

**RIDER UNIVERSITY**  
**FINANCIAL STATEMENTS**  
**YEARS ENDED JUNE 30, 2024**  
**(WITH COMPARATIVE INFORMATION**  
**AS OF JUNE 30, 2023)**



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## INDEPENDENT AUDITORS' REPORT

Board of Trustees  
Rider University  
Lawrenceville, New Jersey

### **Report on the Audit of the Financial Statements**

#### ***Opinion***

We have audited the accompanying financial statements of Rider University which comprise the balance sheet as of June 30, 2024, and the related statements of activities and cash flows for the year then ended, and the related notes to the financial statements.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Rider University as of June 30, 2024, and the changes in its net assets and its cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.

#### ***Basis for Opinion***

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS). Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of Rider University and to meet our other ethical responsibilities in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

#### ***Responsibilities of Management for the Financial Statements***

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

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about Rider University's ability to continue as a going concern for one year after the date the financial statements are available to be issued.

***Auditors' Responsibilities for the Audit of the Financial Statements***

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

In performing an audit in accordance with GAAS, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of Rider University's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about Rider University's ability to continue as a going concern for a reasonable period of time.

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

Board of Trustees  
Rider University

***Report on Summarized Comparative Information***

We have previously audited Rider University's 2023 financial statements, and we expressed an unmodified audit opinion on those audited financial statements in our report dated December 21, 2023. In our opinion, the summarized comparative information presented herein as of and for the year ended June 30, 2023, is consistent, in all material respects, with the audited financial statements from which it has been derived.

*CliftonLarsonAllen LLP*

**CliftonLarsonAllen LLP**

King of Prussia, Pennsylvania  
December 19, 2024

**RIDER UNIVERSITY**  
**BALANCE SHEETS**  
**JUNE 30, 2024**  
(WITH COMPARATIVE INFORMATION FOR YEAR ENDED JUNE 30, 2023)  
(DOLLARS IN THOUSANDS)

	2024	2023
<b>ASSETS</b>		
Cash and Cash Equivalents	\$ 7,851	\$ 8,394
Student Accounts Receivable, Net	2,879	2,326
Grants and Other Receivables	2,555	3,026
Contributions Receivable, Net	11,929	11,407
Student Loans, Net	784	1,026
Beneficial Interest in Perpetual Trusts	6,100	5,827
Funds Held by Bond Trustees	6,023	7,041
Investments	65,984	67,488
Plant Assets, Net	126,910	136,681
Other Assets	4,732	3,863
	<u>\$ 235,747</u>	<u>\$ 247,079</u>
<b>LIABILITIES AND NET ASSETS</b>		
<b>LIABILITIES</b>		
Accounts Payable and Accrued Expenses	\$ 11,914	\$ 9,735
Line of Credit	8,800	8,500
Short-Term Debt	4,900	-
Other Liabilities	9,025	9,527
Deferred Revenue	12,514	12,932
Postretirement Benefits Other Than Pensions	5,730	5,167
Refundable Government Loan Funds	844	1,033
Asset Retirement Obligation	6,189	5,935
Bonds and Mortgage Notes Payable	108,981	108,971
Total Liabilities	<u>168,897</u>	<u>161,800</u>
<b>NET ASSETS</b>		
Without Donor Restrictions	(23,888)	(11,701)
With Donor Restrictions:		
Time or Purpose Restrictions	17,811	17,970
Beneficial Interest in Perpetual Trusts	6,100	5,827
Endowment	66,827	73,183
Total With Donor Restrictions	<u>90,738</u>	<u>96,980</u>
Total Net Assets	<u>66,850</u>	<u>85,279</u>
	<u>\$ 235,747</u>	<u>\$ 247,079</u>

See accompanying Notes to Financial Statements.

**RIDER UNIVERSITY**  
**STATEMENTS OF ACTIVITIES**  
**YEARS ENDED JUNE 30, 2024**  
(WITH COMPARATIVE INFORMATION FOR YEAR ENDED JUNE 30, 2023)  
(DOLLARS IN THOUSANDS)

	Without Donor Restrictions	With Donor Restrictions	Total	
			2024	2023
<b>OPERATING REVENUES AND OTHER SUPPORT</b>				
Tuition and Fees, Net	\$ 68,930	\$ -	\$ 68,930	\$ 71,181
Auxiliary, Net	28,213	-	28,213	26,162
Grants and Contracts	1,523	3,410	4,933	3,876
Contributions	2,880	2,379	5,259	3,897
Endowment Spending Policy	1,584	3,975	5,559	7,093
Other Investment Income	232	100	332	181
Other Revenues	5,840	613	6,453	6,137
Net Assets Released from Restrictions	9,897	(9,897)	-	-
Total Operating Revenues and Other Support	119,099	580	119,679	118,527
<b>OPERATING EXPENSES</b>				
Instruction and Academic Support	63,920	-	63,920	66,516
Auxiliary and Student Services	51,909	-	51,909	53,387
Institutional Support	25,213	-	25,213	26,878
Total Expenses Before Scholarships and Fellowships (HEERF)	141,042	-	141,042	146,781
Scholarships and Fellowships (HEERF)	-	-	-	17
Total Operating Expenses	141,042	-	141,042	146,798
<b>CHANGE IN NET ASSETS FROM OPERATING ACTIVITIES</b>				
	(21,943)	580	(21,363)	(28,271)
<b>NONOPERATING ACTIVITIES</b>				
Endowment Grants and Contributions	-	1,620	1,620	4,135
Net Endowment Surplus (Deficit)	914	698	1,612	(1,622)
Postretirement Benefit Adjustment	(546)	-	(546)	(1,321)
Reclassification for Changes in Donor Intent	9,418	(9,418)	-	-
Other	(30)	278	248	147
Total Nonoperating Activities	9,756	(6,822)	2,934	1,339
<b>CHANGE IN NET ASSETS</b>				
	(12,187)	(6,242)	(18,429)	(26,932)
Net Assets - Beginning of Year	(11,701)	96,980	85,279	112,211
<b>NET ASSETS - END OF YEAR</b>				
	\$ (23,888)	\$ 90,738	\$ 66,850	\$ 85,279

See accompanying Notes to Financial Statements.

**RIDER UNIVERSITY**  
**STATEMENTS OF CASH FLOWS**  
**YEARS ENDED JUNE 30, 2024**  
(WITH COMPARATIVE INFORMATION FOR THE YEAR ENDED JUNE 30, 2023)  
(DOLLARS IN THOUSANDS)

	2024	2023
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Change in Net Assets	\$ (18,429)	\$ (26,932)
Adjustments to Reconcile Change in Net Assets to Net Cash Used by Operating Activities:		
Depreciation	11,668	12,491
Change in Value of Beneficial Interest in Perpetual Trust	(273)	(153)
Write-Off of Contribution Receivables	15	-
Gain on Disposal of Plant Assets	(277)	-
Accretion Expense Related to Asset Retirement Obligation	260	259
Amortization of Bond Premium	(20)	(20)
Amortization of Bond Issuance Costs	70	70
Postretirement Benefit Adjustment	546	1,321
Net Realized Gains on Sales of Investments	(2,500)	(884)
Unrealized Gain on Investments	(3,731)	(2,357)
Provision for Doubtful Student Accounts Receivable	278	1,102
Provision for Doubtful Student Loans	1,750	1,697
Contributions and Grants Restricted for Plant Facilities	(1,313)	(675)
Contributions and Investment Income Permanently Restricted for Long-Term Investment	(3,165)	(5,459)
Changes in Operating Assets and Liabilities:		
Student Accounts Receivable	(831)	(1,054)
Grants and Other Receivables	471	(458)
Contributions Receivable	71	242
Other Assets	(869)	(88)
Accounts Payable and Accrued Expenses	2,179	(1,588)
Other Liabilities	(502)	72
Deferred Revenue	(418)	1,384
Postretirement Benefits Other Than Pensions	17	(316)
Refundable Government Loan Funds	(189)	(504)
Asset Retirement Obligation	(6)	84
Net Cash Used by Operating Activities	(15,198)	(21,766)
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Purchases of Investments	(65,663)	(53,289)
Proceeds from Sales of Investments	74,416	59,158
Proceeds from Sale of Plant Assets	643	-
Purchases of Plant Assets, Net of Change in Related Accounts Payable	(2,263)	(2,612)
Student Loans Issued	(18)	6
Proceeds from Student Loan Collections	(1,490)	(1,322)
Net Cash Provided by Investing Activities	5,625	1,941

See accompanying Notes to Financial Statements.



**RIDER UNIVERSITY**  
**STATEMENTS OF CASH FLOWS (CONTINUED)**  
**YEARS ENDED JUNE 30, 2024**  
(WITH COMPARATIVE INFORMATION FOR THE YEAR ENDED JUNE 30, 2023)  
(DOLLARS IN THOUSANDS)

	2024	2023
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
Repayment of Bonds and Mortgage Notes Payable	\$ (40)	\$ (437)
Repayment of Line of Credit	(8,500)	-
Proceeds from Line of Credit	8,800	8,500
Proceeds from Short-Term Debt	4,900	-
Proceeds from Contributions and Grants Restricted for Plant Facilities	1,296	776
Proceeds from Contributions and Investment Income Permanently Restricted for Long-Term Investment Less Write-Off of Contribution Receivables	2,574	5,415
Net Cash Provided by Financing Activities	9,030	14,254
<b>CHANGE IN CASH AND CASH EQUIVALENTS</b>	(543)	(5,571)
Cash and Cash Equivalents - Beginning of Year	8,394	13,965
<b>CASH AND CASH EQUIVALENTS - END OF YEAR</b>	\$ 7,851	\$ 8,394
<b>SUPPLEMENTAL DISCLOSURES OF CASH FLOW INFORMATION</b>		
Cash Paid for Interest	\$ 5,412	\$ 5,407
Decrease in Accounts Payable for Related Plant Assets	\$ -	\$ (370)

See accompanying Notes to Financial Statements.

**RIDER UNIVERSITY**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30 2024**  
(WITH COMPARATIVE INFORMATION FOR THE YEAR ENDED JUNE 30, 2023)  
(DOLLARS IN THOUSANDS)

**NOTE 1 PRINCIPAL ACTIVITY AND SIGNIFICANT ACCOUNTING POLICIES**

**Organization (Unaudited)**

Rider University (the University) is a private, nonprofit institution founded in 1865. The University's four academic units include the Norm Brodsky College of Business, the College of Liberal Arts and Sciences, the College of Education and Human Services, and the Westminster College of the Arts. During the year ended June 30, 2024, the University enrolled 3,196 undergraduate students and 832 graduate students.

**Basis of Presentation**

These financial statements, which are presented on the accrual basis of accounting, have been prepared to focus on the University as a whole and to present balances and transactions according to the presence or absence of donor-imposed restrictions.

The financial statements include certain prior year summarized comparative information in total but not by net asset class. Such information does not include sufficient detail to constitute a presentation in conformity with accounting principles generally accepted in the United States of America (GAAP). Accordingly, such information should be read in conjunction with the University's financial statements as of and for the year ended June 30, 2023, from which the summarized information was derived.

**Classification of Net Assets**

The University reports its net assets and changes therein in two classes: net assets without donor restrictions and net assets with donor restrictions.

*Net Assets Without Donor Restrictions* – Net assets without donor restrictions represent resources that are generally available for support of the University's activities. These resources are derived from gifts and other institutional resources, including income and gains thereon that are not subject to donor-imposed restrictions. Net assets without donor restrictions also include net investment in plant assets and amounts designated by the board of trustees to function as quasi endowment.

*Net Assets With Donor Restrictions* – Net assets with donor restrictions are established by donor gifts, pledges, trusts, and income and gains thereon that have donor stipulations that limit their use. When a donor restriction expires, that is, when a stipulated time restriction ends or donor specified purpose is accomplished, net assets with donor restrictions are reclassified to net assets without donor restrictions and reported in the statements of activities as net assets released from restrictions. Certain donor restrictions are perpetual in nature and may include gifts, pledges, trusts, and income and gains thereon that require the asset to be retained permanently. Generally, the donors of these assets permit the University to use all or part of the investment return on related investments for donor-specified purposes, primarily for scholarship, or for unrestricted purposes.

**RIDER UNIVERSITY**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30 2024**  
(WITH COMPARATIVE INFORMATION FOR THE YEAR ENDED JUNE 30, 2023)  
(DOLLARS IN THOUSANDS)

**NOTE 1 PRINCIPAL ACTIVITY AND SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**Fair Value**

Fair value is defined as the price that would be received to sell an asset or paid to transfer a liability (an exit price) in the principal or most advantageous market for the asset or liability in an orderly transaction between market participants on the measurement date. The fair value hierarchy requires an entity to maximize the use of observable inputs and minimize the use of unobservable inputs when measuring fair value. The three levels of inputs that may be used to measure fair value are as follows:

*Level 1* – Quoted or published prices in active markets for identical assets or liabilities.

*Level 2* – Observable inputs other than Level 1 prices, such as quoted prices for similar assets or liabilities; quoted prices in markets that are not active; or other inputs that are observable or can be corroborated by observable market data for substantially the full term of the assets or liabilities.

*Level 3* – Unobservable inputs that are supported by little or no market activity and that are significant to the fair value of the assets or liabilities.

**Statement of Activities**

Revenues are reported as increases in net assets without donor restrictions unless their use is limited by donor-imposed restrictions. Expenses are reported as decreases in net assets without donor restrictions. Gains and losses on investments and other assets or liabilities are reported as increases or decreases in net assets without donor restrictions unless their use is restricted by explicit donor stipulation or by law.

**Nonoperating Activities**

A portion of long-term investment income and gains and losses is allocated to operating revenue each year in accordance with the University's spending policy for investments held for endowment, as more fully discussed in Note 9. All other investment income earned and gains and losses on investments held for long term purposes (including land), contribution related activity for long term purposes, net assets released from restrictions related to capital, the postretirement benefit adjustment, gain on defeasance, and nonrecurring activities are considered nonoperating activities in the statements of activities. Clarifications of donor intentions are presented as reclassifications between the applicable classes of net assets in the year known.

**Split Interest Agreements**

The University's split interest agreements with donors consist primarily of charitable gift annuities and irrevocable charitable remainder trusts. Assets are invested and payments are made to donors and/or beneficiaries in accordance with the respective agreements. Contribution revenue for charitable gift annuities and charitable remainder trusts is recognized at the date the agreement is established, net of the liability for the present value of the estimated future payments to be made to the respective donors and/or beneficiaries.

**RIDER UNIVERSITY**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30 2024**  
(WITH COMPARATIVE INFORMATION FOR THE YEAR ENDED JUNE 30, 2023)  
(DOLLARS IN THOUSANDS)

**NOTE 1 PRINCIPAL ACTIVITY AND SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**Split Interest Agreements (Continued)**

The present value of payments to beneficiaries of charitable gift annuities and charitable remainder trusts is calculated using discount rates, which represent the risk adjusted rates in existence at the date of the gift. Gain or losses resulting from changes in actuarial assumptions and accretions of the discount are recorded as increases or decreases in the respective net asset class in the accompanying statements of activities.

The University also has beneficial interest in perpetual trusts. Under the terms of the trusts, the University has the irrevocable right to receive the income earned on the trust assets in perpetuity, but never receives the assets held in trust. Contribution revenue and an asset are recognized at the time the University is notified of the trust's existence. The value of the interest in perpetual trusts is based on the fair value of the assets held by the perpetual trusts and is adjusted annually. Gains or losses resulting from changes in fair value of the trust assets are recorded as increases or decreases in net asset with donor restrictions in the accompanying statements of activities.

**Income Taxes**

The University is an organization described under Section 501(c)(3) of the Internal Revenue Code (the Code). Accordingly, the University is exempt from federal income taxes under Section 501(a) of the Code, except to the extent it has taxable income from activities unrelated to its exempt purpose. No provision for income taxes was required in 2024 or 2023. In addition, the University follows the accounting standard for uncertain tax positions, which requires that a tax position be recognized or derecognized based on a 'more-likely-than-not' threshold. The application of this standard had no impact on the University's financial statements, as management is not aware of any uncertain tax positions or of any activities that would jeopardize its tax-exempt status.

**Cash Equivalents**

Cash equivalents include short term, highly liquid investments held for current operating purposes and consist principally of money market accounts and securities having an original maturity of three months or less.

**Plant Assets**

All property is carried at cost at date of acquisition or at fair value at date of gift, less accumulated depreciation, computed on a straight-line basis over their estimated useful lives (buildings – 50 years; building systems, renovations, and land improvements – 20 to 30 years; and equipment – 3 to 20 years).

**RIDER UNIVERSITY**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30 2024**  
(WITH COMPARATIVE INFORMATION FOR THE YEAR ENDED JUNE 30, 2023)  
(DOLLARS IN THOUSANDS)

**NOTE 1 PRINCIPAL ACTIVITY AND SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**Asset Retirement Obligation**

The University recognizes the fair value of a liability for legal obligations associated with asset retirements in the period in which the obligation is incurred, if a reasonable estimate of the fair value of the obligation can be made. When the liability is initially recorded, the University capitalizes the cost of the asset retirement obligation by increasing the carrying amount of the related long-lived asset. The liability is accreted to its present value each period, and the capitalized cost associated with the retirement obligation is depreciated over the useful life of the related asset. Upon settlement of the obligation, any difference between the cost to settle the asset retirement obligation and the liability recorded is recognized as a gain or loss in the statements of activities.

**Leases**

The University determines if an arrangement is a lease at inception. Leases are included as right-of-use (ROU) assets, under plant assets, and are included in other liabilities on the balance sheets.

ROU assets represent the University's right to use an underlying asset for the lease term and lease liabilities represent the obligation to make lease payments arising from the lease. ROU assets and liabilities are recognized at commencement date based on the present value of lease payments over the lease term. Lease terms may include options to extend or terminate the lease when it is reasonably certain the University will exercise that option. Lease expense for operating lease payments is recognized on a straight-line basis over the lease term.

The individual lease contracts do not provide information about the discount rate implicit in the lease. Therefore, the University has elected to use a risk-free weighted-average discount rate for computing the present value of lease liabilities.

**Refundable Government Loan Funds**

Funds provided by the U.S. government under the Federal Perkins Loan Program are loaned to qualified students. These funds are ultimately refundable to the U.S. government and are presented in the balance sheets as a liability.

**RIDER UNIVERSITY**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30 2024**  
(WITH COMPARATIVE INFORMATION FOR THE YEAR ENDED JUNE 30, 2023)  
(DOLLARS IN THOUSANDS)

**NOTE 1 PRINCIPAL ACTIVITY AND SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**Use of Estimates**

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

**Adoption of New Accounting Standard**

Effective July 1, 2023, the University adopted Financial Accounting Standards Board (FASB) *Accounting Standards Update (ASU) 2016-13, Financial Instruments – Credit Losses (Topic 326): Measurement of Credit Losses on Financial Instruments*, which modifies the measurement of expected credit losses. The University adopted this new guidance utilizing the modified retrospective transition method. The adoption of this standard did not have a material impact on the University's financial statements.

**Subsequent Events**

The University has evaluated subsequent events through December 19, 2024, the date the financial statements were available to be issue and identified the activity listed below.

On October 30, 2024, the University entered into an agreement with the Public Finance Authority that provided issuance of \$4,700 taxable University Revenue Bonds, Series 2024 at 12.75%. The bond will mature on January 1, 2030, and are subject to optional redemption prior to maturity by the Authority, at any time.

**RIDER UNIVERSITY**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30 2024**  
(WITH COMPARATIVE INFORMATION FOR THE YEAR ENDED JUNE 30, 2023)  
(DOLLARS IN THOUSANDS)

**NOTE 2 REVENUE**

**Contributions**

Contributions, including unconditional promises to give, are recognized as revenues in the period received. Contributions of assets other than cash are recorded at their estimated fair value at date of donation.

Contributions of plant assets without donor stipulations concerning the use of such long-lived assets are reported as revenues in net assets without donor restrictions. Contributions of cash or other assets to be used to acquire plant assets with such donor stipulations are reported as revenues with donor-restricted net asset class; the restrictions are considered to be released at the time such long-lived assets are acquired or in the case of construction, when the project is complete. Contributions to be received after one year are discounted at an appropriate discount rate commensurate with the risk involved. Amortization of the discount is recorded as additional contribution revenue in accordance with donor-imposed restrictions, if any, on the contributions. An allowance for uncollectible contributions receivable is provided based upon management's judgment including such factors as prior collection history, type of contribution, and nature of fundraising activities.

**Tuition, Fees, and Auxiliary Revenue**

Tuition, fees, and auxiliary revenue is recognized in the fiscal year in which the academic programs are delivered. Institutional scholarships awarded to students reduce the amount of revenue recognized. In addition, students who adjust their course load or withdraw completely within the add/drop period may receive a full or partial refund in accordance with the University's refund policy. Refunds issued reduce the amount of revenue recognized. Payments for tuition are due approximately three weeks prior to the start of the academic term.

Tuition and fees revenue consist of the following as of June 30:

	2024	2023
Tuition and Fees	\$ 140,044	\$ 142,122
Scholarship Allowance	(71,114)	(70,941)
Total	<u>\$ 68,930</u>	<u>\$ 71,181</u>

Auxiliary revenue consists of the following as of June 30:

	2024	2023
Auxiliary	\$ 29,075	\$ 27,094
Scholarship Allowance	(862)	(932)
Total	<u>\$ 28,213</u>	<u>\$ 26,162</u>

**Deferred Revenue**

Amounts received in advance for tuition and fees included in deferred revenue in the balance sheets total \$2,177 and \$2,318 as of June 30, 2024 and 2023, respectively. At the beginning of 2023, the balance of deferred revenue was \$2,895. The balance of deferred revenue related to tuition at June 30, 2024, less any refunds issued will be recognized as revenue over the academic term beginning on July 1, 2024, as services are rendered.

**RIDER UNIVERSITY**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30 2024**  
(WITH COMPARATIVE INFORMATION FOR THE YEAR ENDED JUNE 30, 2023)  
(DOLLARS IN THOUSANDS)

**NOTE 3 RECEIVABLES**

**Student Accounts Receivable**

Student accounts receivable consist of the following as of June 30:

	<u>2024</u>	<u>2023</u>
Student Accounts Receivable	\$ 8,660	\$ 8,137
Allowance for Credit Losses	(5,781)	(5,811)
Total	<u>\$ 2,879</u>	<u>\$ 2,326</u>

At the beginning of 2023, the balance of student accounts receivable was \$2,374.

**Contributions Receivable**

Unconditional promises to give are expected to be received during the indicated time periods and have been discounted at rates ranging from 0.01% to 5.21% as of June 30:

	<u>2024</u>	<u>2023</u>
One Year or Less	\$ 2,329	\$ 1,578
Greater than One Year	13,178	12,816
Subtotal	15,507	14,394
Less:		
Present Value Discount	(2,754)	(2,196)
Allowance for Uncollectible Contributions Receivable	(824)	(791)
Total	<u>\$ 11,929</u>	<u>\$ 11,407</u>

There were three donors that represent 71% and 67% of unconditional promises to give at June 30, 2024 and 2023, respectively.

**Beneficial Interest in Perpetual Trusts**

The University's beneficial interest in perpetual trusts are reported at fair value as Level 3 in the fair value hierarchy, representing \$6,100 and \$5,827 at June 30, 2024 and 2023, respectively. The change during the year is due to the net appreciation.

During fiscal years 2024 and 2023, there were no transfers into or out of Level 3 of the fair value hierarchy and there were no purchases or issues of Level 3 assets.

<u>Instrument</u>	<u>Fair Value</u>		<u>Principal Valuation Technique</u>	<u>Unobservable Inputs</u>
	<u>2024</u>	<u>2023</u>		
Beneficial Interest in Perpetual Trusts	\$ 6,100	\$ 5,827	Fair Market Value of Trust Instruments	Value of Underlying Assets

**Student Loans Receivable**

Student loans receivable consist of the following as of June 30:

	<u>2024</u>	<u>2023</u>
Student Loans	\$ 2,489	\$ 2,784
Allowance for Credit Losses	(1,705)	(1,758)
Total	<u>\$ 784</u>	<u>\$ 1,026</u>



**RIDER UNIVERSITY**  
**NOTES TO FINANCIAL STATEMENTS**  
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**NOTE 4 INVESTMENTS AND FAIR VALUE MEASUREMENTS**

**Investments**

Investments in equity securities, mutual funds, and certain alternative investments with readily determinable fair values, and all investments in debt securities are reported at fair value based upon quoted or published market prices. Certain investments in alternative investments are reflected at net asset value as estimated and reported by the general partners, based upon the underlying net asset value of the fund or partnership, as a practical expedient. These estimated values are reviewed and evaluated by the University. As of June 30, 2024 and 2023, the University holds land for investment purposes. The fair value of the land is based upon an appraisal obtained in 2021 for June 30, 2024 and 2023.

The University's assets at June 30, that are reported at fair value on a recurring basis are summarized in the following tables by their fair value hierarchy:

	Fair Value	Fair Value Measurements at Report Date Using			Reported at Net Asset Value
		Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)	
<u>June 30, 2024</u>					
Funds Held by Bond Trustees:					
Cash	\$ 5,070	\$ 5,070	\$ -	\$ -	\$ -
Money Market Funds	953	953	-	-	-
Total	<u>\$ 6,023</u>	<u>\$ 6,023</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
	Total	Level 1	Level 2	Level 3	Reported at Net Asset Value
<u>June 30, 2024</u>					
Long-Term Investments:					
Fixed Income:					
Mutual Funds	\$ 4,335	\$ 4,335	\$ -	\$ -	\$ -
Other	808	713	95	-	-
Equities:					
Common and Preferred					
Stocks	333	333	-	-	-
Mutual Funds	26,393	26,393	-	-	-
Alternatives:					
Domestic Equity	1,797	-	-	-	1,797
Flexible Capital	507	-	-	-	507
Private Equity	12,685	-	-	-	12,685
Private Real Assets	3,223	-	-	-	3,223
Partnerships/Joint Ventures	11,943	-	-	-	11,943
Land	3,960	-	-	3,960	-
Total	<u>\$ 65,984</u>	<u>\$ 31,774</u>	<u>\$ 95</u>	<u>\$ 3,960</u>	<u>\$ 30,155</u>

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**NOTE 4 INVESTMENTS AND FAIR VALUE MEASUREMENTS (CONTINUED)**

**Investments (Continued)**

	<u>Fair Value Measurements at Report Date Using</u>				Reported at Net Asset Value
	<u>Fair Value</u>	Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)	
<u>June 30, 2023</u>					
Funds Held by Bond Trustees:					
Cash	\$ 6,092	\$ 6,092	\$ -	\$ -	\$ -
Money Market Funds	949	949	-	-	-
Total	<u>\$ 7,041</u>	<u>\$ 7,041</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
	<u>Total</u>	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>	<u>Reported at Net Asset Value</u>
<u>June 30, 2023</u>					
Long-Term Investments:					
Fixed Income:					
Mutual Funds	\$ 10,049	\$ 10,049	\$ -	\$ -	\$ -
Other	618	539	79	-	-
Equities:					
Common and Preferred					
Stocks	285	285	-	-	-
Mutual Funds	30,588	30,588	-	-	-
Alternatives:					
Domestic Equity	1,915	-	-	-	1,915
Flexible Capital	647	-	-	-	647
Private Equity	15,865	-	-	-	15,865
Private Real Assets	3,561	-	-	-	3,561
Land	3,960	-	-	3,960	-
Total	<u>\$ 67,488</u>	<u>\$ 41,461</u>	<u>\$ 79</u>	<u>\$ 3,960</u>	<u>\$ 21,988</u>

The University did not have any assets measured at fair value on a nonrecurring basis as of June 30, 2024 and 2023.

**Funds Held by Bond Trustees**

Under the terms of certain debt agreements, funds are required to be placed on deposit with specified financial institutions acting as trustee. Investments held by bond trustees related to bonds and mortgage notes payable were composed of funds held for the following purposes as of June 30:

	<u>2024</u>	<u>2023</u>
Interest Funds	\$ 953	\$ 1,967
Principal Funds	5,070	5,074
Total	<u>\$ 6,023</u>	<u>\$ 7,041</u>

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**NOTE 4 INVESTMENTS AND FAIR VALUE MEASUREMENTS (CONTINUED)**

**Redemption and Investment Strategy**

As of June 30, 2024, alternative investments are allocated between the following investment strategies:

Private equity funds of \$12,685 consist of 22 representing limited partnerships, which were formed for the purpose of investing in private equity funds including venture capital, buyouts, growth capital, international private equity, and other private equity investments. Under the terms of certain private equity agreements, the University had open commitments of approximately \$2,590 at June 30, 2024. These investments are generally less liquid, and redemption of these investments is at the discretion of the general manager over the duration of the investment term.

The remaining alternative investments of \$17,470 consist of 13 funds representing investments in a broad range of investment strategies that seek to exploit opportunities as they occur in the markets due to temporary dislocations or structural inefficiencies and in mutual equity and fixed income funds. These investments contain various restrictions with required notice ranging from 1 to 90 days. Under the terms of certain fund agreements, the University had open commitments of approximately \$607 at June 30, 2024.

The following table summarizes the redemption frequency by category of alternative investments as of June 30, 2024:

	Remaining Alternative Investments	Private Equity	Total
Redemption Frequency:			
Monthly	\$ 1,797	\$ -	\$ 1,797
Annual	507	-	507
No Redemptions (a)	15,166	12,685	27,851
Total	\$ 17,470	\$ 12,685	\$ 30,155

(a) Underlying assets of the remaining alternative investments are expected to be liquidated between 1 and 10 years. Underlying assets of the private equity investments are expected to be liquidated between 1 and 13 years.

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**NOTE 5 PLANT ASSETS**

Plant assets consist of the following as of June 30:

	Cost	Accumulated Depreciation and Amortization	Net Carrying Value	
			2024	2023
Land	\$ 253	\$ -	\$ 253	\$ 253
Land Improvements	15,139	(10,011)	5,128	5,218
Buildings and Improvements	266,674	(156,963)	109,711	116,297
Equipment	48,071	(37,161)	10,910	11,825
Library Collection	17,454	(17,066)	388	485
Construction in Progress	520	-	520	2,603
Total	<u>\$ 348,111</u>	<u>\$ (221,201)</u>	<u>\$ 126,910</u>	<u>\$ 136,681</u>

Commitments outstanding on projects included in construction in progress as of June 30, 2024, amounted to approximately \$-0-

**NOTE 6 BONDS AND MORTGAGE NOTES PAYABLE**

Bonds and mortgage notes payable consist of the following as of June 30:

Description	2024	2023
<u>Bonds Payable</u>		
Public Financing Authority		
Series 2021A, due serially to 2048, interest rate 4.50%	\$ 32,920	\$ 32,920
Series 2021B, due 2031, interest rate 6.00%	34,080	34,080
New Jersey Educational Facilities Authority:		
Series 2017F, due serially to 2047, interest rate 3.00% to 5.00%	41,770	41,770
Higher Education Capital Improvement Fund		
Various Series, interest rate 2.22% to 5.75%	387	423
Total Bonds Payable	<u>109,157</u>	<u>109,193</u>
<u>Mortgage Notes Payable</u>		
U.S. Department of Education, due semi-annually to 2023, interest rate 6.00%	-	2
Total Bonds and Mortgage Notes Payable	<u>109,157</u>	<u>109,195</u>
Unamortized Original Issue Discount	(440)	(502)
Unamortized Premium	1,911	1,994
Less: Unamortized Bond Issuance Costs	(1,647)	(1,716)
Total	<u>\$ 108,981</u>	<u>\$ 108,971</u>

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**NOTE 6 BONDS AND MORTGAGE NOTES PAYABLE (CONTINUED)**

During the fiscal year ended June 30, 2023, the University completed the 2021A and B bond issue. The par amount borrowed as part of the bond issue was \$67,000, and included funds for a debt service reserve fund, capitalized interest, and costs of issuance. The 2021A series, which refinanced the outstanding 2012A bonds, is a tax-exempt issue at a 4.50% interest rate that matures in 2048. The 2021B series provided additional working capital for the University and is a taxable issue at a 6.00% interest rate with interest only payments through 2031, when the entire principal is due.

Annual debt service requirements (principal and interest) over the next five years are as follows:

<u>Year Ending June 30.</u>	<u>Bonds</u>	<u>Interest</u>	<u>Total Debt Service Requirement</u>
2025	\$ 36	\$ 6,730	\$ 6,730
2026	22	6,729	6,729
2027	23	6,728	6,728
2028	24	5,431	5,431
2029	375	5,421	5,421

Certain University debt, aggregating approximately \$108,770, is collateralized by certain revenue and plant assets.

Interest expense on bonds and mortgage notes payable for the years ended June 30, 2024 and 2023, was \$5,412 and \$5,421, respectively. The University capitalized interest of \$-0- and \$4 for the years ended June 30, 2024 and 2023, respectively.

**NOTE 7 LEASES**

The University leases equipment as well as certain operating and office facilities for various terms under long-term, noncancelable lease agreements. The leases expire at various dates through 2029 and provide for renewal options ranging from three to four years. In the normal course of business, it is expected that these leases will be renewed or replaced by similar leases. Certain vehicle leases require the University to guarantee minimum residual values when returning those vehicles. The University does not anticipate those residual values not to be met at the time of the lease terminations. Certain facility leases provide for increases in future minimum annual rental payments based on defined increases in the Consumer Price Index, subject to certain minimum increases. Additionally, the agreements generally require the University to pay insurance and repairs.

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**NOTE 7 LEASES (CONTINUED)**

The following table provides quantitative information concerning the University's leases:

	<u>2024</u>	<u>2023</u>
Lease Cost:		
Total Operating Lease Cost	\$ 582	\$ 697
Total Financing Lease Cost	46	35
Other Information:		
Operating Cash Flows from Operating Leases	615	561
Financing Cash Flows from Financing Leases	58	33
Right-of-Use Assets Obtained in Exchange for New Operating Lease Liabilities	551	319
Right-of-Use Assets Obtained in Exchange for New Financing Lease Liabilities	194	32
Weighted-Average Remaining Lease Terms (in Years) - Operating Leases	3.0 Years	2.2 Years
Weighted-Average Remaining Lease Terms (in Years) - Financing Leases	4.3 Years	2.6 Years
Weighted-Average Discount Rate - Financing and Operating Leases	7.73%	5.97%

The maturity analysis of annual undiscounted cash flows for lease liabilities as of June 30, 2024, is as follows:

<u>Year Ending June 30,</u>	<u>Financing Leases</u>	<u>Operating Leases</u>
2025	\$ 62	\$ 436
2026	55	217
2027	55	156
2028	49	127
2029	24	-
Total	245	936
Less: Present Value Discount	(39)	(91)
Lease Liability	<u>\$ 206</u>	<u>\$ 845</u>

The total rent expense for the years ended June 30, 2024 and 2023, was \$627 and \$732, respectively.

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**NOTE 8 LINE OF CREDIT**

On December 18, 2017, the University entered into a revolving line of credit agreement of \$15,000 with interest at a variable prime rate (as defined in the agreement). The line of credit agreement has been extended and terms adjusted a number of times and now expires on September 30, 2024. The line of credit now carries a limit of \$5,000. During the year ended June 30, 2024 and 2023, the University carved a letter of credit totaling \$180 and \$220, respectively, from this line of credit for the University's self-insured workers' compensation. The line carries a variable rate of interest at the Prime Rate plus 150 basis points, but no lower than 4.25% per annum. Borrowings under the line of credit are secured by certain plant assets. On February 9, 2024, the University entered into a second revolving line of credit agreement of \$4,000 with interest at a variable prime rate (as defined in the agreement). There was \$8,800 and \$8,500 outstanding on the lines of credit at June 30, 2024 and 2023, respectively.

**NOTE 9 SHORT-TERM DEBT**

In June 2024, the University borrowed \$4.9 million from Charter Asset Management at prime plus 495 basis points. The term loan, with monthly interest only payments and principal payable in full June 2025, is collateralized by unrestricted cash endowment assets. The term loan is renewable at the lender's discretion.

**NOTE 10 NET ASSETS**

Net assets with donor restrictions are available for the following as of June 30:

	2024	2023
Instruction and Scholarships	\$ 1,867	\$ 6,920
Capital Acquisitions	7,072	5,976
Future Periods	21,150	19,339
Permanent in Nature	60,649	64,745
Total Net Assets With Donor Restrictions	\$ 90,738	\$ 96,980

**Endowment**

The University's endowment consists of both donor-restricted endowment funds and funds designated by the board of trustees to function as endowments. Quasi endowment net assets, unlike donor-restricted endowments, are not subject to donor or other outside restrictions. Quasi endowment net assets have been designated by the University's board of trustees and are expended at its discretion. Information regarding the University's endowment follows:

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**NOTE 10 NET ASSETS (CONTINUED)**

**Endowment (Continued)**

Return Objectives and Risk Parameters

The University has adopted investment and spending policies for endowment assets that attempt to provide a predictable stream of income and growth, while seeking to maintain the purchasing power of the endowment assets. Under these policies, as approved by the University's board of trustees, the endowment assets are invested in a number of different asset classes and investment strategies to diversify the investments to provide a balance that attempts to enhance the long-term total return of the overall investment portfolio while avoiding undue risk or concentration in any single asset class or investment category.

Spending Policy

Each year, the University includes a portion of the endowment return in its operating budget, with the amount of such planned support determined using its spending policy. The policy of the University for the years ended June 30, 2024 and 2023, is to distribute for current spending 6.75% of a three-year moving average of the fair value of endowment investments.

The spending rate is anticipated to be 7.0% in 2025. In establishing this policy, the University considered the expected return on its endowment as well as spending requirements.

Interpretation of Relevant Law

The board of trustees of the University has interpreted the State of New Jersey Uniform Prudent Management of Institutional Funds Act as allowing the University to appropriate for expenditure or accumulate so much of a donor-restricted endowment fund as the University determines is prudent for the uses, benefits, purposes, and duration for which the endowment fund is established, subject to the intent of the donor as expressed in the gift instrument.

The University has interpreted New Jersey state law to allow the spending of income and net realized and unrealized gains on investments of net assets with donor restrictions that are permanent in nature, absent explicit donor stipulations that all or a portion of such income or net realized or unrealized gains be maintained in perpetuity. New Jersey state law allows the University to appropriate and spend such income and gains as is prudent. The spending policy allocations are made considering such factors as the University's long term and short-term needs, present and anticipated financial requirements, expected total return on investments, price level trends, and general economic conditions.



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**NOTE 10 NET ASSETS (CONTINUED)**

**Underwater Endowments**

From time to time, the fair value of assets associated with individual donor-restricted endowment funds may fall below its historic dollar level. At June 30, 2024, the funds with original gift values of \$450, fair values of \$426, and deficiencies of \$24 were reported in net assets with donor restrictions. At June 30, 2023, the funds with original gift values of \$496, fair values of \$426, and deficiencies of \$70 were reported in net assets with donor restrictions. These deficiencies resulted from unfavorable market fluctuations that occurred shortly after the investment of new donor-restricted endowment funds and continued appropriation for certain programs that was deemed prudent by the board of trustees.

Endowment net assets (excluding perpetual trusts) consisted of the following at June 30:

	<u>Without Donor Restrictions</u>	<u>With Donor Restrictions</u>	<u>Total</u>
<u>June 30, 2024</u>			
Donor-Restricted Endowment Funds	\$ -	\$ 66,851	\$ 66,851
Quasi (Board-Designated) Endowment Funds	20,726	-	20,726
Underwater Endowments	-	(24)	(24)
Total	<u>\$ 20,726</u>	<u>\$ 66,827</u>	<u>\$ 87,553</u>
 <u>June 30, 2023</u>			
Donor-Restricted Endowment Funds	\$ -	\$ 73,253	\$ 73,253
Quasi (Board-Designated) Endowment Funds	9,716	-	9,716
Underwater Endowments	-	(70)	(70)
Total	<u>\$ 9,716</u>	<u>\$ 73,183</u>	<u>\$ 82,899</u>

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**NOTE 10 NET ASSETS (CONTINUED)**

Changes in endowment net assets for the years ended June 30, are as follows:

	Without Donor Restrictions	With Donor Restrictions	Total
<u>June 30, 2024</u>			
Endowment Net Assets - Beginning of Year	\$ 9,716	\$ 73,183	\$ 82,899
Investment Return, Net	3,176	5,402	8,578
Contributions, Net	-	1,686	1,686
Write-Off Contribution Receivable	-	(51)	(51)
Reclassification of Donor Intent	9,418	(9,418)	-
Appropriation for Expenditures	(1,584)	(3,975)	(5,559)
Endowment Net Assets - End of Year	<u>\$ 20,726</u>	<u>\$ 66,827</u>	<u>\$ 87,553</u>
<u>June 30, 2023</u>			
Endowment Net Assets - Beginning of Year	\$ 4,639	\$ 72,801	\$ 77,440
Investment Return, Net	3,143	5,104	8,247
Contributions, Net	-	4,307	4,307
Write-Off Contribution Receivable	-	(2)	(2)
Reclassification of Donor Intent	3,599	(3,599)	-
Endowment Release for Restrictions	1,491	(1,491)	-
Appropriation for Expenditures	(3,156)	(3,937)	(7,093)
Endowment Net Assets - End of Year	<u>\$ 9,716</u>	<u>\$ 73,183</u>	<u>\$ 82,899</u>

During fiscal years 2024 and 2023, the University made \$1,500 and \$2,200 withdrawal from its quasi endowment, respectively.

The quasi endowment net assets include land held for investment purposes with a fair value of \$3,960 as of June 30, 2024 and 2023.

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**NOTE 11 FUNCTIONAL EXPENSE**

The costs of providing program and supporting services of the University have been detailed on a functional basis in the table below and are reported in the University's financial statements in categories recommended by the National Association of College and University Business Officers. Accordingly, certain operating costs have been allocated among the functional categories as described below.

- Depreciation, amortization, accretion, interest, and operation and maintenance of plant expenses are allocated based on the square footage used to support each function.
- Postretirement benefit adjustments are allocated based on the fringe benefits directly charged to each function.

	Instruction and Academic Support	Auxiliary and Student Services	Institutional Support	Total	
				2024	2023
Salaries and Benefits	\$ 46,628	\$ 16,435	\$ 12,727	\$ 75,790	\$ 78,677
Depreciation, Amortization, and Accretion	4,029	7,496	473	11,998	12,707
Professional Fees	4,429	3,338	3,632	11,399	10,879
Facilities	2,858	5,348	995	9,201	9,535
Food Service	-	9,931	-	9,931	9,794
Supplies and Equipment	975	1,250	822	3,047	3,233
Travel	735	2,037	204	2,976	3,092
Printing and Postage	39	328	413	780	1,159
Interest	1,817	3,418	696	5,931	6,154
Other	2,410	2,328	5,251	9,989	11,568
Total	<u>\$ 63,920</u>	<u>\$ 51,909</u>	<u>\$ 25,213</u>	<u>\$ 141,042</u>	<u>\$ 146,798</u>

Institutional support includes fundraising expense of approximately \$2,412 and \$2,547 as of June 30, 2024 and 2023, respectively.

**NOTE 12 RETIREMENT BENEFITS**

**Retirement Plan**

The University has a contributory defined-contribution retirement plan, covering substantially all employees under arrangements with the Teachers Insurance and Annuity Association (TIAA) and College Retirement Equities Fund (CREF) that provides for the purchase of annuities for employees. Employees are eligible after one year of service and must contribute 2.5% and 5.0% in fiscal year 2024 and 2023, respectively, of compensation to participate. The University matched employee contributions at 2.5% and 5.0% for the years ended June 30, 2024 and 2023, respectively. The cost to the University for the retirement plan for the years ended June 30, 2024 and 2023, was approximately \$1,871 and \$2,312, respectively.

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**NOTE 12 RETIREMENT BENEFITS (CONTINUED)**

**Postretirement Benefits Other than Pensions**

The University provides postretirement medical benefits to former employees who meet certain criteria.

Information with respect to the plan at June 30, is as follows:

	<u>2024</u>	<u>2023</u>
Change in Benefit Obligation:		
Benefit Obligation - Beginning of Year	\$ 5,167	\$ 4,162
Service Cost	361	307
Interest Cost	282	178
Assumption Change	(120)	589
Actuarial Loss	430	356
Benefits Paid	(390)	(425)
Benefit Obligation - End of Year	<u>\$ 5,730</u>	<u>\$ 5,167</u>
Change in Plan Assets:		
Fair Value of Plan Assets - Beginning of Year	\$ -	\$ -
Employer Contributions	390	425
Benefits Paid	(390)	(425)
Fair Value of Plan Assets - End of Year	<u>\$ -</u>	<u>\$ -</u>
Funded Status	<u>\$ 5,730</u>	<u>\$ 5,167</u>
	<u>2024</u>	<u>2023</u>
Components of Net Periodic Benefit Cost:		
Service Cost	\$ 361	\$ 307
Interest Cost	282	178
Amortization of Prior Service Cost	(33)	(33)
Recognized Actuarial Gain	(204)	(343)
Net Periodic Benefit Cost	<u>\$ 406</u>	<u>\$ 109</u>
Weighted Average Assumptions as of June 30:		
Benefit Obligation Discount Rate	5.20%	4.90%
Periodic Benefit Cost Discount Rate	4.90%	4.30%

As of June 30, 2024 and thereafter, the medical trend and inflation rate was 7.5% in 2023 expected to maintain at 7.5% in 2024.

The effects of a 1% increase or decrease in health care trend rates on total service and interest costs and the postretirement benefit obligation are as follows:

	<u>One-Percentage-Point Increase</u>		<u>One-Percentage-Point Decrease</u>	
	<u>2024</u>	<u>2023</u>	<u>2024</u>	<u>2023</u>
Effect on Total of Service and Interest Cost Components	\$ 38	\$ 69	\$ (23)	\$ (58)
Effect on Postretirement Benefit Obligation	482	424	(420)	(371)

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**NOTE 12 RETIREMENT BENEFITS (CONTINUED)**

**Postretirement Benefits Other than Pensions (Continued)**

Projected benefits payments are as follows:

<u>Year Ending June 30,</u>	<u>Amount</u>
2025	\$ 468
2026	528
2027	571
2028	530
2029	574
2030-2034	2,517

The University expects to contribute approximately \$390 in fiscal year 2024.

A postretirement benefit adjustment of \$(546) and \$(1,321) was recorded in nonoperating activities in the statements of activities in 2024 and 2023, respectively. The postretirement adjustment reported on the statements of activities also includes the other component of net periodic benefit costs except the service cost.

A net gain of \$3,423 and \$3,970 in 2024 and 2023, respectively, has not yet been recognized as a component of net periodic benefit cost. The University expects to recognize \$196 of this gain in 2025.

**NOTE 13 LIQUIDITY AND AVAILABILITY OF RESOURCES**

	<u>2024</u>	<u>2023</u>
Financial Assets:		
Cash and Cash Equivalents	\$ 7,851	\$ 8,394
Student Accounts Receivable, Net	2,879	2,326
Grants and Other Receivables	2,142	1,439
Contributions Receivable (Without Donor Restrictions)	-	33
Quasi Endowment (Exclusive of Land)	16,766	5,756
Spending Policy on Endowment	5,559	4,823
Total Assets	<u>35,197</u>	<u>22,771</u>
Liquidity Resources:		
Line of Credit (Undrawn)	-	6,280
Total Resources Available Within One Year	<u>\$ 35,197</u>	<u>\$ 29,051</u>

**RIDER UNIVERSITY**  
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**JUNE 30 2024**  
**(WITH COMPARATIVE INFORMATION FOR THE YEAR ENDED JUNE 30, 2023)**  
**(DOLLARS IN THOUSANDS)**

**NOTE 13 LIQUIDITY AND AVAILABILITY OF RESOURCES (CONTINUED)**

The University regularly monitors liquidity to meet its operating needs and other contractual commitments, while also striving to maximize the investment of its available funds. In addition, the University invests cash in excess of monthly requirements in short-term working capital investments. Endowment funds appropriated for spending are distributed to the appropriate department or program budgets for spending in accordance with donor restrictions, if any, at the beginning of the fiscal year. However, cash withdrawals from the endowment are available for general liquidity purposes and are timed to coincide with low points in the normal cash cycle of the University. Additionally, the University has a total of \$9 million in revolving line of credit agreements in place to help manage unanticipated liquidity needs (see Note 8 for disclosures regarding the revolving lines of credit). As of June 30, 2024, the University has an \$8,800 balance on the lines of credit, and \$180 was carved out as a letter of credit for the University's self-insured workers' compensation insurance.

**NOTE 14 COMMITMENTS AND CONTINGENCIES**

The University receives support from federal and state of New Jersey grant programs, primarily student financial assistance. Entitlement to the resources requires compliance with terms of the grant agreements and applicable regulations, including the expenditure of the resources for eligible purposes. Substantially all grants are subject to financial and compliance audits by the grantors. As of June 30, 2024, the University believes it has complied with the terms of the grant agreements and applicable regulations in all material respects.

The University is party to various legal actions and other claims in the normal course of business, and it is the opinion of management that the outcome thereof will not have a material effect on its financial position.

**NOTE 15 RELATED PARTIES**

The University's board of trustees includes representatives from both private and public sector industries. The University received gifts from the members of the board of trustees during 2024 and 2023.

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**NOTE 16 MANAGEMENT PLANS**

In fiscal years 2024 and 2023, the University experienced significant losses as well as negative cash flows from operating activities, largely driven by declines in undergraduate enrollment in prior years and expiration of Federal COVID relief funding. These recurring financial results, as well as the industry-wide and regional trends in declining undergraduate enrollment raised substantial doubt about the University's ability to continue as a going concern within one year after the date that the financial statements were available to be issued.

The Board of Trustees has approved an operating budget for fiscal 2025 which includes declining enrollment due to the expected impact of the federal FAFSA delays. However, the approved budget includes reduced salary and operating expenses as well as increased auxiliary revenue. In addition, management is revising its multi-year path forward plan to address enrollment-driven revenue declines and improve availability of cash with additional revenue enhancements and cost reductions. As outlined in Note 12, the University has \$35,197 available for general expenditures. Management projects that all cash needs will be met throughout fiscal year 2025. As a result, the doubts about the University's ability to continue as a going concern were alleviated at December 19, 2024.



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