S&P Global
Ratings

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New Jersey Educational Facilities Authority
College of New Jersey; Public Coll/Univ - Unlimited Student Fees

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New Jersey Educational Facilities Authority College of New Jersey; Public Coll/Univ - Unlimited Student Fees

Credit Profile		
US$105.64 mil Rev Rfdg Bnds (College of New Jersey) (Taxable) ser 2016G due 07/01/2035		
Long Term Rating	A/Stable	New
US$83.775 mil Rev Rfdg Bnds (College of New Jersey) (Tax-exempt) ser 2016 F due 07/01/2040		
Long Term Rating	A/Stable	New
New Jersey Educl Facs Auth, New Jersey		
College of New Jersey, New Jersey		
Coll of NJ series 2008D		
Unenhanced Rating	A(SPUR)/Stable	Affirmed

Rationale

S&P Global Ratings assigned its 'A' long-term rating to the New Jersey Educational Facilities Authority's (NJEFA) series 2016F (tax-exempt) and 2016G (taxable) revenue refunding bonds issued on behalf of the College of New Jersey (TCNJ). We also affirmed our 'A' long-term rating and underlying rating (SPUR) on the NJEFA's series 2008D, 2010B, 2012A, 2013A, and 2015G bonds, also issued on behalf of the college. The outlook is stable for all bonds.

We have assessed the college's enterprise profile as very strong, reflecting its stable enrollment, excellent selectivity, robust retention and graduation rates, and a stable and seasoned senior management team. We have assessed the college's financial profile as strong, with healthy operating surpluses due to growing student-generated revenues, and conservative budgeting and financial planning with dedicated revenue streams earmarked for debt service payments and repayments not tied to the college's educational and general operating budget. The college has a high debt load, which has caused dilution in available resources compared with debt and has elevated its debt burden. When we combine the enterprise and financial profiles, this leads to an indicative stand-alone credit rating of 'a+'. As our criteria indicate, the final rating can be within one notch of the indicative credit level. In our opinion, the 'A' rating on the college's bonds better reflects its weaker pro forma available resources to debt compared with medians and peers, and the challenged state budgetary position.

We currently rate the state of New Jersey 'A' with a negative outlook. Our rating on TCNJ is the same as that of the state. Since TCNJ receives less than 30% of its adjusted operating revenues from state operating appropriations (including employees' fringe benefits paid by the state), we believe the rating on TCNJ reflects a relatively limited dependence on ongoing funding for its operations from the state. However, if the rating on the state were to fall below its present level and TCNJ's state operating appropriation dependence increased to 30% or greater, this could have negative credit implications for our rating on the college.

Specifically, the 'A' rating reflects our assessment of TCNJ's:

- Healthy full-accrual adjusted operating results;
- Stable enrollment and a superior admissions profile for a public college, as demonstrated by good student quality metrics and robust retention and graduation rates;
- Stable and proactive senior management team; and
- Excellent adjusted unrestricted net assets (UNA) as a percentage of adjusted operating expenses at 50.7% as of June 30, 2015.

Offsetting factors, in our view, include TCNJ's:

- Low adjusted UNA relative to pro forma debt at 42.8% as of June 30, 2015, compared with the rating category median due to a high debt load;
- Very high pro forma maximum annual debt service (MADS) burden at 12.8% of fiscal 2015 adjusted operating expenses; we note a high debt burden is characteristic of many New Jersey state colleges and universities due primarily to the lack of historical state capital support; and
- Limited fundraising history and relatively small size of the college endowment.

We understand the college will issue $83.8 million (par amount) of the series 2016F and $105.6 million of the series 2016G revenue refunding bonds to advance refund all or a portion of the outstanding series 2008D bonds, and a portion of the series 2010B bonds, and pay issuance costs. Per the refunding schedules provided by management, this refunding is anticipated to achieve front-loaded debt service savings, all of which can be captured within five years. The series 2016F and 2016G revenue bonds are on parity with the college's outstanding revenue bonds.

Roughly $37.1 million of the series 2016F bonds will be issued to crossover refund the college's series 2010B bonds which are callable on July 1, 2019 at par. These crossover bonds will be sized to fund an escrow which will pay interest on the series 2016 bonds associated with the series 2010B refunding through July 1, 2019, and the redemption price on the series 2010B bonds (at par in an amount equal to $37.1 million). We understand the escrow is invested in either State and Local Government Series, or qualified securities such as U.S. Treasuries. On the crossover date, the crossover bonds will be used to redeem the series 2010B bonds and the funds in the escrow will, at that point, be depleted. In our available resource and debt calculations, we have double-counted the crossover debt until the crossover date in 2019. However, since we analyze the economic substance of transactions, we have credited back the bond proceeds that are held in the restricted trust under the escrow agreement. The restricted fund is similar to a debt service reserve fund (DSRF) that we typically credit to our adjusted UNA calculations.

Post-issuance, total pro forma debt would equal roughly $392.4 million, which includes $385 million of bonds issued by the NJEFA (including $37.1 million of crossover debt, which is being double-counted until the escrow proceeds are used to redeem the 2010B bonds in 2019, and $11.4 million of debt principal amortized in fiscal 2016) and $7.4 million of equipment leases and capital leases. The long-term debt structure is all fixed-rate and it has no swaps. Although the college indicates it is evaluating the feasibility of issuing additional debt within the next few years (possibly beyond the outlook period), these plans are preliminary and have not been authorized or approved by its board. At this time, we have not factored in the effects of any additional debt given uncertainty around timing. We will evaluate the effect of any additional debt on college finances at the time of issuance.

In our view, given TCNJ's high debt load relative to the size of its available resources, issuance of additional debt must be accompanied by maintenance of available resource ratios to preserve the rating. The overall debt repayment schedule is moderately rapid, in our view, with roughly 39% of debt to be repaid over the next ten years, and almost 75% over 16. The college plans to repay $20.6 million of debt principal in fiscal years 2017 and 2018, which we believe could moderate its debt burden.

Similar to many other public colleges and universities in New Jersey, the revenue refunding bonds are a general obligation of the college payable from any legally available funds available to it. Legally available funds are defined by the college as including all funds of the college, including state appropriations that are not designated for a specific purpose. Although state appropriations are not specifically pledged to the bondholders, they are part of the pool of resources available for payment of debt service on the bonds.

Outlook

The stable outlook reflects our expectation that over the outlook period, TCNJ's enrollment will remain stable, financial operations will be positive on a full-accrual basis, and available resource ratios will be stable around current levels.

Downside scenario

In our view, the rating could come under pressure if there are consecutive years of enrollment declines, full-accrual operating losses, and deterioration in available resource ratios. Although unlikely, a negative rating action on the state and TCNJ's increased state operating appropriation reliance to 30% or greater could have an effect on TCNJ's rating.

Upside scenario

We do not expect to raise the rating during the two-year outlook period due to TCNJ's weak available resources to debt and potential for additional capital expenditures that could entail debt issuances. We would view growth in available resource ratios, endowment, and positive fundraising trends favorably.

Enterprise Profile

Industry risk

Industry risk addresses the higher education sector's overall cyclicality and competitive risk and growth by applying various stress scenarios and evaluating barriers to entry, levels and trends of profitability, substitution risk, and growth trends observed in the industry. We believe the higher education sector represents a low credit risk when compared with other industries and sectors.

Economic fundamentals

In our view, the college has limited geographic diversity, with 93.2% of fall 2015 students classified as in-state students, with the rest coming from other states and countries. As such, our assessment of the college's economic fundamentals is anchored by the New Jersey GDP per capita.

Market position and demand

Established in 1855 as a "normal" (teaching) school, TCNJ is on a residential campus about five miles from Trenton, in Ewing. It is a midsize, comprehensive public college that concentrates primarily on the undergraduate experience and offers 43 undergraduate and 12 graduate degree programs in seven schools.

In the past five years, enrollment has been flat-to-slightly growing, which is likely to continue in the next few years. Fall 2015 full-time equivalent (FTE) enrollment was 6,957, relatively flat compared with 6,944 FTE in fall 2014. For fall 2016, based on enrollment statistics through July 18, 2016, the total FTE enrollment is projected to be 6,987.

Approximately 91% of students are undergraduates, and the college has a very regional student draw, with 92% of its fall 2015 undergraduate students originating from New Jersey. Education officials in New Jersey project the population of graduating high school seniors will remain flat during the next couple of years. The state has also seen large outmigration of graduating high school students over the past few years. In response to these high school demographic trends, the college has taken more targeted approaches to branding and marketing efforts, including ramping up recruitment efforts in states such as Pennsylvania, Connecticut, Massachusetts, New York, and California. It has focused on targeted recruitment for specific programs with available capacity and made a strategic decision to extend the length of the winter term calendar, which is anticipated to increase fall 2016 enrollment.

The college's maximum out-of-state and international enrollment target is 15% per management and while international enrollment is currently small, the college is focusing on this population to meet the targeted out-of-state student growth.

Freshman applications increased by a modest 3.2% to 11,290 in fall 2015 from 10,935 in fall 2014. The freshman selectivity rate at 48.7% remains well above the median for the rating category. Based on trends to date, management is targeting enrolling 1,465 freshman, 65 provisional students, and 240 transfers for fall 2016.

Student quality remains above average, in our view, with the average combined SAT scores for incoming freshman at 1,220 (the national average is 1,010) for fall 2015. The freshman-to-sophomore student retention rate at 94% and six-year graduation rate at 87% are both robust and well above state and national averages.

For the 2015-2016 academic year, tuition increased by 3% for all student categories to $10,879 and $21,810, for in- and out-of-state students, respectively. Including fees and room and board charges, total charges for a full-time in-state student equaled $27,384. TCNJ's in-state and out-of-state tuition and mandatory fees are the highest of its state public peers. Management indicates that, unlike most of its peer public universities in the state, TCNJ primarily competes for applicants with public and private institutions with national draws, including the University of Delaware, Villanova University, Boston College, and New York University, and that its tuition and fees rates are competitive with rates charged by these institutions. As part of its overall pricing strategy, it has been investing more in institutionally funded scholarships and tuition waivers over time, with $15.5 million budgeted in fiscal 2017, a 6% increase from $14.6 million spent on institutional aid in fiscal 2016. Our calculation of the overall tuition discount rate (including federal and state financial aid) was 18% in fiscal 2015, down slightly from 18.9% in fiscal 2014. This discount rate is lower than many of TCNJ's private university peers.

Foundation and fundraising

The college has a separate foundation, which held $30.3 million of net assets as of June 30, 2015, the bulk of which is restricted. The college's development function has historically been limited but it has strengthened in recent years due to a recent restructuring of its college advancement division. Management indicates TCNJ is in the midst of its first ever comprehensive campaign with a $40 million goal. The college will use campaign proceeds to support capital projects and programs, and has raised roughly $36 million (90%) toward the campaign goal. This campaign is scheduled to run through June 2017. TCNJ's undergraduate alumni participation rate at 6.8% remains well below the rates at several private colleges and universities it competes with.

Management and governance

The governing body of TCNJ has 15 gubernatorial members, plus two students (one voting on all matters except those precluded by state statue, plus a nonvoting alternate student trustee). Gubernatorial trustees typically serve no more than two full six-year terms. We understand the board of trustees remains stable.

The college's senior management team remains predominantly stable since our last review except for the addition of a new CIO and vice president for IT, who joined in November 2015 following a national search. Both the president and treasurer have been at the college since 1999. No additional senior management turnover is expected for the foreseeable future. We consider the college's senior management team seasoned and experienced with a solid record of achieving strategic goals and objectives.

Financial Profile

Financial policies

The college has formal policies for endowment funds and other investments, reserves, and debt, which we view favorably. Its 2017-2021 strategic plan outlines specific goals for enrollment, net tuition revenues, and new programs. This plan's key themes include signature experiences, revenue generation, assessment, and fiscal planning based on strategic priorities. Specifically, the plan focuses on developing multiyear operating and capital budgets and will track results through key financial performance indicators. The plan also outlines cost containment and development of an incentive-based budget model. The college implemented a robust enterprise risk management program with the help of a consulting firm, which is a credit positive.

The college's cash and debt management functions are centralized and integrated. There is a board-approved reserves policy that establishes minimum targets for designated unexpendable reserves at six months of the current fiscal year average operating expenses, which the college has complied with historically. A long-term investment policy for managing various investment pools is in place with defined asset allocation ranges. The investment policy specifies prohibited investment types. Asset allocations are in line with target ranges and investments are monitored regularly. The college has a well-defined debt policy revised in February 2016 under which all debt is evaluated and proposed issuances undergo extensive financial reviews and require board approval prior to issuance. We understand no deviations from the policy have occurred. While derivatives and variable-rate debt is allowable under the policy, no derivatives have been used in the last five years and management has no plans to do so. New debt is evaluated using key financial ratios to focus on the college's ability to service additional debt and refundings are undertaken if they meet minimum net present value saving thresholds. We understand the college will conduct a debt capacity assessment to guide future borrowings. New debt is considered for proposed projects if they are determined to be mission-critical, or self-supporting, or critical for risk-reduction purposes. All policies are revised periodically.

The college meets standard annual disclosure requirements. In addition to full-accrual audited financials, the budget office produces unaudited internal monthly and quarterly financial reports. Per management, it can produce quarterly full-accrual financial reports for internal purposes if needed. This is unusual for most public colleges and universities we rate.

The financial policies assessment is neutral, reflecting our opinion that, while there may be some areas of risk, the organization's overall financial policies are not likely to weaken its future ability to pay debt service. Our analysis of financial policies includes a review of the organization's financial reporting and disclosure, investment allocation and liquidity, debt profile, contingent liabilities, and legal structure, and a comparison of these policies to comparable providers.

Accounting change

In line with our Dec. 15, 2015, article "Assessing The Impact Of GASB 68 On U.S. Public Universities And Charter Schools," we have recorded adjustments starting in audit fiscal year-end 2015 to adjust out the effects of Governmental Accounting Standards Board (GASB) statement 68, "Accounting and Financial Reporting for Pensions—An amendment of GASB Statement No. 27." We believe these adjustments result in financial metrics more fairly representative of the legal obligations and expenses for which the college (operating entity) is responsible.

Financial performance

TCNJ's financial operations have consistently been positive on a full-accrual basis, reflecting stable demand for its programs, the ability to increase student charges, and management's conservative budgeting and planning practices. Operating revenues—adjusted for institutionally funded financial aid, state operating appropriations, dividend and interest income earned, and endowment spending—totaled $242.2 million in fiscal 2015. Operating expenses—also adjusted for institutionally funded financial aid and interest expense, and deducting $7.1 million for pension expense recorded as a net pension expense of the college in its statement of activities under GASB 68 effective in fiscal 2015 but which historically has been funded by the state on behalf of the college—totaled $236.7 million in fiscal 2015. This resulted in a net adjusted operating surplus of $5.5 million (2.3% of adjusted operating expenses) in fiscal 2015. This compares favorably to a fiscal 2014 net adjusted operating surplus of $3.9 million (1.7% of adjusted operating expenses). Our fiscal 2014 adjusted operating expenses excluded a one-time noncash asset impairment charge of $5.4 million for a decommissioned building. Results on a cash basis in fiscal 2015 were stronger given depreciation expenses of $20.7 million recorded for the year. On a bottom-line basis, capital contributions from a renegotiated dining contract and state capital grants strengthened financial results in fiscal 2015. Management expects another full-accrual operating surplus in fiscal 2016 after adjusting for $10.7 million of GASB 68 pension expense.

We consider the college's budgeting, financial policies, and practices conservative. Key practices include payment of debt service from a capital budget that the college funds primarily with the proceeds of a general service fee, rather than from the operating budget. The general service/capital fee is a per-credit fee charged to all students and is exclusively dedicated to the funding of TCNJ's debt service and capital needs related to academic, administrative, and student recreational facilities. The fee per year for a full-time student was approximately $2,757 in fiscal 2015. This fee increased to $2,840 in fiscal 2016 and $2,904 in fiscal 2017. Housing and student center projects undertaken by the college are primarily funded through annual transfers from the housing and student center operating budgets. We understand the college does not budget for depreciation per se, but uses a proxy for depreciation in funding its asset renewal and replacement program while preparing its budgets and interim financial statements.

The college's revenue diversity, while not classified as concentrated per our criteria definition, is relatively limited, in our view, and its student-derived revenues (net tuition and auxiliary revenues) has been growing over time as a percentage of adjusted operating revenues. Student-derived revenues constituted 66.4% of fiscal 2015 adjusted operating revenues, followed by state operating appropriations at 22.2% and state and federal grants and contracts at 7.8%.

State appropriations

In general, New Jersey public colleges and universities receive two types of appropriations—operating appropriations and employees' fringe benefits paid by the state. In fiscal years 2015 and 2014, operating appropriations received by TCNJ have been flat, while fringe benefit appropriations have increased due to rising health care costs, among other benefits. Fiscal 2015 operating appropriations were $29.3 million, and fringe benefits appropriations were $24.5 million, for a total of $53.8 million. Fiscal 2016 operating appropriations were cut by $2.1 million by the state to fund the projected increase in state-funded fringe costs, with total appropriations estimated at $52.2 million. Management indicates the college closed this revenue gap by additional revenues raised through a tuition increase and by not filling some vacant positions.

The fiscal 2017 state budget kept operating appropriations flat for TCNJ and management indicates it is budgeting for flat appropriations for the foreseeable future. In the past three years, despite state budgetary challenges, the college has never experienced delays in the receipt of state funds.

New Jersey, unlike many other states, has historically not provided annual capital funding to its state colleges and universities for renewal and maintenance of facilities. As such, universities funded new capital projects and deferred maintenance through debt or internal reserves. On Aug. 7, 2012, the New Jersey governor signed the "Building Our Future Bond Act," authorizing the first GO bonds dedicated to capital improvement for higher education since 1988. In November 2012, New Jersey voters approved a $750 million public referendum, which authorized the state to issue bonds for capital improvements to its higher education sector. In addition to the $750 million funding available under the Building Our Future Bond Act, four additional state capital funding pools are available for New Jersey higher education institutions, including TCNJ. We understand TCNJ received a $57 million allocation from the state under the various capital funding pools, of which the majority of funds are earmarked for the new STEM building. Management indicates TCNJ typically sets aside $10 million to $13 million annually (strictly funded from internal reserves) to fund continuing renewal and replacement of facilities.

Available resources

The college's UNA was materially affected by the recognition of a $116.5 million net pension liability recognized for GASB 68 effective in fiscal 2015. When we adjust college UNA for UNA of the foundation and include DSRFs (including $37.1 million of reserve funds held in an escrow for the series 2016 crossover bonds, which will be used to redeem the 2010B bonds in 2019), adjusted UNA for expenses totaled $119.9 million, while adjusted UNA for debt equaled $168.1 million. This equaled an excellent 50.7% of adjusted operating expenses and 42.8% of pro forma debt as of June 30, 2015. The pro forma debt figure includes $37.1 million of crossover debt, which is being double-counted until the escrow proceeds are used to redeem the 2010B bonds in 2019, and $11.4 million of debt principal amortized in fiscal 2016. Cash and investments (which we view as a less conservative measure of balance-sheet strength as it includes restricted funds) equaled 48.2% of adjusted operating expenses and 29% of pro forma debt as of June 30, 2015.

Contingent liabilities: Campus Town Project

TCNJ is currently engaged in a roughly $120 million public-private partnership, which recently completed two phases of student housing facilities and related retail development known as the Campus Town Project, pursuant to the provisions of the New Jersey Economic Stimulus Act of 2009. Management indicates the project's costs of planning, construction, and operation are to be borne by the selected developer, PRC Group. This project was financed through private equity and a traditional bank loan. Management indicates the developer will make all debt service payments on the loan and TCNJ will not subsidize any portion of the debt service associated with it. This 14-acre, mixed-use development project is adjacent to campus and provides a 612-bed student housing complex primarily for junior- and senior-level students, a new fitness/wellness facility, and a bookstore, as well as third-party retail space. TCNJ is leasing the land on which the above project will sit on to the developer pursuant to a ground lease. The term of the ground lease is 50 years, and the developer agrees to make annual ground rents of $400,000, increasing by $25,000 annually for the duration of the ground lease term. The developer sets rental rates for the student housing facility, and the college treats this similarly to other off-campus housing it does not own and manage. We understand that the college will not be providing any financial assistance to the developer and is not subsidizing this project in any form. This project is being marketed as off-campus housing by the college. The developer will exclusively handle project operations, programming, tenant management, student life management, tenant relations and rules, and rent payments with no inputs from TCNJ. Management reports both phases of this project have been completed with a projected occupancy of 100% for fall 2016.

While the college will ultimately own the Campus Town facilities at the conclusion of the ground lease and receives annual ground lease payments from the developer, other aspects, including the lack of college control of operations, the off-campus location, and the fact that it provides no financial support indicate a somewhat weaker connectivity to the project. Therefore, we view this debt as indirect debt of the college in our analysis following our criteria for such financings.

Pensions and other postemployment benefits

TCNJ participates in four retirement plans covering its employees. Three of these pension plans are cost-sharing, multiemployer defined-benefit pension plans administered by the state of New Jersey, and one is a defined-contribution pension plan which is fully funded by definition.

Due to the implementation of GASB 68 effective fiscal 2015, the college recognized a $117.5 million net pension liability on its balance sheet (factoring in the differential between pension deferred inflows and outflows) for its proportionate share of the net pension liability for pension benefits to its employees through the state defined-benefit pension plans. This liability recognition materially reduced its UNA (an equity-based measure) for fiscal 2015. We understand these state pension liabilities, although not legally required to be funded by the state, have historically been--and are expected to continue being--funded through the state. Therefore, in our analysis of college finances, we have credited the $117.5 million net pension liability to the college's adjusted UNA calculations and made appropriate operating income adjustments to reflect the differential between pension expense and pension contributions made by the state on the college's behalf. We believe these adjustments enhance analytical clarity from a credit perspective and result in more comparable financial metrics as long as the state remains able and willing to fund these pension liabilities. In our view, given the significantly underfunded state defined-benefit pension plans, this is a long-term credit risk for New Jersey public colleges and universities if broader pension reform occurs and results in the state shifting all or a portion of these liabilities to state entities such as TCNJ.

Other postemployment benefits, primarily retiree health care, are also managed through the state systems, and the liability and associated expense is recorded at the state level, although the implementation of GASB 75 (Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions) in fiscal 2018 could result in a different accounting treatment of these liabilities. (For additional information on our rating on the state of New Jersey, see the full analysis on the state, published Aug. 15, 2016, on RatingsDirect.)

College of New Jersey -- Selected Financial Statistics

	Fiscal year ended June 30					Medians
	Demand Data 2016	**Audited 2015**	**Audited 2014**	**Audited 2013**	**Audited 2012**	**Public colleges and universities 'A' 2015**
Enterprise Profile						
Full-time equivalent	6,957	6,944	6,901	6,799	6,779	11,127
Freshman acceptance rate (%)	48.7	48.8	43.1	46.1	46.4	74.6
Freshman matriculation rate (%)	26.4	26.7	29.3	28.7	29.1	MNR
Freshman retention (%)	94.0	94.0	94.0	94.0	95.0	74.8
Faculty with terminal degrees (%)	91.3	90.0	88.0	87.0	87.0	MNR
Average SAT scores	1,220	1,216	1,235	1,226	1,227	1,046
Average ACT scores	28	27	N.A.	N.A.	N.A.	23
Freshman Applications	11,290	10,935	11,146	10,295	10,150	MNR
Annual freshman application percentage change (%)	3.2	(1.9)	8.3	1.4	1.9	MNR
Graduation rates (six years) (%)	87.0	85.0	N.A.	N.A.	N.A.	MNR
Undergraduates as a % of total enrollment (%)	91.3	91.0	90.6	90.0	90.9	85.4
Tuition discount (%)	N.A.	18.0	18.9	19.3	19.2	24.3
Alumni particpation rates (%)	N.A.	6.8	6.8	6.8	N.A.	MNR
Endowment per FTE	N.A.	3,771	3,663	2,884	N.A.	MNR
Students from inside of the state (%)	93.2	92.3	93.0	93.0	94.0	82.4
Average age of plant (years)	N.A.	12.1	11.3	11.8	11.1	13.9
Financial Profile						
Net operating margin (%)	N.A.	2.34	1.68	3.56	5.08	-0.49
Student dependence (%)	N.A.	66.4	67.4	65.5	65.2	51.6
State appropriation dependence (%)	N.A.	22.2	22.6	23.3	24.2	22.7

College of New Jersey -- Selected Financial Statistics (cont.)

	Fiscal year ended June 30					Medians
	Demand Data 2016	Audited 2015	Audited 2014	Audited 2013	Audited 2012	Public colleges and universities 'A' 2015
Healthcare operations dependence (%)	N.A.	N.A.	N.A.	N.A.	N.A.	MNR
Research dependence (%)	N.A.	7.8	7.5	8.5	8.1	MNR
Endowment and investment income dependence (%)	N.A.	1.4	1.3	0.7	0.9	0.3
Other operating revenue dependance (%)	N.A.	0.0	0.0	0.0	0.0	MNR
Endowment spending rate (%)	N.A.	4.20	4.00	3.50	N.A.	MNR
Current MADS burden (%)	N.A.	13.15	13.52	13.44	13.92	4.52
Pro forma MADS burden (%)	N.A.	12.80	N.A.	N.A.	N.A.	MNR
Cash and investments ($000s)	N.A.	113,978	107,461	102,974	95,404	MNR
Cash and investments to debt (%)	N.A.	31.1	28.5	28.6	26.3	93.5
Cash and investments to pro forma debt (%)	N.A.	29.0	N.A.	N.A.	N.A.	MNR
Adjusted UNA ($000s)	N.A.	119,893	121,061	121,846	119,518	MNR
Adjusted UNA to operations (%)	N.A.	50.7	52.5	55.0	55.9	22.2
Adjusted UNA plus debt service reserve to debt (%)	N.A.	45.8	35.1	34.4	33.5	44.1
Adjusted UNA plus debt service reserve to pro forma debt (%)	N.A.	42.8	N.A.	N.A.	N.A.	MNR
Total adjusted operating expense	N.A.	236,689	230,757	221,360	213,672	MNR
Total debt	N.A.	366,725	377,022	359,797	362,086	155,104
Total pro forma debt	N.A.	392,434	N.A.	N.A.	N.A.	MNR
Current debt service	N.A.	29,097	20,917	19,657	23,085	MNR
Pension funded status (%)	N.A.	N.A.	N.A.	N.A.	N.A.	MNR
Pension expense	N.A.	7,093	0	0	0	MNR
OPEB expense	N.A.	0	N.A.	N.A.	N.A.	MNR
Pct Retired 10 years (%)	N.A.	39.0	N.A.	N.A.	N.A.	MNR
Contingent liabilities	N.A.	120,000	120,000	N.A.	N.A.	MNR

N.A.--Not available. MNR--Median not reported. MADS--Maximum annual debt service.

Ratings Detail (As Of August 16, 2016)

New Jersey Educl Facs Auth, New Jersey

College of New Jersey, New Jersey

New Jersey Educl Facs Auth (College of New Jersey) rev rfdg bnds (College of New Jersey) ser 2015G due 07/01/2019-2031

Unenhanced Rating	A(SPUR)/Stable	Affirmed

New Jersey Educl Facs Auth (College of New Jersey) rev rfdg bnds (College of New Jersey) ser 2015G due 07/01/2019-2031

Unenhanced Rating	A(SPUR)/Stable	Affirmed

New Jersey Educl Facs Auth (College of New Jersey) rev rfdg bnds (College of New Jersey) ser 2015G due 07/01/2019-2031

Unenhanced Rating	A(SPUR)/Stable	Affirmed

New Jersey Educl Facs Auth (College of New Jersey) USF (BAM) (SECMKT)

Long Term Rating	A/Stable	Affirmed

New Jersey Educl Facs Auth (College of New Jersey) USF (BAM) (SEC MKT)

Ratings Detail (As Of August 16, 2016) (cont.)		
Unenhanced Rating	A(SPUR)/Stable	Affirmed
New Jersey Educl Facs Auth (College of New Jersey) (AGM)		
Unenhanced Rating	A(SPUR)/Stable	Affirmed
New Jersey Educl Facs Auth (College of New Jersey) (AGM)		
Unenhanced Rating	A(SPUR)/Stable	Affirmed
New Jersey Educl Facs Auth (College of New Jersey) (BAM) (SECMKT)		
Unenhanced Rating	A(SPUR)/Stable	Affirmed
New Jersey Educl Facs Auth (College of New Jersey) (BAM) (SEC MKT)		
Unenhanced Rating	A(SPUR)/Stable	Affirmed
Ser 2010 B, 2012 A & 2013 A		
Long Term Rating	A/Stable	Affirmed

Many issues are enhanced by bond insurance.