No. 68 requires that cost-sharing employers to recognize a liability for its proportionate share of the net pension liability of all employers for benefits provided through the pension plan. Statement No. 68 also requires additional footnote disclosure and required supplementary information. The College is required to adopt Statement No. 68 for the fiscal year ending June 30, 2015.

OCEAN COUNTY COLLEGE
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2014 AND 2013

NOTE 17 RECENT ACCOUNTING PRONOUNCEMENTS (CONTINUED)

In January 2013, GASB issued Statement No. 69, *Government Combinations and Disposals of Government Operations*. The objective of this Statement is to establish accounting and financial reporting standards related to government combinations and disposals of government operations. It also improves the decision usefulness of financial reporting by requiring that disclosures be made by governments about combination arrangements in which they engage and for disposals of government operations. To the extent applicable, the College is required to adopt Statement No. 69 for the fiscal year ending June 30, 2015.

In November 2013, GASB issued Statement No. 71, *Pension Transition for Contributions Made Subsequent to the Measurement Date* ("GASB 71"). The objective of this Statement is to improve accounting and financial reporting by addressing an issue in GASB 68, concerning transition provisions related to certain pension contributions made to defined pension plans prior to implementation of that Statement made by employers and non-employer contributing entities. The provisions of this Statement are effective for the fiscal year ending June 30, 2015 and to be applied simultaneously with the provisions of GASB Statement No. 68.

The College has not yet determined the effect of Statement Nos. 68, 69 and 71 on its financial statements.

NOTE 18 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - FOUNDATION

Organization

The Ocean County College Foundation, Inc. (the "Foundation") conducts certain fundraising activities on behalf of the Ocean County College (the "College"), a two year publicly supported community college. The Foundation also provides financial assistance through scholarships, awards and loans to qualifying students.

Basis of Accounting and Presentation

The financial statements of the Foundation have been prepared on the accrual basis of accounting. Net assets and revenues, expenses, gains, and losses are classified based on the existence or absence of donor-imposed restrictions.

Accordingly, net assets of the Foundation and changes therein are classified and reported as follows:

Unrestricted net assets

Net assets that are not subject to a donor imposed stipulation. These assets may, however, be subject to Board designation

OCEAN COUNTY COLLEGE
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2014 AND 2013

NOTE 18 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – FOUNDATION (CONTINUED)

Temporarily restricted net assets

Net assets subject to a donor imposed stipulation that will be met either by the completion of a stipulated action and/or the passage of time.

Permanently restricted net assets

Net assets are subject to a donor imposed stipulation that they be maintained permanently by the Foundation. Generally, the donors of these assets permit the Foundation to use all or part of the income earned on related investments for general or specific purposes.

Use of Estimates

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

Cash and Cash Equivalents

For purposes of the statements of financial position and statements of cash flows, the Foundation considers all unrestricted, highly liquid investments with an initial maturity date of three months or less to be cash equivalents.

The Foundation maintains its cash in bank deposit accounts, which, at times, may exceed federally insured limits. The Foundation has not experienced any losses in such accounts. The Foundation believes it is not exposed to any significant credit risk on cash and cash equivalents.

Investment and Investment Income

Investments are reported at fair value. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. See Note 20 for discussion of fair value measurements.

Interest income is recognized when earned. Dividends are recorded on the ex-dividend date. Realized gains and losses on investments are recognized upon the sale of the related investments and unrealized appreciation or depreciation is recognized at period end when the carrying values of the realized investments are adjusted to their estimated fair market value. Purchases and sales of securities are recorded on a trade-date basis.

Student Loans Receivable

Student loans receivable are shown at principal balance outstanding less allowance for uncollectible loans. Interest is recorded as received. For the year ended June 30, 2014 the allowance for uncollectible student loans was \$173,563. Periodically, management reviews outstanding accounts and determines the allowance necessary.

OCEAN COUNTY COLLEGE
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2014 AND 2013

NOTE 18 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – FOUNDATION (CONTINUED)

Fixed Assets

The Foundation does not capitalize fixed assets, which consist primarily of office furniture and equipment; instead they are expensed as incurred. Accounting principles generally accepted in the United States of America requires that all fixed assets be capitalized and depreciated over their useful life. Management believes any difference between the direct expense method and capitalization with depreciation method would be immaterial.

Promises to Give

Contributions are recognized when the donor makes a promise to the Foundation that is, in substance, unconditional. Conditional promises to give are recognized only when conditions on which they depend are substantially met and the promises become unconditional.

Income Taxes

The Foundation is a non-profit organization as described in Section 501(c)(3) of the Internal Revenue Code and is exempt from state and federal taxes.

The Foundation is required to file Form 990, Return of Organization Exempt from Income Tax, with the Internal Revenue Service and the New Jersey Charities Registration & Investigation Form (CRI) with the State of New Jersey. These Forms are subject to examination for up to three years after they are filed. The Forms 990 and CRI for the years ended June 30, 2011, 2012 and 2013 are open to examination as of June 30, 2014.

NOTE 19 INVESTMENTS – FOUNDATION

Investments, carried at fair value, at June 30, 2014 and 2013 are as follows:

	2014	2013
Equity Securities	\$ 7,755,962	\$ 4,375,100
Corporate Bonds	1,665,558	2,313,042
U.S. Government Obligations	582,188	497,597
Preferred Stock	422,448	231,621
Total	<u>\$ 10,426,156</u>	<u>\$ 7,417,360</u>

Net unrealized holding gain in the amounts of \$221,515 and \$387,888 for the years ended June 30, 2014 and 2013, respectively, are included as increases in net assets.

**OCEAN COUNTY COLLEGE
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2014 AND 2013**

NOTE 20 FAIR VALUE MEASUREMENT – FOUNDATION

Financial Accounting Standards Board (FASB) Accounting Standards Codification (ASC) 820, Fair Value Measurement and Disclosures, provides the framework for measuring fair value. That framework provides a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (level 1 measures) and the lowest priority to unobservable inputs (level 3 measurements). The three levels of the fair value hierarchy under FSASB ASC 820 are described as follows:

Level 1 – Inputs to the valuation methodology are unadjusted quoted prices for identical assets or liabilities in active markets that the plan has the ability to access.

Level 2 – Inputs to the valuation methodology include:

- Quoted prices for similar assets or liabilities in active markets;
- Quoted prices for identical or similar assets or liabilities in inactive markets;
- Inputs other than quoted prices that are observable for the asset or liability;
- Inputs that are derived principally from or corroborated by observable market data by correlation or other means.

If the asset or liability has a specified (contractual) term, the level 2 input must be observable for substantially the full term of the asset or liability

Level 3 – Inputs to the valuation methodology are unobservable and significant to the fair value measurement.

The asset or liability's 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.

The Foundation considers all investments to be Level 1.

NOTE 21 UNCONDITIONAL PROMISES TO GIVE, NET – FOUNDATION

Unconditional promises to give consisted of the following at June 30:

<u>Year Ending June 30,</u>	<u>2014</u>	<u>2013</u>
Overdue	\$ 31,383	\$ 57,112
2015	22,718	22,941
2016	21,636	12,936
2017	20,606	12,320
2018	8,450	11,734
Total	<u>\$ 104,793</u>	<u>\$ 117,043</u>

The above amounts reflect the present value of estimated future cash flows using a discount rate of 5%. The amounts are net of a total unamortized discount of \$13,763 and \$16,513 for the years ended June 30, 2014 and 2013, respectively.

**OCEAN COUNTY COLLEGE
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2014 AND 2013**

NOTE 22 UNRESTRICTED NET ASSETS – FOUNDATION

The Foundation Board has designated a portion of the unrestricted net assets for student loan purposes, which is included in unrestricted net assets and totaled \$438,701 at June 30, 2014.

NOTE 23 TEMPORARILY RESTRICTED NET ASSETS – FOUNDATION

Temporarily restricted net assets at June 30, 2014 and 2013 consisted of the following:

	2014	2013
Scholarships	\$ 1,170,060	\$ 886,171
Capital Projects	1,095	6,436
Academic Programs	140,286	549,241
Total Temporarily Restricted Net Assets	<u>\$ 1,311,441</u>	<u>\$ 1,441,848</u>

NOTE 24 PERMANENTLY RESTRICTED NET ASSETS – FOUNDATION

Permanently restricted net assets consist of approximately 50 endowment funds established primarily to provide scholarships to students of Ocean County College. As required by generally accepted accounting principles, net assets associated with endowment funds are classified and reported based on the existence or absence of donor-imposed restrictions.

In 2009, the State of New Jersey adopted the Uniform Prudent Management of Institutional Funds Act (UPMIFA). UPMIFA provides uniform and fundamental rules for the prudent investment of funds held by charitable institutions and the expenditure of funds donated as endowments to those institutions.

Interpretation of Relevant Law - For donor-restricted endowment funds, the Board of Trustees has interpreted the State Prudent Management of Institutional Funds Act (SPMIFA) as requiring the preservation of the fair value of the original gift as of the gift date absent explicit donor stipulations to the contrary. As a result of this interpretation, the Foundation classifies as permanently restricted net assets (a) the original value of gifts donated to the permanent endowment, (b) the original value of subsequent gifts to the permanent endowment, and (c) accumulations to the permanent 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 permanently restricted net assets is classified as temporarily restricted net assets until those amounts are appropriated for expenditure by the Foundation in a manner consistent with the standard prudence prescribed by SPMIFA. In accordance with SPMIFA, the College and Foundation consider 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.

**OCEAN COUNTY COLLEGE
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2014 AND 2013**

NOTE 24 PERMANENTLY RESTRICTED NET ASSETS – FOUNDATION (CONTINUED)

- (6) Other resources of the College and Foundation.
- (7) The investment policies of the College and Foundation.

Return objectives and risk parameters - 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 the Foundation's policies, as approved by the Board of Trustees, the endowment assets are invested in a manner to achieve a positive rate of return over the long-term, to diversify assets to reduce risk of loss from market swings and concentrated positions, and to achieve investment results over the long and short-term that compare favorably with the appropriate market indexes.

Strategies employed for achieving objectives - To satisfy its long-term rate-of-return 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 return objectives within prudent risk constraints. The Board reviews the portfolio results quarterly.

Endowment funds composition and changes in composition are detailed in the supplementary information. Permanently restricted net assets at June 30, 2014 and 2013 consisted of the following:

	2014	2013
Endowment Funds	<u>\$ 8,041,662</u>	<u>\$ 5,210,257</u>

NOTE 25 DONATED PROPERTY AND SERVICES – FOUNDATION

The Foundation records donated property and services in the financial statements. Accounting principles generally accepted in the United States of America require that non-profit organizations record donated property and services as contributions at its fair market value at the date of donation if there is an objective measurable basis for determining fair value. The Foundation received office space and indirect support from Ocean County College which increased administrative expenses in these financial statements by approximately \$225,000 in 2014 and \$212,000 in 2013. In addition, the Foundation received gifts that were sold at auction which are recorded as in-kind and support and increased fundraising revenue and expense in these financial statements by approximately \$22,500 in 2014 and \$28,000 in 2013.

A portion of the Foundation's functions are conducted by unpaid volunteer officers and committees. The value of this contributed time is not reflected in the accompanying financial statements since the volunteers' time does not meet the criteria for recognition.

**OCEAN COUNTY COLLEGE
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2014 AND 2013**

EXHIBIT A - 2

NOTE 26 RELATED PARTY TRANSACTIONS – FOUNDATION

The accompanying financial statements exclude the Ocean County College, a separate legal entity that shares the same facilities and accounting department with the Foundation. The College provides office space and other direct supporting services to the Foundation. The Foundation paid Ocean County College \$91,084 for administrative expenses to reimburse salaries and other direct office expenses for the fiscal years ending June 30, 2014 and \$14,000 to support the College's fine arts programs. Accounts payable as of June 30, 2014 includes \$67,521 payable to Ocean County College.

NOTE 27 SUBSEQUENT EVENTS – DATE OF MANAGEMENT EVALUATION – FOUNDATION

Management has evaluated events occurring after June 30, 2014 for possible adjustment to or disclosure in the financial statements through November 6, 2014, the date on which the financial statements were available to be issued.

No subsequent events requiring recognition or disclosure in the financial statements were identified by management.

NOTE 28 PRIOR PERIOD ADJUSTMENT – FOUNDATION

During the year ended June 30, 2014, unrestricted net assets, temporarily restricted net assets, permanently restricted net assets, and the allowance for doubtful accounts have been restated to correct errors in reporting in the prior year. The net effect of the restatement was an increase in unrestricted net assets of \$114,811, a decrease in temporarily restricted net assets of \$235,735, an increase of permanently restricted net assets of \$67,361 and an increase in the allowance for doubtful account of \$53,563. The net effect of all the adjustments is a decrease in total net assets of \$53,563.



Single Audit Section

**Fiscal Year Ended
June 30, 2014**

**OCEAN COUNTY COLLEGE
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
YEAR ENDED JUNE 30, 2014**

Federal Grantor/Pass-Through Grantor/Program Title	Federal CFDA Number	FY 2014 Expenditures
U.S. Department of Education		
Student Financial Assistance (Direct Funding)		
Federal Direct Loans	84.268	\$ 10,861,604
Pell Grant Program	84.063	12,086,990
College Work Study Program	84.033	150,287
Supplemental Educational Opportunity Grant	84.007	121,241
Total Student Financial Assistance		23,220,122
 TRIO Student Support Services (Direct Funding)		
TRIO Student Support Services	84.042A	216,367
 Passed Through New Jersey Department of Education		
Perkins Career and Technology Ed Improvement: 29-7160-27	84.048A	501,340
 Total U.S. Department of Education		23,937,829
 U.S. Department of Health and Human Services		
Passed Through N.J. Department of Children & Families		
SSBG - Sandy Displaced Homemakers Program: 14AQQZ	93.095	44,373
 U.S. Environmental Protection Agency (Direct Funding)		
Barnegat Bay Partnership	66.456	534,896
Wetlands Program Development	66.461	235,023
Total U.S. Environmental Protection Agency		769,919
 U.S. Department of Housing & Urban Development		
Community Development Block Grant/Entitlement Grant	14.218	21,775
 Passed Through New Jersey Department of Environmental Protection		
Section 319H Non-Point Source Implementation: RP13-007 & RP-10-105	66.46	87,599
 Passed Through New Jersey Department of Labor & Workforce Development		
Recovery New Jersey Talent Network	17.278	110,178
 Total Federal Assistance		\$ 24,971,673

See Notes to Schedule of Expenditures of Federal Awards and State Financial Assistance

OCEAN COUNTY COLLEGE
SCHEDULE OF EXPENDITURES OF STATE FINANCIAL ASSISTANCE
YEAR ENDED JUNE 30, 2014

State Grantor/Program Title	State G.M.I.S. Number	Program or Award Amount	Program Funds Received	Grant Period		FY 2014 Expenditures	Cumulative Expenditures
				From	To		
Student Financial Aid Programs							
Department of State - Commission on Higher Education							
Opportunities Program Grants:							
Equal Opportunity Fund- Article IV	100-074-2401-002	\$ 130,542	\$ 126,371	07/01/2013	06/30/2014	\$ 126,371	\$ 126,371
Educational Opportunity Fund - Article III	100-074-2401-001	125,250	-	07/01/2012	06/30/2013	(263)	125,250
Educational Opportunity Fund - Article III	100-074-2401-001	118,638	118,638	07/01/2013	06/30/2014	118,638	118,638
Educational Opportunity Fund - Article III, Summer	100-074-2401-001	10,365	10,365	07/01/2013	06/30/2014	10,365	10,365
NJ Stars	100-074-2405-313	673,898	330	07/01/2012	06/30/2013	(4,978)	673,898
NJ Stars	100-074-2405-313	695,652	694,273	07/01/2013	06/30/2014	695,652	695,652
NJ Class Loan	N/A	28,906	970	07/01/2012	06/30/2013	970	28,906
NJ Class Loan	N/A	36,618	36,618	07/01/2013	06/30/2014	36,618	36,618
Department of the Treasury - Office of Student Assistance							
Governors Urban Scholarship	N/A	4,500	4,500	07/01/2013	06/30/2014	4,500	4,500
Tuition Aid Grant	100-074-2405-007	2,381,253	(49,757)	07/01/2012	06/30/2013	(12,524)	2,381,253
Tuition Aid Grant	100-074-2405-007	2,297,459	2,297,465	07/01/2013	06/30/2014	2,297,459	2,297,459
Total Student Financial Aid Programs						3,272,808	6,498,910
Department of the Treasury							
Operational Costs - County Colleges	100-082-2155-015	7,416,357	7,416,357	07/01/2013	06/30/2014	7,416,357	7,416,357
Employer Contributions - Alternative Benefit Program	100-082-2155-017	835,043	574,026	07/01/2013	06/30/2014	835,043	835,043
P.O.L. 1971, Chapter 12 Debt Service	100-082-2155-016	28,358,686	1,476,788	07/01/2013	06/30/2014	2,504,394	17,226,596
Total Treasury						10,755,794	25,477,996

See Notes to Schedule of Expenditures of Federal Awards and State Financial Assistance

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OCEAN COUNTY COLLEGE
SCHEDULE OF EXPENDITURES OF STATE FINANCIAL ASSISTANCE
YEAR ENDED JUNE 30, 2014

State Grantor/Program Title	State G.M.I.S. Number	Program or Award Amount	Program Funds Received	Grant Period		FY 2014 Expenditures	Cumulative Expenditures
				From	To		
Department of Environmental Protection							
Multi-trophic Modeling	4589	48,340	21,424	11/11/2011	05/10/2013	-	48,340
Multi-trophic Modeling	5010	33,710	14,866	01/01/2013	11/16/2014	32,515	32,515
Total Environmental Protection						32,515	80,855
NJ Department of Community Affairs							
Displaced Homemaker Grant	2011-15863-0028-01	70,170	70,170	07/01/2013	06/30/2014	70,170	70,170
Total Community Affairs						70,170	70,170
NJ Department of Labor and Workforce Development							
GED Testing Center	08-650-C001-903	43,140	36,124	10/01/2013	06/30/2014	43,140	43,140
Recovery New Jersey Talent Network	N/A	50,000	18,885	04/01/2013	06/30/2014	27,545	29,770
Total Labor and Workforce Development						70,685	72,910
Higher Education Capital Facilities Programs							
Higher Education Technology Infrastructure Fund	036-01	659,766	19,555			229,356	229,356
Higher Education Facilities Trust Fund	036-02	1,692,769	-			221,991	221,991
Building Our Future Bond Act	036-03	8,550,000	-			133,875	133,875
Higher Education Equipment Leasing Fund	036-04	1,549,603	-			28,429	28,429
Total Capital Facilities Programs						613,651	613,651
Other State Programs							
NJ Clean Energy Program	06168CHP	1,000,000	-	12/05/2011	06/05/2014	750,000	750,000
NJ College Access Challenge Grant		34,932	27,946	02/07/2014	08/31/2014	6,937	6,937
NJASFAA/HESSA - College Goal Sunday	N/A	N/A	3,000	11/08/2013	03/31/2014	3,000	3,000
Child Assault Prevention	N/A	N/A	63,822	07/01/2013	06/30/2014	60,404	60,404
Total Other State Programs						820,341	820,341
Total State Financial Assistance						\$ 14,885,965	\$ 32,959,004

See Notes to Schedule of Expenditures of Federal Awards and State Financial Assistance

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**OCEAN COUNTY COLLEGE
NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS AND
STATE FINANCIAL ASSISTANCE
YEAR ENDED JUNE 30, 2014**

NOTE 1 GENERAL

The accompanying schedules of expenditures of federal awards and state financial assistance present the activity of all federal awards and state financial assistance programs of Ocean County College (the College). The College is defined in Note 1 to the College's basic financial statements. All federal awards and state financial assistance 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 of expenditures of federal awards and state financial assistance.

NOTE 2 BASIS OF ACCOUNTING

The accompanying schedules of expenditures of federal awards and state financial assistance are presented using the accrual basis of accounting. The accrual basis of accounting is described in Note 1 to the financial statements.

NOTE 3 RELATIONSHIP TO FINANCIAL STATEMENTS

Amounts reported in the accompanying schedules agree with amounts reported in the financial statements.

NOTE 4 STUDENT LOAN PROGRAMS

The College is responsible only for the performance of certain administrative duties with respect to the Federal Direct Loan Program. 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 this program as of June 30, 2014.

NOTE 5 MAJOR PROGRAMS

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



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

Board of Trustees
Ocean County College
Toms River, 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 and discretely presented component unit of Ocean County College (the College), a component unit of the County of Ocean, State of New Jersey, as of and for the year ended June 30, 2014, and the related notes to the financial statements, which collectively comprise the College's basic financial statements, and have issued our report thereon dated November 21, 2014. Our report includes a reference to other auditors who audited the financial statements of the Ocean County College Foundation, as described in our report on the College's financial statements. The financial statements of the Ocean County College Foundation were not audited in accordance with *Government Auditing Standards*.

Internal Control Over Financial Reporting

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

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

Board of Trustees
Ocean County College

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

Compliance and Other Matters

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

Purpose of this Report

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



CliftonLarsonAllen LLP

Plymouth Meeting, Pennsylvania
November 21, 2014



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**INDEPENDENT AUDITORS' REPORT ON COMPLIANCE WITH REQUIREMENTS
THAT COULD HAVE A DIRECT AND MATERIAL EFFECT ON EACH MAJOR PROGRAM
AND ON INTERNAL CONTROL OVER COMPLIANCE IN ACCORDANCE WITH
OMB CIRCULAR A-133 AND STATE OF NEW JERSEY CIRCULAR 04-04-OMB**

Board of Trustees
Ocean County College
Toms River, New Jersey

Report on Compliance for Each Major Federal Program

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

Management's Responsibility

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

Auditors' Responsibility

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

We believe that our audit provides a reasonable basis for our opinion on compliance for each major federal and state program. However, our audit does not provide a legal determination of the College's compliance.

Board of Trustees
Ocean County College

Opinion on Each Major Federal Program

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, 2014.

Report on Internal Control Over Compliance

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

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

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

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the result of that testing based on the requirements of OMB Circular A-133 and State of New Jersey Circular 04-04-OMB. Accordingly, this report is not suitable for any other purpose.



CliftonLarsonAllen LLP

Plymouth Meeting, Pennsylvania
November 21, 2014

OCEAN COUNTY COLLEGE
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
YEAR ENDED JUNE 30, 2014
(Continued)

I. Summary of Independent Auditors' Results

Financial Statements

Type of Auditors' Report Issued:

Unmodified

Internal Control over Financial Reporting:

- | | | |
|--|-----------|------------------------------|
| • Material Weakness(es) Identified? | _____ Yes | _____ <u>X</u> No |
| • Significant deficiencies identified that are not considered to be material weaknesses? | _____ Yes | _____ <u>X</u> None reported |

Noncompliance material to financial statements noted?

_____ Yes _____ X No

Federal Awards

Internal Control over Major Programs:

- | | | |
|--|-----------|------------------------------|
| • Material weakness(es) identified? | _____ Yes | _____ <u>X</u> No |
| • Significant deficiencies identified that are not considered to be material weaknesses? | _____ Yes | _____ <u>X</u> None reported |

Type of Auditors' Report Issued on Compliance for Major Programs:

Unmodified

Any audit findings disclosed that are required to be reported in accordance with Section 510(a) of Circular A-133?

_____ Yes _____ X No

Identification of Major Programs

<u>Name of Federal Program</u>	<u>CFDA Number</u>
--------------------------------	--------------------

Student Financial Aid Cluster:

Federal Direct Loan Program	84.268
Federal Pell Grant Program	84.063
Federal Supplemental Educational Opportunity Grant	84.007
Federal Work Study Program)	84.033

Perkins Career and Technology Ed Improvement Grant	84.048A
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Wetlands Program Development	66.461
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TRIO Student Support Services	84.042A
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OCEAN COUNTY COLLEGE
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
YEAR ENDED JUNE 30, 2014
(Continued)

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

Auditee qualified as low-risk auditee? X Yes No

State Financial Assistance

Internal Control over Major Programs:

- Material weakness(es) identified? Yes X No
- Significant deficiencies identified that are not considered to be material weaknesses? Yes X None reported

Type of Auditors' Report Issued on Compliance for Major Programs: Unmodified

Any audit findings disclosed that are required to be reported in accordance with Section 510(a) of Circular A-133 or New Jersey Circular 04-04-OMB? Yes X No

Identification of Major Programs

Name of State Program	GMIS Number
New Jersey Stars Program	100-074-2405-313
Tuition Aid Grant (TAG)	100-074-2405-007
Operational Costs – County Colleges	100-082-2155-015
P.L. 1971, Chapter 12 Debt Service	100-082-2155-016
NJ Clean Energy Program	06168CHP

Dollar threshold used to distinguish between type A and type B programs: \$ 425,258

Auditee qualified as low-risk auditee? X Yes No

OCEAN COUNTY COLLEGE
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
YEAR ENDED JUNE 30, 2014

Section II – Financial Statement Findings

None to report.

Section III - Federal Award and State Financial Assistance Findings and Questioned Costs

None to report.

Section IV – Summary of Prior Year Findings

None to report.

EXHIBIT A-3

OCEAN COUNTY COLLEGE

RESOLUTION

REQUEST FOR QUALIFICATIONS

WHEREAS, the Board of Trustees of Ocean County College recognizes the need to identify “**Construction Management Services – Qualified Pool RFQ 14/15 Q-09**”. This will be for various campus wide projects on an as needed basis; and

WHEREAS, this is the first year of a two-year contract, and awards will be determined when specific projects are selected to be undertaken at Ocean County College; and

WHEREAS, a committee consisting of the following Ocean County College employees, Matthew Kennedy-Assistant Vice President of Facilities, Mike Bruno-Associate Director of Facilities, Jennifer Kelemen-Office Manager of Facilities and Mark Bowcock-Buyer/Compliance Agent, evaluated the vendors that submitted RFQ’s; and

WHEREAS. The evaluation results were based on:

1. Demonstrated knowledge and understanding of the services requested based on their suggested approach
2. Experience in providing Construction Management services for higher education institutions
3. Qualifications of the in house staff assigned to this project
4. Thoroughness/completeness of submission
5. Reference check

Note: The top 5 scoring firms have been selected for Construction Management Services qualified pool

Vendor	Evaluation Results Total Points	
Cambridge Construction Management 97 Grayrock Road Clinton, NJ 08809	1425	Selected
Greyhawk Construction 224 Strawbridge Drive Moorestown, NJ 08057	1385	Selected
EPIC Management, Inc 136 Eleventh Street Piscataway, NJ 089854.	1380	Selected
The McCloud Group, LLC 79 Hudson Street Hoboken, NJ 07030	1355	Selected
Louis Berger Group, Inc 10 Allen Street Toms River, NJ 08753	1350	Selected

KS Engineers, P.C. 1000 Bishops Gate Blvd. Mount Laurel, NJ 08054	1130	
Sibilia Construction Services, LLC 101 Chatham Lane Pt. Pleasant, NJ 08742	1125	
Wallace Brothers Inc. 400 Chambers Bride Road Brick, NJ 08723	1030	
Calais Construction Company, LLC. 298 Ocean Blvd. Long Branch, NJ 07740	950	
Becht Engineering 22 Church Street Liberty Corner, NJ 07938	870	
Morgan Construction Management, LLC> 129 East Walnut Lane Philadelphia, PA 19144	Non-responsive	

>Morgan Construction Management, LLC; Non-responsive due to lack of signatures provided on the "request for qualifications" documents

BOARD MEETING: December 8, 2014
par

EXHIBIT A-4

OCEAN COUNTY COLLEGE

Background Screening Services - 2nd year of two year contract - Contract Period: 2/1/15-1/31/16

RECOMMENDATION: Recommend contracts be awarded for the second year of a two year contract for "Background Screening Services" at Ocean County College: Contract for Employee Screening be awarded to American DataBank, 110 16th Street, Denver, Co., 80202 in the amount not to exceed \$25,000.00 (item # 1 – 12), and a contract to Adam Safeguard, 1187 Washington Street, Toms River, N.J., 08753 for Student Screening (item # 13). There is no cost to Ocean County College for student screening. Students pay 100% of the cost.

Said contract to be in accordance with bid specifications and requirements dated November 18, 2013 and bids received December 4, 2013

NATURE OF BID Background Screening Services B-46 13/14

PRICING***EMPLOYEE SCREENING***

<u>ITEM #1:</u>	Social Security Trace
<u>ITEM #2:</u>	Identity or Locator
<u>ITEM #3:</u>	County Criminal History
<u>ITEM #4:</u>	State Criminal History
<u>ITEM #5:</u>	Federal Criminal Search
<u>ITEM #6:</u>	Sex Offender Registry Query (National)
<u>ITEM #7:</u>	Employment
<u>ITEM #8:</u>	Education Reference Check Verification (all college degrees)
<u>ITEM #9:</u>	Motor Vehicle Record
<u>ITEM #10:</u>	Professional License Verification
<u>ITEM #11:</u>	Credit Worthiness
<u>ITEM #12:</u>	Drug Testing 10 Panel

TOTAL PACKAGE PRICING:

<u>ITEM A:</u>	Package Services (Item # 1 through Item #6)
<u>ITEM B:</u>	Package Services (Item #1 through Item # 9)
<u>ITEM C:</u>	Package Services (Item #1 through Item # 11)

STUDENT SCREENING

<u>ITEM #13:</u>	Student Related Services
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SOURCE OF FUNDS: FEES CONSULTANT / PHYSICAL PLANT
F/Y 2014/2015

BACKGROUND SCREEN SERVICES

	Employee Screening Total Package Price ITEM C	Student Screening ITEM 13
TABB Inc. 555 East Main St. Chester, NJ 07930	\$128.00	\$39.00
Summit Security Services Inc. 2401 Morris Avenue Union, NJ 07083	\$119.00	\$34.30
American DataBank* 110 16 th Street Denver, CO. 80202	\$71.50	\$39.95
Mesh Background Screening 2414 Morris Avenue Union, NJ 07083	\$78.94	\$36.00
Trionaid Associates Inc 616 Washington St Toms River, NJ 08753	\$101.00	No Price Submitted
Adam Safeguard* 1187 Washington St Toms River, NJ 08753	\$138.15	\$19.75

* RECOMMENDED VENDORS

BOARD MEETING: December 8, 2014
par

	TABB Inc. 555 East Main St. Chester, NJ 07930	Summit Security Services Inc. 2401 Morris Avenue Union, NJ 07083	American DataBank* 110 16 th Street Denver, CO. 80202
Item 1	\$6.00	N/C	\$2.50
Item 2	N/C	N/C	N/C
Item 3	N/C	\$17.25	\$6.95
Item 4	\$18.00	\$7.25	\$6.95
Item 5	\$7.00	\$5.60	\$6.50
Item 6	\$7.00	\$1.40	\$3.75
Item 7	\$36.00	\$50.40	\$14.95
Item 8	\$17.00	\$16.80	\$6.75
Item 9	\$20.00	\$1.40	\$15.00
Item 10	\$6.00	\$16.80	\$6.75
Item 11	\$18.00	\$5.50	\$8.00
Item 12	\$40.00	\$49.00	\$39.00
Item 13	\$39.00	\$34.30	\$39.95
Item A	\$37.00	\$33.00	\$19.70
Item B	\$105.00	\$98.00	\$56.40
Item C	\$128.00	\$119.00	\$71.50

	Mesh Background Screening 2414 Morris Avenue Union, NJ 07083	Trionaid Associates Inc 616 Washington St Toms River, NJ 08753	Adam Safeguard* 1187 Washington St Toms River, NJ 08753
Item 1	\$2.00	\$4.00	\$5.85
Item 2	N/C	\$4.00	N/C
Item 3	\$12.00	\$9.00	\$11.85
Item 4	\$15.00	\$12.00	\$11.85
Item 5	\$5.00	\$12.00	\$14.45
Item 6	\$2.00	4.00	\$7.85
Item 7	\$15.00	\$9.00	\$29.50
Item 8	\$8.00	\$9.00	\$7.85
Item 9	\$11.00	\$19.00	\$5.85
Item 10	\$2.00	\$10.00	\$9.85
Item 11	\$6.94	9.00	\$11.50
Item 12	\$30.00	\$40.00	\$49.00
Item 13	\$36.00	0	\$19.75
Item A	\$36.00	\$46.00	\$63.85
Item B	\$70.00	\$83.00	\$116.80
Item C	\$78.94	\$101.00	\$138.15

	Kentech Consulting Inc.> 520 W. Erie Chicago, Il. 60654	Truescreen, Inc.> 251 Veterans Way Warminster, PA 18974	Quick Search^ 4155 Buena Vista Dallas, TX 75204
Item 1	\$3.50	\$2.50	\$2.50
Item 2	N/C	N/C	N/C
Item 3	\$6.50	\$8.75	\$3.50
Item 4	\$4.00	\$6.00	\$4.00
Item 5	\$8.00	\$7.50	\$3.00
Item 6	\$2.50	\$6.00	\$5.00
Item 7	\$7.25	\$22.50	\$15.00
Item 8	\$7.25	\$7.50	\$7.00
Item 9	\$2.00	\$3.00	\$3.50
Item 10	\$8.00	\$6.00	\$5.00
Item 11	\$6.00	\$6.00	\$11.00
Item 12	\$38.00	\$29.00	\$36.00
Item 13	\$11.50	\$29.75	\$24.50
Item A	\$22.00	\$50.75	\$24.50
Item B	\$38.50	\$67.25	\$49.50
Item C	\$52.50	\$99.75	\$69.50

* RECOMMENDED VENDORS

^ Employee Screening contract : Vendor *Quick Search* disqualified did not supply BRC as requested
 > Student Services contract: vendors *Kentech Consulting Inc.* and *Truescreen Inc.*: Disqualified--Addendum not acknowledged

Below vendors were also invited to submit a bid:

HireRight Background Screening Company
 5151 California Avenue
 Irvine, CA. 92617

Security Services of Connecticut
 25 Controls Drive
 Shelton, CT 06484-6111

Certified Background.com
 1845 Sir Tyler Dr.
 Wilmington, NC 28405

CIC
 44404 16th Street
 Lancaster, CA 93534

BOARD MEETING: December 8, 2014
 par

EXHIBIT A-5

OCEAN COUNTY COLLEGE

Selective Demo Asbestos Remediation

RECOMMENDATION: Recommend that a contract be awarded to **Two Brothers Contracting Inc.**, 250 Rutherford Blvd. Clifton, New Jersey 07014 in the amount not to exceed: **\$608,000.00** for "Selective Demo Asbestos Remediation" at Ocean County College.

Said contract to be in accordance with bid specifications and bid requirements and the bids received November 19, 2014

NATURE OF BID: Selective Demo Asbestos Remediation B-55 14/15

BID ITEM #1: Total Demolition Cost

BID ITEM #2: Total Asbestos Abatement Cost

BID ITEM #3: Total Base Bid

BID ITEM #4: Owner Allowance for Utility Conflicts

BID ITEM #5: Total Bid

SOURCE OF FUNDS: Instructional Building Renovations/Capital Account

BID SUMMARY

	Two Brother's Contracting Inc.* 250 Rutherford Blvd Clifton, NJ 07014	East Coast Haz Mat Removal 494 East 41 st . Street Paterson, NJ 07504	Tricon Enterprises, Inc. 322 Beers Street Keyport, NJ 07735
ITEM #1	\$440,000.00	\$316,000.00	\$600,000.00
ITEM #2	\$108,000.00	\$245,000.00	\$320,000.00
ITEM #3	\$548,000.00	\$561,000.00	\$920,000.00
ITEM #4	\$60,000.00	\$60,000.00	\$60,000.00
ITEM #5	\$608,000.00	\$621,000.00	\$980,000.00

	SMAC Corp. 27 East 33 rd Street Paterson, NJ 07514	Niram, Inc.> 91 Fulton St Boonton, NJ 07005	Plymouth Environmental Co. 923 Haws Avenue Norristown, PA 19401
ITEM #1	\$482,000.00	\$413,000.00	\$658,000.00
ITEM #2	\$244,000.00	\$314,000.00	\$258,000.00
ITEM #3	\$726,000.00	\$727,000.00	\$916,000.00
ITEM #4	\$60,000.00	\$60,000.00	\$60,000.00
ITEM #5	\$786,000.00	\$787,000.00	\$976,000.00

*Recommended Vendor

> Niram, Inc. did not initial changes made to "bid pricing sheet".

BOARD MEETING: December 8, 2014
par

The below vendors were also invited to submit bids:

A. Mac Contracting, Inc.	amacasbestos@yahoo.com
Abhzeen Design Inc.	abhzeendesign@gmail.com
Academy Construction Inc.	geleskij@me.com
Alliance Environmental Systems, Inc.	bob@aesfirst.com
Allpro Management	tedv@allpromanage.com
B & G Restoration, Inc.	johnhowley22@gmail.com
Brick Industries	info@brickindustriesinc.com
Bristol Environmental, Inc.	bscafiro@beigroup.com
Calais Construction Company, LLC	davidbettencourtjr@calaisconstruction.com
CDCNews Building Opportunities	plans@cdcnews.com
Central Jersey Wrecking	info@centraljerseywrecking.com
CIS	Terry@cisleads.com
Construction Journal	m.mcavoy@constructionjournal.com
D & J Mazza Demolition, Inc.	Nadine@mazzademo.com
D & S Abatement, Inc.	info@dsabatement.com
DYV Enterprises LLC	dyventerprises@yahoo.com
Four Strong Builders, Inc.	fourstrong@yahoo.com
Global Abatement Services, LLC	info@globalservicesnj.com
Hudson Valley Contracting	d.veltre.meritage@gmail.com
Levy Construction Co., Inc.	Josh@LevyConstruction.com
Louis Berger	blockwood@louisberger.com
LVI Environmental Services	lvipr@lviservices.com
McGraw-Hill Construction/Dodge Reports	william.fleming@mhfi.com
Montana Construction Corp.	jkenny@montanaconstructioninc.com
Pow R Save	sharonhendee@powrsave.com
Shade Environmental, LLC	bill@shadellc.com
Skelly and Loy, Inc.	mioos@skellyloy.com
Superior Abatement Inc.	angela@superiorabatementinc.com
Unipro, Inc.	uniproacm@aol.com
Universal Contracting	uniproacm@aol.com
USA Environmental Management, Inc.	usaemi@usaemi.com
VMC Company, Inc.	vmccompany@aol.com
Yannuzzi Environmental Services, Inc.	recycling@yannuzzi.net
Tristate Cleaning Solutions Inc	718-353-8400
D&A Demo, LLC	732-713-4496
Remediation Specialists, Inc	609-218-0880

BOARD MEETING: December 8, 2014
par

EXHIBIT A-6

OCEAN COUNTY COLLEGE

New LED Light Fixtures for Parking Lots # 1 and #4

RECOMMENDATION: Recommend that a contract be awarded to **Turtle & Hughes, Inc.** 1900 Lower Road, Linden, New Jersey 07086 in the amount not to exceed: **\$34,900.00** for "New LED Light Fixtures for Parking Lots #1 & #4" at Ocean County College.

Said contract to be in accordance with bid specifications and bid requirements and the bids received November 20, 2014

NATURE OF BID: New LED Light Fixtures for Parking Lots # 1 and #4 B-52 14/15

BID ITEM #1: Total Lump Sum Bid

SOURCE OF FUNDS: Business Repairs and Maintenance/Business Division

BID SUMMARY

VENDOR	ITEM # 1
Turtle & Hughes, Inc.* 1900 Lower Road Linden, New Jersey 07086	\$34,900.00
Cooper Electric> 3477 Route 9 North Freehold, New Jersey 07728	\$35,900.00
Samson Electric Supply 1764 New Durham Road South Plainfield, New Jersey 07080	\$37,063.82
Graybar Electric 800 Huyler Street Teterboro, New Jersey 07608	\$37,262.16
Good Friend Electric 265 Route 37 East Toms River, New Jersey 08753	\$39,000.00

* RECOMMENDED VENDOR

> Non-Compliant-Cooper Electric did not enclose "Disclosure of Investment Activities in Iran form" with their submission

BOARD MEETING: December 8, 2014
par

The below vendors were also invited to submit bids:

Build.com	william.keene@build.com
Construction Journal	m.mcavoy@constructionjournal.com
Cooper Electric	Tania.rodriques@cooper-electric.com
Crystal Lighting	bgilbert@earthlink.net
Data Memory / Green Lighting Wholesale	bob@data-memory.com
Excellence Opto. Inc.	eveshih@eoius.com
Good Friend Electric	ar@goodfriendelectric.com
Graybar Electric Supply Co.	karen.janka@graybar.com
Green Edge Lighting, LLC	d.middleton@middletonhvac.com
Jewel Electric	bkilroy@jeweleelectric.com
LightingDirect.com	Lynn.paulsen@build.com
Musco Lighting	jerome.fynaardt@musco.com
Neptune Lighting	Robert.aske@neptunlight.com
Samson Electrical Supply	mcote@samsonelectrical.com
SMS Building Systems LLC	ronm@smsbuildingsystems.com
Total Lighting Service, LLC	eschwarz@total-light.com
Turtle & Hughes	info@turtle.com
Vanguard Energy Services, LLC	ari@vanguardenergynj.com
Warshauer Electric	info@warshauer.com
Zora LLC	zorallc@yahoo.com

BOARD MEETING: December 8, 2014
par

EXHIBIT A-7

OCEAN COUNTY COLLEGE
Three Sails Jazz Festival

RECOMMENDATION: Recommend that a contract be awarded to **Reid Sound**, 32 Carson Street, Robbinsville, New Jersey 08691 in the amount not to exceed: **\$61,250.00** for "Three Sails Jazz Festival" at Ocean County College. Date of Festival: June 12-13, 2015

Said contract to be in accordance with bid specifications and bid requirements and bids received October 15, 2014

NATURE OF BID: Three Sails Jazz Festival B40 14/15

Total Price for Strategic Planning, Management of Staging, Lighting, Audio and Video Display

BID ITEM #1: Total Price for Attendance of 2000

BID ITEM #2: Total Price for Attendance of 3000

BID ITEM #3: Total Price for Attendance of 4000

BID ITEM #4: Total Price for Attendance of 5000

SOURCE OF FUNDS: Jazz Festival / Production

BID SUMMARY

ITEM	Reid Sound, Inc.* 32 Carson St. Robbinsville, NJ	Clear Sound Professional Audio & Video Support 546 Penn Street Yeadon, PA 19050	Starlite Productions^ 9 Whittendale Drive Moorestown, NJ 08057
ITEM #1	\$55,160.00	\$83,042.00	No Bid
ITEM #2	\$56,250.00	\$83,652.00	\$171,780.00
ITEM #3	\$58,000.00	\$84,459.50	\$171,780.00
ITEM #4	\$61,250.00	\$84,459.50	\$171,780.00

* RECOMMENDED VENDOR

^ Non-Compliant-Starlite Productions did not submit addendum no.1 and addendum no. 2

The below vendors were also invited to submit a bid:

Event Productions Brittnay@eventionsproductions.com
Audio Inc. cat@audioincorporated.com
Jersey Pro Sound gary@jerseyprosound.com
4 Wall Entertainment mfilmeck@4wall.com
VCA Video Corp. of America ArnieG@vcaglobal.com
Audio Visual Associates sdrappi@avaonline.com

BOARD MEETING: December 8, 2014

par

The below vendors were also invited to submit a bid: (continued)

Production Resource Group jfok@prg.com
 Event Set Go Jordan@eventsetgo.com
 Atlanta Sound and Lighting aslscot@mindspring.com
 Scaffolding Towers of America sta0500@aol.com
 Impact Audio bcecil.biz@gmail.com
 Visual Sound tbrinkman@visualsound.com
 Exit O International michael@exitOjazzfest.com
 SLD Lighting & Sound sales@sldlighting.com
 Illusion Sound and Light paul.scott@illusionsoundandlight.com
 Jersey Fresh Live Sound Company benjaminjosephkelly@gmail.com
 East Star Productions estarpromotions@hotmail.com
 Ambassador Sound & Lighting Event Production ambasdk1@optonline.net
 Blackbird Theatrical Services jtrovato@bmlblackbird.com
 Musician's Friend schools@musiciansfriend.com
 Upstage Video Melissa@upstagevideo.com
 Stage Spot info@stagespot.com
 Wolf Stage & Lighting wolfproductionsllc@gmail.com
 Video Waltronics rich@videowaltronics.com
 APA Music beth@apamusic-pictures.com
 PMTV. Com bpowers@pmtv.com
 EGIPRO.com Jason@egipo.com

Pulse Stage lighting
 1484 Ridgway Street
 Union, New Jersey 07083

BOARD MEETING: December 8, 2014
 par

EXHIBIT A-8

OCEAN COUNTY COLLEGE

RECOMMENDATION: Recommend that a contract be awarded to **NPC, Inc.** 13710 Dunnings Highway, Claysburg, PA. 16625 in the amount not to exceed: **\$5,400.00** for the "Printing of the 2014/2015 Ocean County College Catalog" at Ocean County College.

Said contract to be in accordance with specifications and requirements dated October 30, 2014 and the proposal of the recommended vendor received on November 19, 2014

NATURE OF BID: Printing of 2014/2015 College Catalogs B-58 14/15

ITEM #1: Total Price 4000 catalogs (black throughout text and on cover)

ITEM #1A (option): Total Price 4000 catalogs (full color cover)

ITEM #1B (option): Cost for additional four (4) page signatures:

ITEM #1C (option): Reduction in cost for eliminating pages in four (4) page signatures

ITEM #1D (option): Cost for bleed on cover

ITEM #1E (option): Additional cost for 1,000 copies

SOURCE OF FUNDS: Publications / Catalogs

BID SUMMARY

VENDOR	NPC Inc.* 13710 Dunnings Hwy Claysburg, PA 16625	Data Reproductions 4545 Glenmeade Lane Auburn Hills, MI 48326	EP Graphics, Inc 169 S. Jefferson St Berne, IN 46711	Jersey Printing 153 First Avenue Atlantic Highlands, NJ 07716
ITEM #1	\$5,400.00	\$6,480.00	\$9,800.00	\$10,250.00
ITEM #1A	\$5,600.00	\$6,760.00	\$10,200.00	\$10,500.00
ITEM #1B	\$80.00	\$368.00	\$689.00	\$10,750.00
ITEM #1C	-\$80.00	-\$129.00	-\$723.00	-\$10,250.00
ITEM #1D	\$40.00	n/c	n/c	n/c
ITEM #1E	\$1,200.00	\$813.00	\$925.67	\$12,240.00

VENDOR	Jon-Da Printing Co 234-16 th Street Jersey City, NJ 07310	Courier Printing 24 Laurel Bank Avenue Deposit, NY 13754	PIP Printing 2960 Yorktown Blvd Brick, NJ 08723	Creasey Printing Services Inc. 2700 W. Lawrence Avenue Springfield, IL 62704
ITEM #1	\$12,556.00	\$6,650.00	\$12,587.08	\$5,889.00
ITEM #1A	\$13,624.00	\$7,010.00	\$12,912.16	\$5,963.00
ITEM #1B	n/c	\$270.00	\$240.86	\$700.00
ITEM #1C	-\$200.00	-\$270.00	-\$240.86	-\$325.00
ITEM #1D	\$48.00	n/c	n/c	n/c
ITEM #1E	\$1,798.00	\$1,325.00	\$15,662.03	\$7,375.00

* RECOMMENDED VENDOR

BOARD MEETING: December 8, 2014
par

VENDOR	Partnership Printing 2150 Highway 35 Sea Girt, NJ 08750	Graphic Image, Inc. 561 Boston Post Rd Milford, CT 06460
ITEM #1	\$13,120.00	\$9,980.00
ITEM #1A	\$13,840.00	\$10,140.00
ITEM #1B	\$440.00	\$280.00
ITEM #1C	-\$440.00	-\$200.00
ITEM #1D	\$400.00	n/c
ITEM #1E	\$14,840.00	\$1,680.00

EXHIBIT A - 8

The following is a list of vendors also invited to submit bids:

Graphi Color Corporation
3490 North Mill Road
Vineland, New Jersey 08360

Bartash Printing
5400 Grays Avenue
Philadelphia, PA 19143

Darby Printing
6215 Purdue Av
Atlanta, GA 30336

TREC
808 Lowell Avenue
Toms River, NJ 08753

Drew & Rogers, Inc
30 Plymouth Street
Fairfield, NJ

Hummel Printing
850 Springfield Rd
Union, NJ 07083

Engle Printing and Publishing Co.
1100 Corporate Blvd
Lancaster, PA 17601

Blue Parachute
263 Amboy Avenue
Metuchen, NJ 08840

Garden State
2214 Rt 37 E.
Toms River, NJ

SpringHillLaser.com
P.O. Box 79
Sterling, PA 18463

Fort Nassau Graphics
1757 Imperial Way
West Deptford, NJ 08066

Nittany Valley
1015 Benner Pike
State College, PA

Minuteman Press
1580 Route # 9
Toms River, NJ 08755

Urner Barry
182 Queens Blvd
Bayville, NJ 08721

Wheal-Grace Corp
300 Ralph St
Belleville, NJ 07109

Prestige Graphics
2410 Lorio Street
Union, NJ 07083

Square One
111 Gaither Dr
Mount Laurel, NJ 08054

Gangi Graphics
1669 Rt 88 W
Brick, NJ 08724

Bryant Business Services, Inc.
2817 Concord Drive
Wall, NJ 07719

Global Printing
144 Turnpike Rd
Southborough, MA 01772

Bryant Business
2817 Concord Dr
Wall, NJ 07719

Blue Wave Printing
1522 Rt 37
Toms River, NJ 08753

Evergreen Printing
101 Haag Avenue
Bellmawr, NJ 08031

Roelynn Litho, Inc
687 Prospect St
Lakewood, NJ

Park Place Printing
PO Box 826
Green Brook, NJ 08812

Standard Publishing
1980 S. West Blvd
Vineland, NJ 08360

Vanguard
17 Hall Woods Rd
Ithaca, NY 14850

BOARD MEETING: December 8, 2014
par

EXHIBIT A-9

OCEAN COUNTY COLLEGE

R E S O L U T I O N

WHEREAS, the Board of Trustees of Ocean County College recognizes the need to “Purchase Dell Computers and a Mobile Cart for the American Sign Language Department”, and “Power Edge Servers and Comm Vault Storage for the Enhancement of Technology Department ” at Ocean County College; and.

WHEREAS, the Executive Vice President of Finance and Administration of Ocean County College has determined and certified in writing that the value of the acquisition will exceed \$17,500; and

WHEREAS, a Certificate has been provided by the Executive Vice President of Finance and Administration of Ocean County College, stating that funds are available for this purpose, which certificate is attached to the original of this resolution and is on file in the office of the Executive Vice President of Finance and Administration; and

WHEREAS, the County College Contracts Law (Chapter 64A of Title 18A of the New Jersey Statutes) requires that the resolution authorizing an award of contract for this service without public bids, be made available for public inspection.

NOW THEREFORE, BE IT RESOLVED by the Ocean County College Board of Trustees as follows:

1. The Ocean County College Board of Trustees hereby authorizes and directs the appropriate officials of the college to execute an agreement with **Dell Marketing, 1 Dell Way, Round Rock, TX 78682**, in the amount not to exceed: **\$148,042.18**

2. This contract is awarded without public bidding as a purchase through the State Division of Purchase and Property in accordance with the provisions of the County College Contracts Law (18A:64A-25.9a)

3. Specific line item against which this contract is to be charged is as follows:

Minor Capital Network/HETI Technology Infrastructure	\$124,472.27
Minor Capital Computer/Perkins Grant 2014/2015	\$ 23,569.91

BOARD MEETING: December 8, 2014
par

RESOLUTION

CERTIFICATION OF THE EXECUTIVE VICE PRESIDENT OF FINANCE AND ADMINISTRATION AS TO THE AVAILABILITY OF FUNDS FOR THE AWARDING OF A CONTRACT BY THE OCEAN COUNTY COLLEGE BOARD OF TRUSTEES.

VENDOR: Dell Marketing
1 Dell Way
Round Rock, TX 78682

ACCOUNT: Minor Capital Network/HETI Technology Infrastructure \$124,472.27
Minor Capital Computer/Perkins Grant 2014/2015 \$ 23,569.91

AMOUNT: **\$148,042.18**
=====

I HEREBY CERTIFY that funds are available in the Ocean County College Board of Trustees budget for 2014/2015 and the appropriation is sufficient to cover this contract and the contract shall be encumbered against such appropriation.



Executive Vice President of Finance and Administration

BOARD MEETING: December 8, 2014
par

EXHIBIT A-10

OCEAN COUNTY COLLEGE

RESOLUTION

WHEREAS, three contracts in the total amount of **\$3,821.91** for renewal of software, (P16639-\$2,409.91), and hard drives (P16667-\$1,010.00 and P16775 \$402.00) were awarded to **Shi International**, 290 Davidson Avenue, Somerset, New Jersey 08873 for the TV studio, Humanities and Fine Arts, and Information Technology departments at Ocean County College. These contracts were under the threshold and did not require Board of Trustee approval; and

WHEREAS, an additional **\$16,082.00** is necessary for the purchase of Kaspersky Endpoint Security for Business-Advanced-Subscription License Renewal. Contract period 11/6/2014 to 2/20/2016; and

WHEREAS, the Executive Vice President of Finance and Administration of Ocean County College has determined and certified in writing that the value of the acquisition will exceed \$17,500; and

WHEREAS, a Certificate has been provided by the Executive Vice President of Finance and Administration of Ocean County College, stating that funds are available for this purpose, which certificate is attached to the original of this resolution and is on file in the office of the Executive Vice President of Finance and Administration; and

WHEREAS, the vendor has completed and submitted a Business Entity Disclosure Certification which certifies it has not made any reportable contributions to a political or candidate committee in the County of Ocean the previous one year, and that the contract will prohibit making any reportable contributions through the term of the contract; and

WHEREAS, Ocean County College wishes to award said contract without the need for public bidding in compliance with the provisions of the County College Contracts Law, N.J.S.A. 18A:64A-25.1 et seq., and the provisions of N.J.S.A. 5:34-8.2 vendor aggregation rules.

NOW THEREFORE, BE IT RESOLVED by the Ocean County College Board of Trustees as follows:

1. The Ocean County College Board of Trustees hereby authorizes and directs the appropriate officials of the college to execute an agreement with **Shi International**, 290 Davidson Avenue, Somerset, New Jersey 08873 in the amount Not to Exceed: **\$19,903.91**

2. Specific line item against which this contract is to be charged is as follows:

Informational Technologies/Software \$16,082.00
 TV Studio/Supplies Media \$2,409.91
 Humanities & Fine Arts/Supplies Instructional \$1,010.00
 Informational Technologies/Software Maintenance \$402.00
 F/Y 2014/2015

BOARD MEETING: December 8, 2014

par

RESOLUTION

CERTIFICATION OF THE EXECUTIVE VICE PRESIDENT OF FINANCE AND ADMINISTRATION AS TO THE AVAILABILITY OF FUNDS FOR THE AWARDING OF A CONTRACT BY THE OCEAN COUNTY COLLEGE BOARD OF TRUSTEES.

VENDOR: Shi International
290 Davidson Avenue
Somerset, New Jersey 08873

ACCOUNT: Informational Technologies/Software \$16,082.00
TV Studio/Supplies Media \$2,409.91
Humanities & Fine Arts/Supplies Instructional \$1,010.00
Informational Technologies/Software Maintenance \$402.00
F/Y 2014/2015

AMOUNTS: \$ 2,409.91 P16639
\$ 1,010.00 P16667
\$ 402.00 P16775
\$16,082.00
\$19,903.91

I HEREBY CERTIFY that funds are available in the Ocean County College Board of Trustees budget for 2014/2015, and the appropriation is sufficient to cover this contract and the contract shall be encumbered against such appropriation.


Executive Vice President of Finance and Administration

BOARD MEETING: December 8, 2014
par

EXHIBIT A-11

GATEWAY BUILDING
AMENDMENT

AMENDMENT: Recommend the contract for the “Architectural and Engineering Services for the Gateway Building” be amended to **BLACKNEY HAYES ARCHITECTS**, for an additional amount of **\$24,130.00** for a total amount of **\$1,215,888.84**. The monies are needed for change order #26 (additional services due to unknown costs of the LEED certification process and documentation). The original contract in the amount of **\$734,650.00** was awarded at the July 27, 2009 Board of Trustees meeting. Amendments in the amount of **\$457,108.84** were also approved by the Board of Trustees.

Said contract to be in accordance with proposal specifications and requirements received June 11, 2009

NATURE OF PROPOSAL:

Architectural and Engineering Services for the Gateway Building

PROPOSAL ITEM #1: BASIC SERVICES FEE (lump sum total fee)

SOURCE OF FUNDS: GATEWAY BUILDING/COLLEGE CENTER

PROPOSAL SUMMARY

Vendor	Proposal Item # 1
Blackney Hayes Architects* 150 S.Independence Mall Philadelphia, PA 19106	\$ 734,650.00
Cannon Design** 360 Madison Avenue New York, NY 10017	\$2,379,600.00
Clarke, Caton & Hintz 400 Sullivan Way Trenton, NJ 08628	\$1,499,000.00
Cubellis Architects** 1617 JFK Blvd Philadelphia, PA	\$1,242,000.00
DF Gibson Architects 36 West 37 th Street New York, NY 10018	\$1,568,000.00
D/H & K Architects 101 East Main Street Moorestown, NJ 08057	\$1,385,000.00
Dicaro / Rubino Architects 30 Galesi Drive Wayne, NJ 07470	\$1,100,000.00

* **RECOMMENDED VENDOR**

** **Non-Compliant**

BOARD MEETING: December 8, 2014

DMR Architects 777 Terrace Avenue Hasbrouck Heights, NJ 07604	\$1,122,000.00
Faraday, Veisz & Fraytak Architects 1515 Lower Ferry Road Trenton, NJ 08618	\$1,499,900.00
Fletcher Thompson Architects 27 Schoolhouse Road Somerset, NJ 08873	\$1,295,000.00
Ford 3 Architects 32 Nassau Street Princeton, NJ 08542	\$1,345,000.00
Gensier Architects 1230 Ave of the Americas New York, NY 10020	\$1,355,000.00
Grad Architects 2 Gateway Centre Newark, NJ 07102	\$ 895,000.00
GYA Associates 1821 Ranstead Street Philadelphia, PA 19103	\$1,575,000.00
H2L2 Architects** 714 Market Street Philadelphia, PA 19106	\$1,295,000.00
H & G Architects 45 East 20 th Street New York, NY 10003	\$1,789,462.00
IKON 5 Architects 86 Mapleton Road Princeton, NJ 08540	\$1,350,000.00
KSS Architects 337 Witherspoon Street Princeton, NJ 08542	\$1,417,500.00
Michael Graves Associates 341 Nassau Street Princeton, NJ 08540	\$1,638,690.00
NK Architects 95 Washington Street Morristown, NJ 07960	\$1,257,800.00
PJAR Architects** 841 Broadway New York, NY 10003	\$1,785,000.00

* **RECOMMENDED VENDOR**

** Non-Compliant

Board Meeting: December 8, 2014

Par

P S & S Architects 67B Mountain Blvd Extension Warren, NJ 07059	\$1,096,000.00
Rivardo, Schnitzer & Capizzi 596 Anderson Avenue Cliffside Park, NJ 07010	\$ 989,000.00
Ronald Schmitt Associates 222 Grand Avenue Englewood, NJ 07631	\$1,181,200.00
Saphire & Albarran 20 North Mail Street Pennington, NJ 08534	\$1,190,000.00
Saylor Gregg Architects** 100 South Broad Philadelphia, PA 19110	\$1,862,595.00
SNS Architects** 1 Paragon Drive Montvale, NJ	\$1,174,500.00
SOSH Architects 1020 Atlantic Avenue Atlantic City, NJ 08401	\$1,489,650.00
UJMN Associates** 718 Arch Street Philadelphia, PA 19106	\$1,530,000.00
Voith Mactavish Architects 1616 Walnut Street Philadelphia, PA 19103	\$1,080,000.00
William Wolf Architects 50 Hawthorne Avenue Princeton, NJ 08540	\$2,191,000.00
Yezzi Associates 18 Washington Street Toms River, NJ 08754	\$1,995,950.00

* RECOMMENDED VENDOR

** Non-Compliant

All of the invited vendors are represented in the above bid summary.

Board Meeting: December 8, 2014
par

EXHIBIT A-12

OCEAN COUNTY COLLEGE

Architecture & Engineering Service for Administration Building Ground Floor Renovations
AMENDMENT

AMENDMENT: Recommend that the contract to **Settembrino Architects**, be amended in the additional amount of **\$9,000.00** for a total amount of **\$33,500.00**. The monies are necessary for additional analysis and design work required by expansion of the ground floor renovations in areas not included in the original scope of work. The original contract in the amount of **\$24,500.00** for "Architecture & Engineering Services for Administration Building Ground Floor Renovations" was awarded at the May 27, 2014 Board of Trustees meeting.

Said contract to be in accordance with proposal specifications and requirements and the proposals received May 16, 2014

Architect & Engineer firms are selected from the Ocean County College Qualified Pool of Professional Architectural Services approved at the March 22, 2013 Board of Trustees meeting. 12/13 Q-15

NATURE OF PROPOSAL: Architecture & Engineering Services for Administration Building Ground Floor Renovations 13/14 Q-11

ITEM #1 Total Project Fee

SOURCE OF FUNDS: Administration Building Renovations / Capital Account
F/Y 2013/2014

PROPOSAL SUMMARY

VENDOR	ITEM # 1
Settembrino Architects* 25 Bridge Avenue Red Bank, NJ 07701	\$24,500.00
SSP Architectural Group 148 West End Avenue Somerville, NJ 08876	\$34,500.00
Gibson Tarquini Group 765 Cuthbert Blvd. Cherry Hill, NJ 08002	\$90,720.00

*RECOMMENDED VENDOR

BOARD MEETING: December 8, 2014

par

The following is a list of vendors selected from "Qualified Pool of Professional Architectural Services Firms" also invited to submit proposals:

DMR Architects
777 Terrace Avenue
Hasbrouck Heights, NJ 07604

Vitetta Architects
2 International Plaza
Philadelphia, PA 19113

The RBA Group Inc.
7 Campus Drive
Parsippany, NJ 07054

L.R. Kimball
380 Foothill Road
Bridgewater, NJ 08807

Design Resources Group, Architects
371 Hoes Lane
Piscataway, NJ 08854

P.S. & S. Architects
67-A Mountain Blvd Ext
Warren, NJ 07059

FVHD Architects Planners
1515 Lower Ferry Road
Trenton, NJ 08628

JRS Architect, P.C.
116 Village Blvd
Princeton, NJ 08540

Kimmel Bogrette Architecture
151 East 10th Avenue
Conshohocken, PA 19428

BOARD MEETING: December 8, 2014
par

EXHIBIT A-13

OCEAN COUNTY COLLEGE

Campus Drainage Improvements

AMENDMENT

AMENDMENT: Recommend the contract to **Future Excavating, LLC**, 974 Route 33, Freehold, New Jersey 07728 be amended in the additional amount of **\$12,265.00** for a total amount of **\$365,522.00**. The monies are necessary for the installation of a retaining wall, light pole base and additional fence rail for TV studio/campus drainage. The original contract in the amount of **\$342,407.00** was awarded at the June 23, 2014 Board of Trustees meeting. An amendment in the amount of **\$10,850.00** was awarded at the September 22, 2014 Board of Trustees meeting.

Said contract to be in accordance with bid specifications and requirements and the bids received June 18, 2014

NATURE OF BID: Campus Drainage Improvements B-15 14/15

ITEM #1: Total Base Bid

ITEM #2: Owner Allowance for Utility Conflicts

ITEM #3: Total Bid

SOURCE OF FUNDS: Storm water Management / Capital Account
F/Y 2014/2015

BID SUMMARY

	ITEM #1	ITEM #2	ITEM #3
Future Excavating, LLC* 974 Route 33 Freehold, NJ 07728	\$292,407.00	\$50,000.00	\$342,407.00
Mathis Construction Co., Inc 1510 Route 539 Little Egg Harbor, NJ 08087	\$513,652.00	\$50,000.000	\$563,652.00
Montana Construction Corp. 80 Constant Avenue Lodi, NJ 07644	\$926,650.00	\$50,000.00	\$976,650.00
Colonnelli Brothers Inc 409 South river Street Hackensack, NJ 07601	\$483,910.00	\$50,000.00	\$533,910.00
Lucas Construction Inc 173 Amboy Road Morganville, NJ 07751	\$364,565.00	\$50,000.00	\$414,565.00
Forte Excavating, LLC 1767 Whitesville Road Toms River, NJ 08755	\$423,163.00	\$50,000.00	\$473,163.00
Marlin Construction, Inc. 442 Whitesville Road Jackson, NJ 08527	\$445,053.90	\$50,000.00	\$495,053.90

* RECOMMENDED VENDOR

All of the vendors invited to submit a bid are represented above

BOARD MEETING: December 8, 2014

Par

EXHIBIT A-14

OCEAN COUNTY COLLEGE

EXHIBIT A - 14

AMENDMENT

AMENDMENT: Recommend the contract to **Langan Engineering and Environmental Services Inc.**, 619 River Drive, Elmwood Park, N.J., 07407 be amended in the additional amount of **\$35,900.00** for a total amount of **\$84,400.00**. The monies are necessary for change order # 1 **\$1,400.00** for directional signage in parking lot # 5-Gateway Building, and change order # 2 **\$34,500.00** for asphalt overlay parking lot # 2.. The original contract in the amount of **\$48,500.00** was awarded at the March 24, 2014 Board of Trustees meeting. The below vendors were selected from the "Professional Engineering Services-Qualified Pool RFQ Q-14 12/13 approved by the Board of Trustees at the March 22, 2013 meeting.

Said contracts to be in accordance with proposal specifications and requirements received March 12, 2014

PROJECT: Engineering Services for Lighting and Miscellaneous site work at
Parking Lots #2, #5 and #6 Q-16 13/14

ITEM #1: Lump Sum Total

SOURCE OF FUNDS: Building Repairs and Maintenance / Business Division \$24,500.00
Gateway Building / Capital Account \$24,000.00
F/Y 2013/2014

PROPOSAL SUMMARY

VENDOR	ITEM 1
Remington, Vernick & Vena Engineers 9 Allen Street Toms River, New Jersey 08753	\$60,250.00
DLB Associates^ 265 Industrial Way West Eatontown, New Jersey 07724	\$46,000.00
French & Parrello Associates 1800 Route 34 Wall, New Jersey 07719	\$69,500.00
Hatch, Mott, MacDonald 3 Paragon Way Freehold, New Jersey 07728	\$201,500.00
Langan Engineering & Environmental Services* 989 Lenox Drive Lawrenceville, New Jersey 08648	\$48,500.00

*RECOMMENDED VENDOR

^DLB Associates did not acknowledge addendum #1

The following vendors were also invited to submit a Proposal:

Becht Engineering	rbryant@bechtbt.com
Joseph Callaghan	adroth@jbcengineers.com
Meggan Modrzecki	meggan.modrzecki@FPAengineers.com
O'Donnell & Naccarato	anaccarato@o-n.com
Paul VanGelder	pvangelder@chacompanies.com

KS Engineers, P.C.	Concord Engineering
1000 Bishops Gate Blvd	820 South Burnt Mill Rd
Mount Laurel, NJ 08054	Voorhees, NJ 08043

BOARD MEETING: December 8, 2014

par

EXHIBIT A-15

OCEAN COUNTY COLLEGE**AMENDMENT****Maintenance License Renewal for Document Imaging-Image Now Software**

WHEREAS, the Board of Trustees of Ocean County College recognizes the need to amend the **\$40,132.00** contract awarded by Resolution on September 22, 2014 to **Perceptive Software**, 22701 West 68th Terrace, Shawnee, KS 69629 for "Maintenance License Renewal for Document Imaging-Image Now Software"; and

WHEREAS, the contract awarded by Resolution on September 22, 2014 was awarded and exempt from bidding pursuant to the provisions of N.J.S.A. 18A:64A-25.5a(19); and

WHEREAS, a Certificate has been provided by the Executive Vice President of Finance and Administration of Ocean County College, stating that funds are available for this purpose, which certificate is attached to the original of this resolution and is on file in the office of the Executive Vice President of Finance and Administration; and

WHEREAS, the County College Contracts Law (Chapter 64A of Title 18A of the New Jersey Statutes) requires that the resolution authorizing an award of contract for this service without public bids, be made available for public inspection,

NOW THEREFORE, BE IT RESOLVED BY THE OCEAN COUNTY COLLEGE BOARD OF TRUSTEES as follows:

1. The Ocean County College Board of Trustees is hereby authorized and directed to amend the contract with **Perceptive Software**, 22701 West 68th Terrace, Shawnee, KS. 69629 in the additional amount of **\$419.00** for a total amount of **\$40,551.00**. The monies are necessary for the purchase of additional licenses for Document Imaging-Image Now Software." The original contract in the amount of **\$40,132.00** was awarded at the September 22, 2014 Board of Trustees meeting.

BOARD MEETING: December 8, 2014
par

RESOLUTION

CERTIFICATION OF THE EXECUTIVE VICE PRESIDENT OF FINANCE AND ADMINISTRATION AS TO THE AVAILABILITY OF FUNDS FOR THE AWARDING OF A CONTRACT BY THE OCEAN COUNTY COLLEGE BOARD OF TRUSTEES.

VENDOR: Perceptive Software
22701 West 68th Terrace
Shawnee, KS 69629

ACCOUNT: Software Maintenance/Information Technology
F/Y 2014/2015

ORIGINAL AMOUNT: \$40,132.00 9/22/14

AMENDMENT: \$ 419.00

TOTAL AMOUNT: \$40,551.00

I HEREBY CERTIFY that funds are available in the Ocean County College Board of Trustees budget for 2014/2015 and the appropriation is sufficient to cover this contract and the contract shall be encumbered against such appropriation.



Executive Vice President of Finance and Administration

BOARD MEETING: December 8, 2014
par

EXHIBIT A-16

OCEAN COUNTY COLLEGE
Amendment
New Facilities Master Plan

AMENDMENT: Recommend the contract to **Spiezle Architectural Group**, 120 Sanhican Drive, Trenton, N.J. 08618 be amended in the additional amount of **\$25,000.00** for a total amount of **\$332,000.00**. The monies are necessary to provide "Professional Services for New Vo-Tech Performing Arts Academy-Space Plan and Siting" as it relates to the "New Campus Master Plan". The original contract in the amount not to exceed: **\$267,000.00** was awarded at the March 24, 2014 Board of Trustees meeting. An amendment in the amount of **\$40,000.00** was awarded at the August 15, 2014 Board of Trustees Retreat.

Said contract to be in accordance with Request for Qualifications specifications and requirements received January 23, 2014.

NATURE OF PROPOSAL: NEW FACILITIES MASTER PLAN B-05 13/14

ITEM # 1: Lump Sum Total

SOURCE OF FUNDS: Dedicated Major Endeavors / Business Division
FY 2013/2014

Request for Qualifications Summary

Vendor	Item # 1	Evaluation Results Total Points
Spiezle Architectural Group* 120 Sanhican Drive Trenton, New Jersey 08618	\$267,000.00	1490
L.R. Kimbell Architects 615 West Highland Avenue Ebensburg, PA 15931	\$483,000.00	1445
Symmes Maini & McKee Associates 1000 Massachusetts Avenue Cambridge, MA 02138	\$396,000.00	1430
SSP Architectural Group 1011 Route 22 West Bridgewater, New Jersey 08807	\$484,425.00	1407.5
Kimmel Bogrette Architecture 151 East 10 th Avenue Conshohocken, PA 19428	\$475,000.00	1285
Parette Somjen Arc 439 Route 46 East Rockaway, New Jersey 07866	\$479,260.00	1270
DMR Architects 777 Terrace Avenue Hasbrouck Heights, NJ 07604	\$395,000.00	1260
Perkins Eastman 115 5 th Avenue New York, N.Y. 10003	\$546,150.00	1132.5

Clarke Caton Hintz Architects 100 Barrack Street Trenton, New Jersey 08608	\$396,185.00	1102.5
Fineburg & Associates 227 Laurel Road Voorhees, New Jersey 08043	\$402,000.00	940
Blackney Hayes 150 South Independence Mall Philadelphia, PA 19106	\$695,900.00	Over budget
Stantec 650 Smithfield Street Pittsburgh, PA 15222	\$567,556.00	over budget
Nelson^ 132 Kings Highway Haddonfield, New Jersey 08033	\$495,959.00	Non-compliant

*RECOMMENDED VENDOR

^ Nelson is non-compliant-did not sign Iran Investment Disclosure form

The evaluation committee consists of the following Ocean County College employees, Sara Winchester, Matthew Kennedy, Mike Bruno and Mark Bowcock.

The evaluation results were based on:

- Firm's suggested approach to our project. Do they demonstrate an understanding or generalize?
- Experience in providing services on this type and size of project. Did they provide a minimum of 3 referenced projects of similar size/scope?
- Price/fees. Higher score of lower price

The following is a list of vendors also invited to submit a proposal:

Jeff Venezia	ivenezia@designideasgroup.com
Ann Barolak	abarolak@eypae.com
Pam Zimmerman	phz@zimmermanstudio.net
John Arbuckle	j.rbuckle@hoffarch.com
Merlee Meacock	mmeacock@kssarchitects.com

BOARD MEETING: December 8, 2014
par

EXHIBIT A-17

OCEAN COUNTY COLLEGE

ACKNOWLEDGEMENT

Natural Gas Supply

On behalf of the County College Energy Consortium, T&M Associates (T&M) prepared a Request for Bids (RFB) for Natural Gas Supply Service on August 20, 2014.

The Board of Trustees authorized the purchase of energy generation services for public use on an online auction website at the August 15, 2014 retreat.

The Online Reverse Auction, provided by T&M Associates' Channel Partner, Commercial Utility Consultants (CUC) took place on October 30, 2014. The Auction began at 10:00 a.m. and ended at 11:40 a.m.

Bid Summary

Supplier	South Jersey Energy Company	Woodruff Energy *	Direct Energy Business Marketing
Territory			
PSE&G			
11 Month Contract	\$7.65799	\$6.536	\$7.1639
23 Month Contract	\$7.20217	\$6.127	\$6.7225

*Recommended Supplier

Woodruff Energy is the lowest responsible bidder in the PSE&G Gas territory; therefore T&M recommends that the CCEC move forward with Woodruff Energy at the fixed price of \$6.127/Dth for the 23 month term.

BOARD MEETING: December 8, 2014
par

EXHIBIT A-18

OCEAN COUNTY COLLEGE

REJECTION

RECOMMEND the bid B-49 2014/2015 received on October 28, 2014 for the "Audio Video Design" be rejected in accordance with bid specifications and requirements and the bids received October 28, 2014 due to being over budget.

BOARD MEETING: December 8, 2014
par