

**RIDER UNIVERSITY  
FINANCIAL STATEMENTS  
YEAR ENDED JUNE 30, 2025**



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**RIDER UNIVERSITY  
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## INDEPENDENT AUDITORS' REPORT

Board of Trustees  
Rider University  
Lawrenceville, New Jersey

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

#### ***Qualified Opinion***

We have audited the accompanying financial statements of Rider University (the University) which comprise the balance sheet as of June 30, 2025, and the related statement of activities and cash flows for the year then ended, and the related notes to the financial statements.

In our opinion, except for the effects of not recording an adjustment to the liability for postretirement benefits other than pensions, and except for the possible effects of such adjustments, if any, as might have been determined to be necessary had we been able to apply adequate procedures to contributions receivable as described in the Basis for Qualified Opinion section of our report, the financial statements referred to above present fairly, in all material respects, the financial position of Rider University as of June 30, 2025, 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 Qualified Opinion***

As more fully described in Note 12 to the financial statements, management has not obtained an actuarial valuation report to adjust its liability for postretirement benefits other than pensions as of June 30, 2025. Accounting principles generally accepted in the United States of America require that such liabilities be measured using actuarial assumptions and methods. Because management did not obtain this valuation, we were unable to determine whether any adjustments might be necessary to the balance sheet, statement of activities, or cash flows for the year ended June 30, 2025. Quantification of the effects on the financial statements cannot be determined.

In addition, because we were unable to obtain sufficient appropriate audit evidence to assess the collectability of certain contributions receivable, we were not able to determine whether an allowance for uncollectible contributions receivable was necessary or appropriate.

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 qualified audit opinion.

***Substantial Doubt About the University's Ability to Continue as a Going Concern***

The accompanying financial statements have been prepared assuming that the University will continue as a going concern. As discussed in Note 16 to the financial statements, the University has suffered recurring losses from operations, has a net capital deficiency, and has stated that substantial doubt exists about the University's ability to continue as a going concern. Management's evaluation of the events and conditions and management's plans regarding these matters are also described in Note 16. The financial statements do not include any adjustments that might result from the outcome of this uncertainty. Our opinion is not modified with respect to this matter.

***Emphasis of Matter***

As discussed in Note 1 to the financial statements, certain amounts have been restated and an adjustment has been made between net assets with and without donor restrictions as of July 1, 2024. Our opinion is not modified with respect to this matter.

***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 these 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.

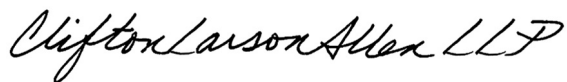
In performing an audit in accordance with GAAS, we:

- 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.



**CliftonLarsonAllen LLP**

King of Prussia, Pennsylvania  
December 22, 2025

**RIDER UNIVERSITY**  
**BALANCE SHEET**  
**JUNE 30, 2025**  
(DOLLARS IN THOUSANDS)

	2025
<b>ASSETS</b>	
Cash and Cash Equivalents	\$ 13,007
Student Accounts Receivable, Net	4,159
Grants and Other Receivables	2,839
Contributions Receivable, Net	11,712
Student Loans, Net	627
Beneficial Interest in Perpetual Trusts	6,314
Funds Held by Bond Trustees	6,081
Investments	67,154
Plant Assets, Net	118,540
Other Assets	4,296
	\$ 234,729
<b>Total Assets</b>	<b>\$ 234,729</b>
<b>LIABILITIES AND NET ASSETS</b>	
<b>LIABILITIES</b>	
Accounts Payable and Accrued Expenses	\$ 8,654
Line of Credit	8,750
Short-Term Debt	14,914
Other Liabilities	8,771
Deferred Revenue	11,163
Postretirement Benefits Other Than Pensions	5,730
Refundable Government Loan Funds	635
Asset Retirement Obligation	6,340
Bonds Payable	113,266
Total Liabilities	178,223
<b>NET ASSETS</b>	
Without Donor Restrictions	(46,322)
With Donor Restrictions:	
Time or Purpose Restrictions	20,016
Beneficial Interest in Perpetual Trusts	6,314
Endowment	76,498
Total With Donor Restrictions	102,828
Total Net Assets	56,506
<b>Total Liabilities and Net Assets</b>	<b>\$ 234,729</b>

See accompanying Notes to Financial Statements.

**RIDER UNIVERSITY**  
**STATEMENT OF ACTIVITIES**  
**YEAR ENDED JUNE 30, 2025**  
(DOLLARS IN THOUSANDS)

	Without Donor Restrictions	With Donor Restrictions	Total 2025
<b>OPERATING REVENUES AND OTHER SUPPORT</b>			
Tuition and Fees, Net	\$ 72,428	\$ -	\$ 72,428
Auxiliary, Net	28,615	-	28,615
Grants and Contracts	1,332	3,847	5,179
Contributions	2,056	1,000	3,056
Endowment Spending Policy	2,584	3,983	6,567
Other Investment Income	507	86	593
Other Revenues	7,022	1,432	8,454
Net Assets Released from Restrictions	8,219	(8,219)	-
Total Operating Revenues and Other Support	122,763	2,129	124,892
<b>OPERATING EXPENSES</b>			
Instruction and Academic Support	62,067	-	62,067
Auxiliary and Student Services	50,220	-	50,220
Institutional Support	25,209	-	25,209
Total Operating Expenses	137,496	-	137,496
<b>CHANGE IN NET ASSETS FROM OPERATING ACTIVITIES</b>			
	(14,733)	2,129	(12,604)
<b>NONOPERATING ACTIVITIES</b>			
Endowment Grants and Contributions	-	1,292	1,292
Net Endowment (Deficit) Surplus	(944)	1,622	678
Other	-	290	290
Total Nonoperating Activities	(944)	3,204	2,260
<b>CHANGE IN NET ASSETS</b>			
	(15,677)	5,333	(10,344)
Net Assets - Beginning of Year, As Restated	(30,645)	97,495	66,850
<b>NET ASSETS - END OF YEAR</b>			
	\$ (46,322)	\$ 102,828	\$ 56,506

See accompanying Notes to Financial Statements.

**RIDER UNIVERSITY**  
**STATEMENT OF CASH FLOWS**  
**YEAR ENDED JUNE 30, 2025**  
(DOLLARS IN THOUSANDS)

	2025
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>	
Change in Net Assets	\$ (10,344)
Adjustments to Reconcile Change in Net Assets to	
Net Cash Used by Operating Activities:	
Depreciation	11,277
Change in Value of Beneficial Interest in Perpetual Trust	(214)
Write-Off of Contribution Receivables	270
Accretion Expense Related to Asset Retirement Obligation	165
Amortization of Bond Premium	(20)
Amortization of Bond Issuance Costs	137
Net Realized Gains on Sales of Investments	(5,182)
Unrealized Gain on Investments	(998)
Provision for Doubtful Student Accounts Receivable	74
Provision for Doubtful Student Loans	87
Contributions and Grants Restricted for Plant Facilities	(523)
Contributions and Investment Income Permanently Restricted for	
Long-Term Investment	(754)
Changes in Operating Assets and Liabilities:	
Student Accounts Receivable	(1,354)
Grants and Other Receivables	(284)
Contributions Receivable	(82)
Other Assets	436
Accounts Payable and Accrued Expenses	(3,260)
Other Liabilities	(254)
Deferred Revenue	(1,351)
Refundable Government Loan Funds	(209)
Asset Retirement Obligation	(14)
Net Cash Used by Operating Activities	(12,397)
 <b>CASH FLOWS FROM INVESTING ACTIVITIES</b>	
Purchases of Investments	(34,801)
Proceeds from Sales of Investments	39,753
Purchases of Plant Assets, Net of Change in Related Accounts	
Payable	(2,907)
Student Loans Issued	(90)
Proceeds from Student Loan Collections	160
Net Cash Provided by Investing Activities	2,115

See accompanying Notes to Financial Statements.

**RIDER UNIVERSITY**  
**STATEMENT OF CASH FLOWS (CONTINUED)**  
**YEAR ENDED JUNE 30, 2025**  
(DOLLARS IN THOUSANDS)

	2025
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>	
Repayment of Bonds Payable	\$ (37)
Repayment of Short-Term Debt	(4,900)
Repayment of Line of Credit	(4,800)
Proceeds from Line of Credit	4,750
Proceeds from Short-Term Debt	15,300
Proceeds from Bonds Payable	4,700
Bonds Payable and Short-term Debt Issuance Costs	(881)
Proceeds from Contributions and Grants Restricted for Plant Facilities	592
Proceeds from Contributions and Investment Income Permanently Restricted for Long-Term Investment Less Write-Off of Contribution Receivables	714
Net Cash Provided by Financing Activities	15,438
 <b>CHANGE IN CASH AND CASH EQUIVALENTS</b>	 5,156
Cash and Cash Equivalents - Beginning of Year	7,851
 <b>CASH AND CASH EQUIVALENTS - END OF YEAR</b>	 \$ 13,007
 <b>SUPPLEMENTAL DISCLOSURES OF CASH FLOW INFORMATION</b>	
Cash Paid for Interest	\$ 5,515
Increase in Accounts Payable for Related Plant Assets	\$ 617

See accompanying Notes to Financial Statements.

**RIDER UNIVERSITY**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2025**  
**(DOLLARS IN THOUSANDS)**

**NOTE 1 PRINCIPAL ACTIVITY AND SUMMARY OF 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, 2025, the University enrolled 3,143 full-time equivalent undergraduate students and 864 full-time equivalent 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.

**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, 2025**  
**(DOLLARS IN THOUSANDS)**

**NOTE 1 PRINCIPAL ACTIVITY AND SUMMARY OF 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 10. 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, and nonrecurring activities are considered nonoperating activities in the statements of activities.

**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, 2025**  
**(DOLLARS IN THOUSANDS)**

**NOTE 1 PRINCIPAL ACTIVITY AND SUMMARY OF 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 2025. 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.

**Student Accounts Receivable**

Student accounts receivable are recorded net of an allowance for credit losses. The allowance for credit losses is calculated based on the current unpaid balances by term and the historical collection activity, adjusted for management's expectations about current and future economic conditions.

**RIDER UNIVERSITY**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2025**  
**(DOLLARS IN THOUSANDS)**

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

**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
Equipment	3 to 20 Years

**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, 2025**  
(DOLLARS IN THOUSANDS)

**NOTE 1 PRINCIPAL ACTIVITY AND SUMMARY OF 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.

**Restatement**

In the prior year, the University recorded changes in donor intent for certain gifts where donors elected to remove restrictions and designate their contributions as quasi-endowment funds. During the current year, it was determined one of these funds included a stipulation requiring repayment and therefore the related amounts should not have been released from restriction during fiscal year 2024. As a result, beginning net assets have been restated to reflect a decrease in net assets without donor restrictions of \$6,757 and an increase in net assets with donor restrictions by the same amount as of July 1, 2024. This correction had no impact on current year results.

	Without Donor Restrictions	With Donor Restrictions	Total
Net Assets - Beginning of Year, As Previously Reported	\$ (23,888)	\$ 90,738	\$ 66,850
Correction of Error	(6,757)	6,757	-
<b>NET ASSETS - BEGINNING OF YEAR, AS RESTATED</b>	<b><u>\$ (30,645)</u></b>	<b><u>\$ 97,495</u></b>	<b><u>\$ 66,850</u></b>

**Subsequent Events**

The University has evaluated subsequent events through December 22, 2025, the date the financial statements were available for issue and identified the activity listed below.

In October 2025, the University received proceeds of approximately \$13,342 for the sale of the Westminster Choir Campus.

**RIDER UNIVERSITY**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2025**  
(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:

	2025
Tuition and Fees	\$ 141,337
Scholarship Allowance	(68,909)
Total	<u>\$ 72,428</u>

Auxiliary revenue consists of the following as of June 30:

	2025
Auxiliary	\$ 29,502
Scholarship Allowance	(887)
Total	<u>\$ 28,615</u>

**Deferred Revenue**

Amounts received in advance for tuition and fees included in deferred revenue in the balance sheets total \$1,950 as of June 30, 2025. At the beginning of 2025, the balance of deferred revenue was \$2,177. The balance of deferred revenue related to tuition at June 30, 2025, less any refunds issued will be recognized as revenue over the academic term beginning on July 1, 2025, as services are rendered.

**RIDER UNIVERSITY**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2025**  
(DOLLARS IN THOUSANDS)

**NOTE 3 RECEIVABLES**

**Student Accounts Receivable**

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

	2025
Student Accounts Receivable	\$ 9,866
Allowance for Credit Losses	(5,707)
Total	\$ 4,159

**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:

	2025
One Year or Less	\$ 1,706
Greater than One Year	13,072
Subtotal	14,778
Less:	
Present Value Discount	(2,623)
Allowance for Uncollectible Contributions Receivable	(443)
Total	\$ 11,712

There were three donors that represent 72% of unconditional promises to give at June 30, 2025.

**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 \$6,314 at June 30, 2025. The change during the year is due to the net appreciation.

During fiscal year 2025, 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.

Instrument	Fair Value 2025	Principal Valuation Technique	Unobservable Inputs
Beneficial Interest in Perpetual Trusts	\$ 6,314	Fair Market Value of Trust Instruments	Value of Underlying Assets

**Student Loans Receivable**

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

	2025
Student Loans	\$ 2,245
Allowance for Credit Losses	(1,618)
Total	\$ 627

**RIDER UNIVERSITY**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2025**  
(DOLLARS IN THOUSANDS)

**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, 2025, the University holds land for investment purposes. The fair value of the land is based upon an appraisal obtained in 2021.

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:

June 30, 2025	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)	
Long-Term Investments:					
Fixed Income:					
Mutual Funds	\$ 2,965	\$ 2,965	\$ -	\$ -	\$ -
Other	438	383	55	-	-
Equities:					
Common and Preferred					
Stocks	232	232	-	-	-
Mutual Funds	29,460	29,460	-	-	-
Alternatives:					
Domestic Equity	792	-	-	-	792
Fixed Income	-	-	-	-	-
Flexible Capital	347	-	-	-	347
International Equity	-	-	-	-	-
Private Equity	12,900	-	-	-	12,900
Private Real Assets	2,770	-	-	-	2,770
Partnerships/Joint Ventures	13,290	-	-	-	13,290
Land	3,960	-	-	3,960	-
Total	<u>\$ 67,154</u>	<u>\$ 33,040</u>	<u>\$ 55</u>	<u>\$ 3,960</u>	<u>\$ 30,099</u>

The University did not have any assets measured at fair value on a nonrecurring basis as of June 30, 2025.

**RIDER UNIVERSITY**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2025**  
(DOLLARS IN THOUSANDS)

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

**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 in cash and cash equivalents by bond trustees related to bonds payable were composed of funds held for the following purposes as of June 30:

	2025
Interest Funds	\$ 983
Principal Funds	5,098
Total	\$ 6,081

**Redemption and Investment Strategy**

As of June 30, 2025, alternative investments are allocated between the following investment strategies:

Private equity funds of \$12,900 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 \$2,576 at June 30, 2025. 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 \$17,199 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 \$460 at June 30, 2025.

The following table summarizes the redemption frequency by category of alternative investments as of June 30, 2025:

	Remaining Alternative Investments	Private Equity	Total
Redemption Frequency:			
Monthly	\$ 792	\$ -	\$ 792
Annual	347	-	347
No Redemptions (a)	16,060	12,900	28,960
Total	\$ 17,199	\$ 12,900	\$ 30,099

(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 2025
Land	\$ 253	\$ -	\$ 253
Land Improvements	15,372	(10,483)	4,889
Buildings and Improvements	267,003	(166,009)	100,994
Equipment	48,229	(38,391)	9,838
Library Collection	17,337	(17,012)	325
Construction in Progress	2,241	-	2,241
Total	<u>\$ 350,435</u>	<u>\$ (231,895)</u>	<u>\$ 118,540</u>

As of June 30, 2025, the University had no commitments outstanding on projects included in construction in progress.

**NOTE 6 BONDS PAYABLE**

Bonds payable consist of the following as of June 30:

<u>Description</u>	<u>2025</u>
Public Financing Authority:	
Series 2021A, due serially to 2048, interest rate 4.50%	\$ 32,920
Series 2021B, due 2031, interest rate 6.00%	34,080
Series 2024, due 2030, interest rate 12.75%	4,700
New Jersey Educational Facilities Authority:	
Series 2017F, due serially to 2047, interest rate 3.00% to 5.00%	41,770
Higher Education Capital Improvement Fund	
Various Series, interest rate 2.22% to 5.75%	350
Total Bonds Payable	<u>113,820</u>
Unamortized Original Issue Discount	(377)
Unamortized Premium	1,828
Less: Unamortized Bond Issuance Costs	<u>(2,005)</u>
Total	<u>\$ 113,266</u>

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**NOTE 6 BONDS PAYABLE (CONTINUED)**

During the fiscal year ended June 30, 2022, 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.

During the fiscal year ended June 30, 2025, the University completed the 2024 bond issue. The par amount borrowed as part of the bond issue was \$4,700 and included funds for a working capital fund and costs of issuance. The 2024 series provided additional working capital for the University and is a taxable issue at a 12.75% interest rate that matures in 2030.

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>
2026	\$ 22	\$ 7,443	\$ 7,465
2027	23	6,031	6,054
2028	24	6,030	6,054
2029	2,745	6,020	8,765
2030	2,746	5,705	8,451

Certain University debt, aggregating approximately \$113,263, is collateralized by certain revenue and plant assets.

Interest expense on bonds payable for the year ended June 30, 2025 was \$5,515. The University did not capitalize any interest for the year ended June 30, 2025.

**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:

	2025
Lease Cost:	
Total Operating Lease Cost	\$ 443
Total Financing Lease Cost	34
Other Information:	
Operating Cash Flows from Operating Leases	436
Financing Cash Flows from Financing Leases	64
Right-of-Use Assets Obtained in Exchange for New Financing Lease Liabilities	7
Weighted-Average Remaining Lease Terms - Operating Leases	2.8 Years
Weighted-Average Remaining Lease Terms - Financing Leases	3.4 Years
Weighted-Average Discount Rate - Financing and Operating Leases	8.50%

The maturity analysis of annual undiscounted cash flows for lease liabilities as of June 30, 2025, is as follows:

Year Ending June 30,	Financing Leases	Operating Leases
2026	\$ 58	\$ 217
2027	58	156
2028	50	127
2029	24	-
Total	190	500
Less: Present Value Discount	(24)	(46)
Lease Liability	\$ 166	\$ 454

The total rent expense for the year ended June 30, 2025 was \$477.

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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 October 31, 2025. The line of credit now carries a limit of \$5,000. During the year ended June 30, 2025, the University carved a letter of credit totaling \$248 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 \$8,750 outstanding on the lines of credit at June 30, 2025.

**NOTE 9 SHORT-TERM DEBT**

In June 2024, the University borrowed \$4.9 million from Charter Asset Management at prime plus 395 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. In June 2025, the loan was extended to June 2026.

In March 2025, the University borrowed \$10.3 million from Charter Asset Management at prime plus 395 basis points. The loan, with monthly interest only payments and principal payable in full March 2026, is collateralized by the Lawrenceville campus on parity with existing bond holders.

**NOTE 10 NET ASSETS**

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

	2025
Instruction and Scholarships	\$ 2,157
Capital Acquisitions	7,698
Future Periods	26,807
Permanent in Nature	66,166
Total Net Assets With Donor Restrictions	\$ 102,828

**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.

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**NOTE 10 NET ASSETS (CONTINUED)**

**Endowment (Continued)**

Information regarding the University's endowment follows:

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 year ended June 30, 2025 is to distribute for current spending 7.0% of a three-year moving average of the fair value of endowment investments.

The spending rate is anticipated to be 7.0% in 2026. 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, 2025, the funds with original gift values of \$2,746, fair values of \$2,601, and deficiencies of \$145 were reported in net assets with donor restrictions. This deficiency 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>June 30, 2025</u>	<u>Without Donor Restrictions</u>	<u>With Donor Restrictions</u>	<u>Total</u>
Quasi (Board-Designated) Endowment Funds	\$ 13,025	\$ -	\$ 13,025
Donor-Restricted Endowment Funds:			
Original Donor-Restricted Gift Amount and Amounts Required to be Maintained in Perpetuity by Donor	-	55,316	55,316
Accumulated Investments Gains	-	21,327	21,327
Underwater Endowments	-	(145)	(145)
Total	<u>\$ 13,025</u>	<u>\$ 76,498</u>	<u>\$ 89,523</u>

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

<u>June 30, 2025</u>	<u>Without Donor Restrictions</u>	<u>With Donor Restrictions</u>	<u>Total</u>
Endowment Net Assets - Beginning of Year, As Restated	\$ 13,969	\$ 73,584	\$ 87,553
Investment Return, Net	1,640	5,605	7,245
Contributions, Net	-	1,300	1,300
Write-Off Contribution Receivable	-	(8)	(8)
Appropriation for Expenditures	<u>(2,584)</u>	<u>(3,983)</u>	<u>(6,567)</u>
Endowment Net Assets - End of Year	<u>\$ 13,025</u>	<u>\$ 76,498</u>	<u>\$ 89,523</u>

During fiscal year 2025, the University withdrew \$2,500 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, 2025.

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**NOTE 11 FUNCTIONAL EXPENSES**

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 2025
Salaries and Benefits	\$ 45,506	\$ 16,087	\$ 11,498	\$ 73,091
Depreciation, Amortization, and Accretion	3,886	7,230	456	11,572
Professional Fees	4,190	3,136	3,745	11,071
Facilities	2,597	4,820	909	8,326
Food Service	(12)	8,938	-	8,926
Supplies and Equipment	807	1,094	699	2,600
Travel	1,038	2,042	327	3,407
Printing and Postage	24	308	353	685
Interest	1,952	3,694	1,708	7,354
Other	2,079	2,871	5,514	10,464
Total	<u>\$ 62,067</u>	<u>\$ 50,220</u>	<u>\$ 25,209</u>	<u>\$ 137,496</u>

Institutional support includes fundraising expense of approximately \$2,227 as of June 30, 2025.

Other expenses includes advertising expense of approximately \$3,030 as of June 30, 2025.

**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 will be automatically enrolled in the plan and must contribute 2.5% for non AAUP members and 5.0% for AAUP members, in fiscal year 2025 of compensation to participate. The University matched employee contributions at 2.5% for non AAUP members and 5.0% for AAUP members for the year ended June 30, 2025. The cost to the University for the retirement plan for the year ended June 30, 2025 was approximately \$1,708.

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**NOTE 12 RETIREMENT BENEFITS (CONTINUED)**

**Postretirement Benefits other than Pensions**

The University provides postretirement medical benefits to eligible former employees. Generally accepted accounting principles require these obligations to be measured using actuarial methods and assumptions. An actuarial valuation was not obtained for the year ended June 30, 2025; therefore, the related liability was not updated, and the required footnote disclosures have not been presented.

**NOTE 13 LIQUIDITY AND AVAILABILITY OF RESOURCES**

	2025
Financial Assets:	
Cash and Cash Equivalents	\$ 7,530
Student Accounts Receivable, Net	4,159
Grants and Other Receivables	2,519
Contributions Receivable (Without Donor Restrictions)	33
Spending Policy on Endowment	6,567
Total Resources Available Within One Year	\$ 20,808

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, 2025, the University has an \$8,750 balance on the lines of credit, and \$248 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, 2025, 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.

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**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 2025 totaling \$1,218. As of June 30, 2025, outstanding contributions receivable from board members totaled \$3,715.

**NOTE 16 GOING CONCERN**

The University has experienced recurring operating budget cash deficits, declining enrollment and retention, and significant reductions in liquidity and borrowing capacity. It also has substantial obligations coming due within the next year, including amounts outstanding under its line of credit, short-term debt, and scheduled principal payments on bonds payable. In addition, the University is under heightened cash monitoring by the U.S. Department of Education due to its financial composite score, has lost access to a major line of credit, and faces donor requirements to repay endowment funds totaling over \$11 million in the near term. In October 2025, the University was placed on probation by its accrediting body, Middle States Commission on Higher Education. These conditions raise substantial doubt about the University's ability to continue as a going concern within one year after the date that the financial statements are issued.

In response, management has developed and begun implementing the 'March to Sustainability' plan, which includes significant cost reductions, workforce restructuring, and efforts to enhance liquidity. While these actions are intended to improve the University's financial position, these circumstances create uncertainties over future operating results and cash flows. As a result, substantial doubt about the University's ability to continue as a going concern has not been alleviated as of the date of these financial statements. The financial statements do not include any adjustments that might result from the outcome of this uncertainty.



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