THE COLLEGE OF NEW JERSEY

(A Component Unit of the State of New Jersey)

Basic Financial Statements, Management's Discussion and Analysis, Required Supplementary Information and Schedules of Expenditures of Federal and State of New Jersey Awards

June 30, 2021

(With Independent Auditors' Reports Thereon)

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KPMG LLP
New Jersey Headquarters
51 John F. Kennedy Parkway
Short Hills, NJ 07078-2702

Independent Auditors' Report

The Board of Trustees
The College of New Jersey:

Report on the Financial Statements

We have audited the accompanying financial statements of the business-type and fiduciary activities, and the aggregate discretely presented component units of The College of New Jersey (the College), a component unit of the State of New Jersey, as of and for the year ended June 30, 2021, and the related notes to the financial statements, which collectively comprise the College's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

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

Auditors' Responsibility

Our responsibility is to express opinions on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement. The financial statements of The College of New Jersey Foundation, Inc. and the Trenton State College Corporation were not audited in accordance with *Government Auditing Standards*.

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

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

Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the business-type and fiduciary activities, and the aggregate discretely presented component units of The College of New Jersey, as of June 30, 2021, and the respective changes in financial position and, where applicable, cash flows thereof for the year then ended in accordance with U.S. generally accepted accounting principles.

Emphasis of Matter

Adoption of New Accounting Pronouncement

As discussed in Note 2(l) to the basic financial statements, as of July 1, 2020, the College adopted Government Accounting Standards Board (GASB) Statement No. 84, *Fiduciary Activities*. Our opinions are not modified with respect to this matter.

Other Matters

Required Supplementary Information

U.S. generally accepted accounting principles require that the management's discussion and analysis on pages 3 through 26 and the schedule of proportionate share of the net pension liability, schedule of employer contributions, and schedule of proportionate share of the total other postemployment benefits (OPEB) liability on pages 88 through 90, respectively, be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated April 29, 2022 on our consideration of the College's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the College's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering College's internal control over financial reporting and compliance.

KPMG LLP

Short Hills, New Jersey
April 29, 2022

Overview of Financial Statements and Financial Analysis

This Management's Discussion and Analysis (MD&A) section provides an analytical overview of the business-type activities of The College of New Jersey's (TCNJ or the College) financial performance during the fiscal year ended June 30, 2021. The MD&A section is intended to help readers of the financial statements better understand the financial position and operating activities for the year ended June 30, 2021 and includes selected comparative information for the year ended June 30, 2020. As an unaudited discussion prepared by management, the MD&A should be read in-conjunction with the basic financial statements that follow.

The financial statements have been prepared in accordance with U.S. generally accepted accounting principles as prescribed by the Governmental Accounting Standards Board (GASB), which establishes financial reporting standards for governments, including public colleges and universities. The College's significant accounting policies are summarized in note 2 to the financial statements of this report. Further information on the financial reporting entity can be found in note 1.

Because the financial statements of The College of New Jersey Foundation Inc. and Trenton State College Corporation, component units of TCNJ, are discretely presented from the College, the MD&A focuses only on the business-type activities of the College. Information relating to the component units can be found in their separately issued financial statements.

College Overview

The College of New Jersey is a mid-sized, comprehensive public college that concentrates primarily on the undergraduate experience. The College gives primacy to teaching and has an achievement-oriented and diverse student body.

Acknowledged for the quality of its academic offerings, the College has been ranked as one of the top comprehensive colleges in the country. In 2021, *U.S. News & World Report* ranked TCNJ fifth overall and placed first among public colleges, in the "Best Regional Universities—North" category, third in the region for best undergraduate teaching programs and first in the regional ranking for best colleges for veterans. TCNJ also ranked fifth among all institutions in the region for the highest percentage of freshmen coming from the top 25 percent of their high school class (71 percent), and ranked third in actual six-year graduation rate (86 percent). Additionally, in 2020 *MONEY Magazine* ranked TCNJ third in the nation among similarly sized public institutions on its annual "Best Colleges in America for your Money" list. The *Princeton Review* named TCNJ one of the best 386 colleges in the nation in 2021, a review based on student evaluations. The College remains a top contender in the search for affordable education, once again ranking among *Princeton Review*'s "Best Value Colleges." The *Princeton Review* also recognized TCNJ as one of the most academically outstanding colleges in the Northeast and is featured in the publication's "Guide to Green Colleges," which rewards colleges for their outstanding commitment to environmental sustainability. The College's schools are also held in high regard. The masters-level programs are gaining recognition with *Washington Monthly* ranking TCNJ 20th in 2020 among all masters-level colleges and universities nationwide.

A strong liberal arts core forms the foundation for a wealth of degree programs offered through the College's seven schools. These schools include Arts and Communication; Business; Education; Humanities and Social Science; Science; Nursing, Health, and Exercise Science; and Engineering. The College is enriched by an honors program and extensive opportunities to study abroad; its freshman orientation programs have helped make its retention and graduation rates among the highest in the country.

The College is recognized as a public institution of higher education by the State of New Jersey and, accordingly, the State Legislature appropriates funds annually to support operations and the cost of fringe benefits for state

authorized positions. Under the law, the College is an instrumentality of the State with a high degree of autonomy and is subject to all of the laws and regulations applying to the state public colleges.

Governance

The governing board of the College is a Board of Trustees comprised of no more than fifteen publicly appointed trustees, two students and the President of the College (ex-officio non-voting). All citizen members are voting members, as is one of the two students. The Board also includes representatives from the staff and the faculty.

Under P.L. 1994, C. 48, the Board of Trustees is responsible for developing an institutional plan; determining academic programs; establishing administrative policies; borrowing money; awarding contracts; setting tuition and fees; granting degrees; appointing, evaluating and determining compensation of the president; appointing and promoting the faculty and staff; establishing admission standards and requirements and standards for granting diplomas, certificates and degrees; recommending members for appointments to the Board of Trustees by the Governor; having final authority to determine controversies and disputes pertaining to tenure and other personnel matters of employees; investing and reinvesting the funds of the College; retaining legal counsel of the College's choosing; and preparing and making public an annual financial statement.

Academic Profile

Faculty

Grounded in the liberal arts, TCNJ's personalized, collaborative, and rigorous education engages students at the highest level within and beyond the classroom. In fall 2020, the College's overall full-time equivalent (FTE) faculty count was 534. Approximately 70% of the total faculty FTE was full time (375) and the remaining 30% (159) included permanent part-time faculty, adjunct and teaching professional staff. During this same period, the total FTE student enrollment was 7,424 and the student to faculty ratio was 13:1. The College does not employ graduate teaching assistants, which increases faculty involvement in the curriculum and enriches student learning.

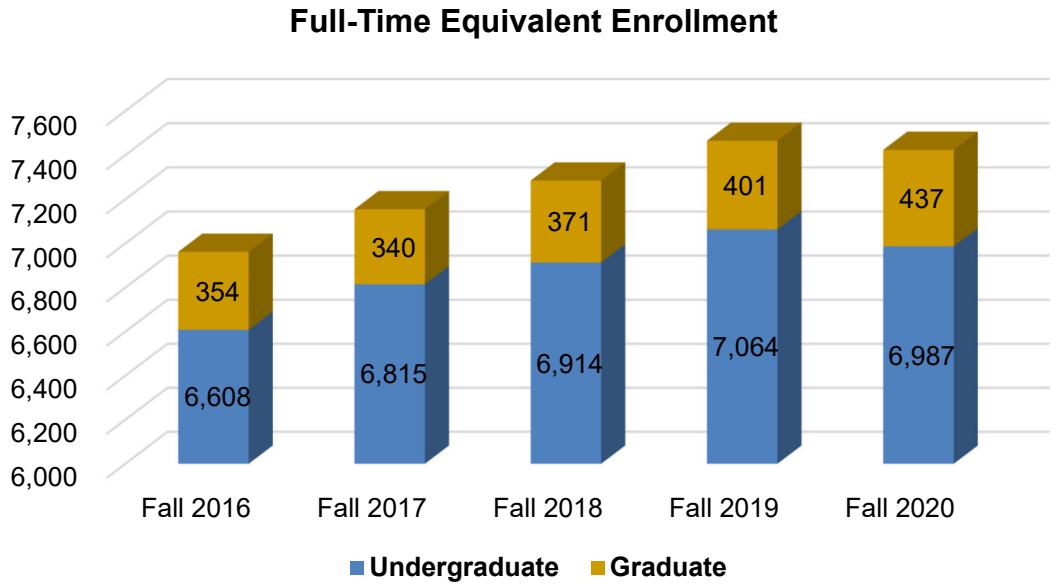
Faculty Data					
Academic Year	Full-Time Faculty	Part-Time Faculty*	Tenured Faculty	Faculty with Terminal Degrees	Student/ Faculty Ratio
2019 - 2020	373	183	265	347	13:1
2020 - 2021	375	159	258	344	13:1

*Part-time includes permanent part-time faculty, adjunct and teaching professional staff full-time equivalents.

Students

The College enjoys a healthy student demand and continues to attract academically talented students. In fall 2020, the full-time freshmen class enrolled 1,428 students yielding a 21% matriculation ratio based upon a 51% acceptance ratio for 13,199 applicants. The 94% freshman to sophomore retention rate demonstrates a high level of student satisfaction. The level of academic engagement is reflected in the high four year and six year graduation rates for the 2014 first time freshman cohort of 75% and 86%, respectively. In fall 2020, 1% of the freshmen class and 1% of all undergraduate students lived on campus. Due to the COVID-19 pandemic, fall 2020 instructional modality was completely remote and thus the residence halls occupancy was limited to only international students plus those with significant housing needs.

In fall 2020, TCNJ enrolled 6,987 full-time equivalent undergraduate students and 437 full-time graduate students. Over the last five years, TCNJ has targeted enrollment growth in line with its strategic enrollment plan goals, with the total full-time equivalent population growing by 462 from fall 2016 to fall 2020, primarily in the undergraduate population as reflected in the graph below.



The 2020–2021 academic year concluded with the awarding of 1,622 bachelor's degrees, 268 master's degrees, and 79 pre-/post-master's certifications.

Using the Financial Statements

The basic financial statements present the financial position, the changes in financial position and cash flows of the College, through three primary financial statements and notes to the financial statements. The three financial statements consist of the Statement of Net Position, the Statement of Revenues, Expenses and Changes in Net Position, and the Statement of Cash Flows. The notes to the financial statements provide additional information that is essential to a full understanding of the financial statements.

The College's net position is one indicator of the institution's financial health. Sustained increases or decreases in net position over time are indicators of the improvement or erosion of an institution's financial health when considered together with relevant non-financial factors such as enrollment levels, student retention and graduation rates and the condition of the facilities.

Significant Aspects of the Financial Statements

- Revenues and expenses are categorized as either operating or nonoperating. Significant recurring sources of the College's revenues, including state appropriations, OPEB revenue, and investment income, are considered nonoperating, as defined by GASB Statement No. 35, *Basic Financial Statements — and Management's Discussion and Analysis—for Public Colleges and Universities—an amendment of GASB Statement No. 34* (GASB 35). The net nonoperating revenue totaled $74.1 million for the year ended June 30, 2021.

- Scholarships applied to student accounts are shown as a reduction of student tuition and housing fee revenue. Tuition waivers are reported as a scholarship expense. For the year ended June 30, 2021, scholarship allowance totaled $31.1 million.
- The College is required to report depreciation on its capital assets. Depreciation expense totaled $29.2 million for the year ended June 30, 2021.
- Unrestricted net position comprised various subcategories of designated and committed funds; however, GASB 35 prohibits a breakdown of these designations on the face of the statement of net position. The College has many activities that require a certain level of reserves to be maintained. Examples include working capital reserves for auxiliary operations, educational and general activities, coverage for debt service and capital reserves for planned construction efforts. Unrestricted net position is negative due to the College's proportionate share of pension amounts as required by GASB 68 which is discussed further below.

GASB Statements No. 68 and 75

The College accounts for pensions according to GASB Statement No. 68 (GASB 68), *Accounting and Financial Reporting for Pensions—an amendment of GASB Statement No. 27* and GASB Statement No. 71 (GASB 71), *Pension Transition for Contributions made Subsequent to the Measurement Date—an amendment of GASB Statement No. 68*. GASB 68 requires state and local government employers to recognize a net pension liability for defined benefit plans where the entity is a participant. The College pension plans impacted by GASB 68 and 71 are the State of New Jersey Public Employees' Retirement System (PERS), the State of New Jersey Police and Firemen's Retirement System (PFRS) and the State of New Jersey Teachers' Pension and Annuity Fund (TPAF).

The State provides the contributions to the plans while seeking reimbursement from the College for the College's non-State-authorized positions. The State provides an annual fringe benefit appropriation to the College based on a fully loaded fringe benefit appropriation. The College records the fringe benefit revenue (100% of the State-authorized positions) and expense (100% of State-authorized positions plus non-State-authorized positions reimbursed to the State) in its financial statements. The State has communicated that the GASB 68 pension liability "allocations do not impact state laws or past funding arrangements that have been established annually in the State budget."

The College's proportion of the respective plans' net pension liability is based on the ratio of the employer contributions made related to the College's employees to the total contributions made by all participating State-group employers. The changes in net pension liability adjusted for the deferred inflows and deferred outflows of resources result in pension expense. The amounts recorded as a result of following GASB 68 have been shown separately in the tables below.

The College accounts for other postemployment benefits (OPEB) other than pensions according to GASB Statement No. 75 (GASB 75), *Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions*. The College's retirees participate in the State of New Jersey State Health Benefit State Retired Employees Plan (the Plan).

The State is legally obligated to pay the OPEB benefit coverage for eligible retirees of the College under N.J.S.A. 52:14-17.32. Since the College does not contribute directly to the Plan, there is no total OPEB liability, deferred outflows of resources or deferred inflows of resources to report in the College's financial statements. The College's portion of the nonemployer contributing entity's total proportionate share of the total OPEB liability that is associated with the College is disclosed in note 11.

The College's financial statements relating to the reporting of OPEB under GASB 75 reflect its proportionate share, as determined by the DPB, of the State's OPEB expenses under the Plan. The College's proportionate share was calculated based on the ratio of the members (active and retired) of an individual employer to the total members of the Plan. In fiscal year 2021, the College recognized $5.0 million in OPEB expense and non-operating OPEB revenue, to account for the College's portion of the OPEB expense that was paid by the State. The amounts recorded in the Statement of Revenues, Expenses and Changes in Net Position as a result of GASB 75 have been shown separately in the tables below.

The tables below show the GASB 68 and GASB 75 adjustments to the financial statement for fiscal year 2021:

2021 Condensed Statement of Net Position (Amounts in thousands)		Before GASB 68	GASB 68 Adjustment	As Reported
Assets:				
Current assets	$	127,622	—	127,622
Capital assets, net		646,488	—	646,488
Other noncurrent assets		19,881	—	19,881
Total assets		793,991	—	793,991
Deferred outflows of resources		50,276	89,565	139,841
Liabilities:				
Current liabilities		31,513	—	31,513
Noncurrent liabilities		364,423	210,300	574,723
Total liabilities		395,936	210,300	606,236
Deferred inflows of resources		—	49,716	49,716
Net Position:				
Net investment in capital assets		288,962	—	288,962
Restricted expendable		1,320	—	1,320
Unrestricted		158,048	(170,450)	(12,402)
Total net position	$	448,330	(170,450)	277,880

Under GASB 68, the College recorded its proportionate share of pension expense of $26.3 million for fiscal year 2021. In fiscal year 2021, the State's contributions amounted to $7.8 million.

2021 Condensed Statement of Revenues, Expenses and Changes in Net Position (Amounts in thousands)		Before GASB 68 & 75	GASB 68 Adjustment	GASB 75 Adjustment	As Reported
Net student revenues	$	111,382	—	—	111,382
Government grants and contracts		21,751	—	—	21,751
Auxiliary activities		2,792	—	—	2,792
Other		4,497	—	—	4,497
Operating revenues		140,422	—	—	140,422
Instruction and research		73,535	8,189	—	81,724
Academic support		15,847	1,492	—	17,339
Student services		19,607	1,967	—	21,574
Operation and maintenance of plant		24,799	2,289	—	27,088
Institutional support		24,889	2,416	—	27,305
Auxiliary activities		14,643	1,024	—	15,667
Other postemployment benefit expense		—	—	5,006	5,006
Depreciation		29,163	—	—	29,163
Other		8,666	363	—	9,029
Operating expenses		211,149	17,740	5,006	233,895
Operating loss		(70,727)	(17,740)	(5,006)	(93,473)
State appropriations and fringe benefits		51,613	51	—	51,664
Other postemployment benefit revenue		—	—	5,006	5,006
Other expenses, net		22,445	—	—	22,445
Net nonoperating revenues		74,058	51	5,006	79,115
Change in net position		3,331	(17,689)	—	(14,358)
Net position, beginning of year		444,999	(152,761)	—	292,238
Net position, end of year	$	448,330	(170,450)	—	277,880

Refer to note 11 for additional information related to GASB 68 and 75.

Statement of Net Position

The statement of net position presents the College's financial position at the end of fiscal year 2021, including all assets, deferred outflows of resources, liabilities, deferred inflows of resources and net position using the accrual basis of accounting. Assets and liabilities are generally measured using current values with certain exceptions, such as capital assets which are stated at cost less accumulated depreciation, and long-term debt which is carried at cost.

Assets and liabilities are categorized as current and noncurrent and are shown in order of their relative liquidity. An asset's liquidity is determined by how readily it is expected to be converted to cash or whether restrictions limit the College's ability to use the resources. Current assets are generally considered to be convertible to cash within one year. Noncurrent assets are predominantly composed of long-term investments and capital assets (net).

Deferred outflows of resources are a consumption of net position by the College that is applicable to a future reporting period. The College's deferred outflows of resources consist of bond deferred refunding amounts and changes in proportion of the allocated pension liability and differences in actuarial amounts used to calculate the pension liability.

A liability's liquidity is based on its maturity or when cash is expected to be used to liquidate it. Current liabilities are amounts becoming due and payable within the next year and consist primarily of accounts payable, accrued liabilities and the portion of bond principal due within a year. The College's net pension liability and long-term debt comprise the majority of its noncurrent liabilities.

Deferred inflows of resources are an acquisition of net position by the College that is applicable to a future reporting period. The College's deferred inflows of resources is composed of changes in proportion of the allocated pension liability and differences in actuarial amounts used to calculate the pension liability.

Net position represents the residual interest in the College's assets and deferred outflows of resources after all liabilities and deferred inflows are deducted. Net position is one indicator of the financial condition of the College, while the change in net position during the year is a measure of whether the overall condition has improved or worsened during the year.

Net position is classified into three major categories. The first category, net investment in capital assets, provides the College's equity in property, plant, and equipment. The second category is restricted expendable net position, which are available resources to the College but must be spent for purposes as determined by donors and/or external entities that have placed time or purpose restrictions on their usage.

Finally, unrestricted net position represents those balances from operational activities that have not been restricted by parties external to the College, such as donors or granting agencies. Also included are working capital balances maintained for departmental and auxiliary enterprise activities.

From the data presented, readers of the Statement of Net Position have the information to determine the assets available to continue the operations of the College. They may also determine how much the College owes external vendors, bond holders and other parties. A summary of the College's assets, deferred outflows of resources, liabilities, deferred inflows of resources and net position at June 30, 2021 and 2020 are as follows:

Condensed Statements of Net Position
(Amounts in thousands)

		2021	2020
Assets:			
Current assets	$	127,622	114,948
Capital assets, net		646,488	666,335
Other noncurrent assets		19,881	18,797
Total assets		793,991	800,080
Deferred outflows of resources		139,841	50,957
Liabilities:			
Current liabilities		31,513	58,879
Noncurrent liabilities		574,723	468,893
Total liabilities		606,236	527,772
Deferred inflows of resources		49,716	31,027
Net Position:			
Net investment in capital assets		288,962	345,690
Restricted expendable		1,320	14,015
Unrestricted		(12,402)	(67,467)
Total net position	$	277,880	292,238

Statement of Net Position Financial Highlights

Assets

During fiscal year 2021, the College's total assets decreased by $6.1 million, or 0.8%. At June 30, 2021, the College's working capital, which is current assets less current liabilities, was $96.1 million, an increase of $40.0 million from the previous year primarily due to investment appreciation and reductions in accounts payable, accrued expenses, and the current portion of bonds payable.

Working capital is a key financial metric used to measure the College's liquidity for operations. It measures the institution's ability to satisfy its current obligations as they come due. With current assets at 4.05 times above current liabilities in fiscal year 2021, the College had adequate liquidity to satisfy its current obligations.

Summary of Working Capital (Amounts in thousands)		2021	2020
Current assets	$	127,622	114,948
Current liabilities		31,513	58,879
Working capital		96,109	56,069
Ratio of current assets to current liabilities		4.05	1.95

Cash and Investments

The College's cash and cash equivalents and investments consisted of the following as of June 30, 2021 and 2020:

Cash and Cash Equivalents and Investments (Amounts in thousands)		2021	2020
Cash and cash equivalents	$	17,897	14,428
Investments – current		78,170	62,738
Investments – noncurrent		17,026	17,015
Total cash and cash equivalents and investments	$	113,093	94,181

Cash and cash equivalents increased by $3.5 million in fiscal year 2021 primarily due to reimbursements from deposits held by bond trustees for capital expenses plus receipts of federal dollars to offset lost revenues due to the COVID-19 pandemic.

The College's investment portfolio has two components: a short duration fixed income segment, which holds high-quality liquid fixed income securities generally maturing between overnight and three years, and a longer-term multi-asset class segment, which employs a more diversified approach focused on global investments.

The investment portfolio produced strong results for the fiscal year ended June 30, 2021. The combined portfolio generated over $15.4 million or 19.5% in fiscal year 2021 compared to $4.1 million or 4.8% the previous fiscal year. This was the result of a very strong equity market performance coupled with the College's strategic investment in a long-term, diversified, multi-asset class portfolio, which returned 29.5% over the past 12 months, well above its blended benchmark, which returned 27.5% during the same period. In fiscal year 2020, this portfolio returned 5.1% which was above its blended benchmark that returned 3.3% during the same period.

Despite the persistently low interest rate environment during the fiscal year, the College's short duration fixed income portfolio generated positive returns while adhering to the investment policy mandates of safety, liquidity and yield. For fiscal year 2021, the fixed income portfolio generated a gross return of 0.54%, exceeding its benchmark, Merrill Lynch 0-3 Year US Treasury Index return of 0.10% for the same period. The short duration

fixed income portfolio is allocated largely towards U.S. government securities, which include U.S. Treasury and federal agency notes and bonds. These investments accounted for approximately 52.5% of the portfolio at June 30, 2021. The remainder of the portfolio is invested in high quality credit investments, including corporate notes, commercial paper, certificates of deposit and municipal bonds.

The multi-asset class portfolio is allocated with a 70.0% equity and 30.0% fixed income approach since its inception in February 2012. As of June 30, 2021, the overall equity position was above to the benchmark, slightly overweight in domestic equities, significantly overweight in commodities and real estate investment trusts, while the fixed income segment was under weight to its benchmark target by 8.9%.

At June 30, 2021, investments totaled $95.2 million, representing an increase of $15.4 million, primarily due to the positive net investment income and appreciation net of investment manager fees.

Restricted Deposits Held With Trustees

Restricted deposits held with trustees had a net decrease of approximately $16.2 million as of June 30, 2021, primarily due to a reduction in debt service payments from the Series 2020D bond restructuring. Consistent with the prior fiscal year, debt service payments for July 1, 2021 are reflected in the restricted deposits held with bond trustees as of June 30, 2021.

Capital Assets

At June 30, 2021, the College had $646.5 million, invested in capital assets, net of accumulated depreciation of $384.5 million. Depreciation charges totaled $29.2 million, for the year ended June 30, 2021. Net capital additions totaling $8.5 million in fiscal year 2021 were comprised primarily of various infrastructure asset renewal projects. These additions were funded by institutional reserves and proceeds from bonds. The following is a breakdown of the net additions for fiscal year ended June 30, 2021 and 2020:

Net Capital Additions
(Amounts in thousands)

		2021	2020
Net additions:			
Land and land improvements	$	164	—
Works of art/historical treasures		—	6
Buildings and building improvements		1,968	23,724
Infrastructure		7,434	5,113
Equipment and other assets		2,165	1,216
Construction in progress, net		(3,188)	(15,920)
Net total additions	$	8,543	14,139

Deferred Outflows of Resources

During fiscal year 2021, the deferred outflows of resources consist of deferred amounts from debt refunding and pensions. In fiscal year 2021, the deferred outflows of resources related to debt refunding increased by $22.2 million, due to the recognition of deferred outflows from the Series 2020D bond issuance, partially offset by the amortization of the deferred amounts, while the deferred outflows relating to pensions increased by $66.6 million, due to changes in proportion of the allocated pension liability and changes in actuarial assumptions used to calculate the pension liability.

Liabilities

Current Liabilities

Current liabilities decreased by $27.4 million from $58.9 million as of June 30, 2020 to $31.5 million as of June 30, 2021. This decrease was mainly due to the long-term debt restructuring which reduced current debt service payments. The debt service payments made by the College to the trustee in June for payment to bondholders on July 1 are reported in accounts payable and accrued expenses.

Noncurrent Liabilities

During fiscal year 2021, noncurrent liabilities increased by $105.8 million, primarily due to a $65.6 million increase of the net pension liability under GASB 68 and a $42.5 million increase in bonds payable and other long-term obligations from the Series 2020D debt restructuring.

Long-Term Debt

The use of debt has been a key component in the College's transformation into a selective institution that has earned national recognitions for its commitment to academic excellence. The attractiveness of the College's facilities is an important factor in the College's ability to recruit highly qualified students. At June 30, 2021, the College had $358.7 million, in outstanding bonds and other long-term obligations including bond premium, issued by the New Jersey Educational Facilities Authority. TCNJ's debt burden is a characteristic of many New Jersey state colleges and universities due primarily to the lack of state capital support historically and TCNJ's strategic choice to invest and reinvest in state-of-the-art facilities.

The College's long-term debt structure is all fixed-rate with no interest rate swaps. Additional information about the College's existing long-term liabilities is presented in note 9 to the financial statements.

Deferred Inflows of Resources

During fiscal year 2021, the deferred inflows of resources consisting of deferred amounts relating to pensions of $49.7 million, increased by $18.7 million or 60.2% from the prior fiscal year. This represents the College's proportionate share recognized under GASB 68 for each fiscal year.

Net Position

Net position represents the residual interest in the College's assets and deferred outflows of resources after all liabilities and deferred inflows are deducted. Net position is one indicator of the financial condition of the College, while the change in net position during the year is a measure of whether the overall condition has improved or worsened during the year.

The College's net position before the GASB 68 adjustment to the financial statements in fiscal year 2021 increased $3.3 million, yet due to the recording of $17.7 million in net pension expense under GASB 68, the reported net position showed a decrease of $14.4 million or 4.9%.

At June 30, 2021 the total net position was reflected in the following three component categories:

- Net investment in capital assets represents the College's capital assets, net of accumulated depreciation and outstanding debt attributable to the acquisition, construction, or improvement of those assets. During fiscal year 2021, this category decreased $56.7 million, due to the net decrease of $19.8 million in capital assets and the $36.9 million increase in outstanding debt attributable to those assets.
- Restricted expendable net position represents resources that are subject to externally imposed stipulations regarding their use, but are not required to be maintained in perpetuity. During fiscal year 2021, this category decreased by $12.7 million due to the reduction in debt service payments from the Series 2020D bond restructuring.
- Unrestricted net position is not subject to externally imposed stipulations although these resources may be designated for specific purposes by the College's management or Board of Trustees. In fiscal year 2021, this category had an increase of $55.1 million, primarily due to the recording of the College's proportionate share of pension expense and related deferred outflows of resources, net pension liability and deferred inflows of resources under GASB 68 coupled with investment appreciation.

Statement of Revenues, Expenses and Changes in Net Position

The Statement of Revenues, Expenses and Changes in Net Position present the College's results of operations. The statement distinguishes revenues and expenses between operating and nonoperating categories, and provides a view of the College's performance. Generally speaking, operating revenues are received for providing goods and services to the various customers and constituencies of the College. Operating expenses are incurred in the normal operation of the College, including a provision for estimated depreciation on capital assets. Revenues and expenses are recognized when earned or incurred regardless of when the cash is received or paid.

Certain revenue sources that the College relies on for operations, including state appropriations and investment income, are required by GASB to be classified as nonoperating revenues. Nonoperating expenses primarily include interest expense and amortization expense related to the deferred outflows of resources from debt refunding. The College will likely always report an operating loss due to the types of revenues classified as nonoperating. Therefore, the change in net position is more indicative of the overall financial results for the fiscal year.

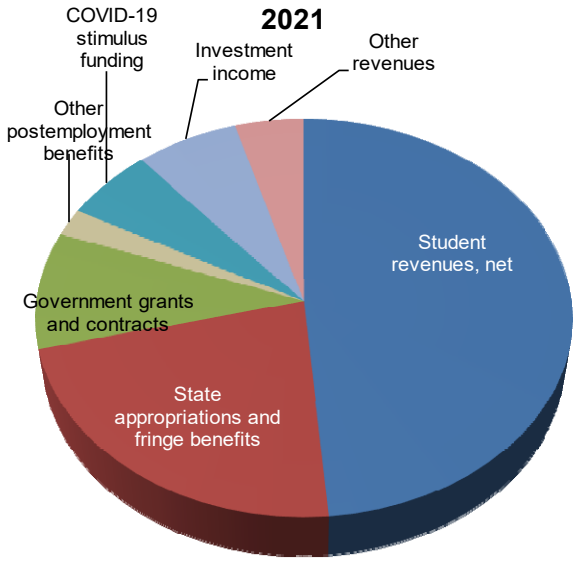
A summary of the College's revenues, expenses, and changes in net position for the fiscal years ended June 30, 2021, and 2020 are as follows:

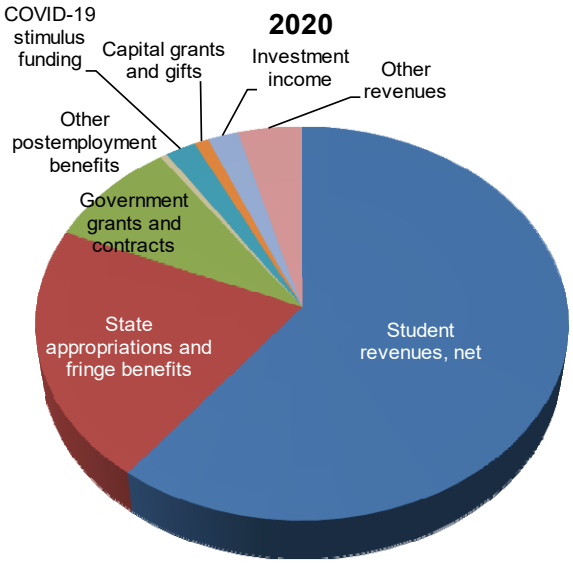
Condensed Statements of Revenues, Expenses and Changes in Net Position (Amounts in thousands)		2021	2020
Net student revenues	$	111,382	145,106
Government grants and contracts		21,751	21,235
Auxiliary activities		2,792	5,502
Other		4,497	5,515
Operating revenues		140,422	177,358
Instruction and research		81,724	79,065
Academic support		17,339	17,278
Student services		21,574	21,538
Operation and maintenance of plant		27,088	26,499
Institutional support		27,305	24,626
Auxiliary activities		15,667	30,171
Other postemployment benefit expense		5,006	1,112
Depreciation		29,163	28,014
Other		9,029	9,512
Operating expenses		233,895	237,815
Operating loss		(93,473)	(60,457)
State appropriations and fringe benefits		51,664	50,394
Other postemployment benefit revenue		5,006	1,112
COVID-19 stimulus funding		13,530	4,880
Investment income		15,489	4,847
Other expenses, net		(6,574)	(12,147)
Net nonoperating revenues		79,115	49,086
Capital grants and gifts		—	2,259
Change in net position		(14,358)	(9,112)
Net position, beginning of year		292,238	301,350
Net position, end of year	$	277,880	292,238

Statement of Revenues, Expenses and Changes in Net Position Financial Highlights

Revenues

The following is an illustration of revenues by source (both operating and nonoperating), that were used to fund the College's activities for the fiscal year ended June 30, 2021 and 2020:





	2021		2020	
	Amount	Percent	Amount	Percent
	(Amounts in thousands)			
Student revenues, net	$ 111,382	48.5%	$ 145,106	60.5%
State appropriations and fringe benefits	51,664	22.6%	50,394	21.0%
Government grants and contracts	21,751	9.5%	21,235	8.9%
Other postemployment benefits	5,006	2.2%	1,112	0.5%
COVID-19 stimulus funding	13,530	5.9%	4,880	2.0%
Capital grants and gifts	—	0.0%	2,259	0.9%
Investment income	15,489	6.8%	4,847	2.0%
Other revenues	10,242	4.5%	10,105	4.2%
	$ **229,064**	**100.0%**	$ **239,938**	**100.0%**

The College's revenue diversity is somewhat limited, with student-derived revenues (net tuition and auxiliary revenues) accounting for approximately 49% of the total revenue in fiscal 2021, followed by state appropriations at 23%, and government grants and contracts at almost 10%.

Operating Revenues

Operating revenues represent resources generated by the College in fulfilling its instruction, research and public service mandate. Total operating revenues decreased by $36.9 million in fiscal year 2021 as a result of the significant loss in revenue from auxiliary activities and reduction in tuition and fees charges due to the COVID-19 pandemic.

Tuition and Fees

Tuition and fees revenues decreased $3.4 million, or 2.5%, in fiscal year 2021, primarily due to the College's continued strategic efforts to keep the cost of education affordable coupled with the financial crisis that resulted from the COVID-19 pandemic. Tuition rate was held flat and there was an overall 12.5% reduction in mandatory fees for undergraduate students coupled with targeted reduction in graduate student fees.

Student Housing and Fees

In fiscal year 2021, student housing and fees decreased by $30.8 million or 78.6%. The impacts of the COVID-19 public health crisis and the State of New Jersey mandate resulted in the migration of instructional modality to online delivery for the fall 2020 semester. The majority of residential students were not permitted to live on campus during the fall 2020 semester and for spring 2021, only a limited number of students were housed due to the continued COVID-19 restrictions. In addition, fiscal year 2021 room rates were held flat and there was a reduction in the meal plan cost.

Scholarship Allowance

Scholarship allowance decreased by $519 thousand, or 1.6%, in fiscal year 2021 due to increases in federal and state scholarships that were offset by a decrease in institutional funded scholarships as reflected in the table below.

Scholarship Allowance
(Amounts in thousands)

		2021	2020
State scholarships	$	8,627	8,373
Federal scholarships		7,003	6,641
Institutional scholarships		15,511	16,646
Total scholarships	$	31,141	31,660

Government Grants and Contracts

The College recognizes revenues associated with the direct costs of grants and contracts as the related eligible expenditures are incurred. In fiscal year 2021, government grants and contracts had a net increase of $516 thousand primarily due to an increase in federal financial aid grants.

Auxiliary Activities

Auxiliary activities, which are self-supporting activities decreased $2.7 million from $5.5 million in fiscal year 2020 to $2.8 million in fiscal year 2021. Included in auxiliary activities are revenues derived primarily from food service vendor contributions, commissions, student center and conference center operations, and summer camp activities. In fiscal year 2021, student center and conference center operations and summer camp activities were minimal due to continued COVID-19 restrictions.

Nonoperating Revenues

Nonoperating revenues are those not generated by the College's core mission and include such funding sources as investment income and New Jersey State support, appropriations and funding for fringe and other postemployment benefits.

New Jersey State Appropriations

In fiscal year 2021, New Jersey state appropriations represented approximately 23.1% of all operating and non-operating revenues. The level of state support is a key factor influencing the College's overall financial condition. The state appropriations include amounts appropriated by the State Legislature and employees' fringe benefits paid by the State.

The College reimburses the State for the fringe benefit costs for the number of employees who exceed the state authorized position count of 859 for TCNJ. Even though state appropriations are considered nonoperating revenue for financial reporting purposes, the total amount supports operating expenses.

In fiscal year 2021, the operating state support to the College increased by $5.4 million due to the restoration of the College's budgeted appropriation to pre-COVID-levels by the State. The state appropriation was reduced in fiscal year 2020 due to the fiscal crisis brought on by the COVID-19 pandemic. The increase in the state appropriation was offset by a reduction in fringe benefit appropriations allocated for the state authorized positions.

The breakdown of the state appropriations at June 30, 2021, and 2020 are as follows:

State Appropriations (Amounts in thousands)

		2021	2020
State appropriations	$	28,708	23,357
Fringe benefits		22,956	27,037
Gross state support	$	51,664	50,394

Other Postemployment Benefit Revenue

The fiscal year 2021 other postemployment benefit (OPEB) revenue represents the College's proportionate share of OPEB expenses under GASB 75. This non-cash revenue is a direct offset of the OPEB expenses that were recognized in fiscal year 2021. See note 11 for additional information on OPEB.

Investment Income

Investment income includes interest and dividend income as well as realized and unrealized gains and losses. During fiscal year 2021, the strong stock market performance resulted in significant appreciation of the investment portfolio, yielding total return of approximately $15.5 million or 19.5%.

COVID-19 Stimulus Funding

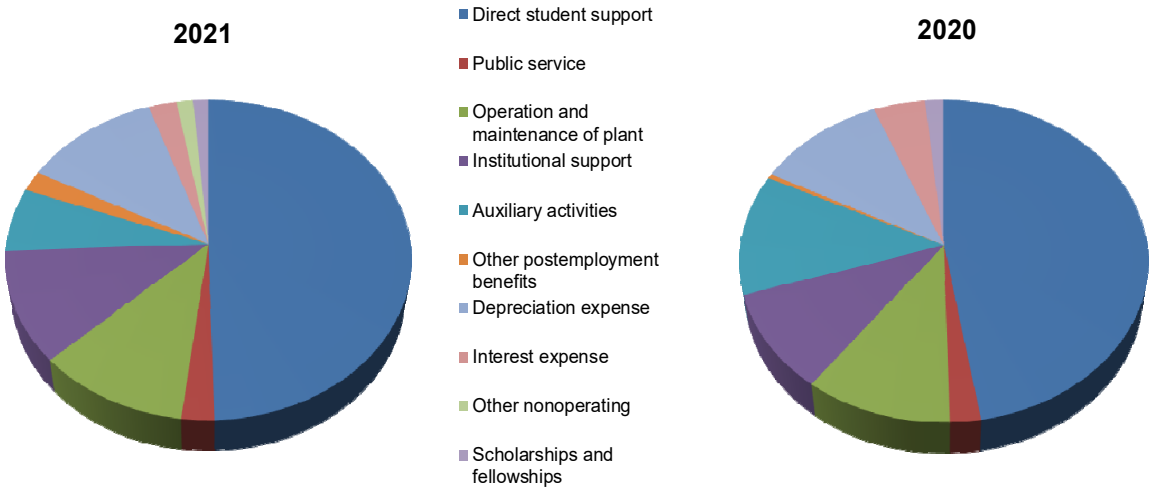
In fiscal year 2021, the College recognized $13.5 million in revenue from various COVID-19 stimulus funding sources, including Higher Education Emergency Relief Fund (HEERF), Governor's Emergency Education Relief Fund (GEERF), and Coronavirus Relief Fund (CRF). These funds were used to provide $1.6 million in grants to

students and reimburse the College for $11.9 million in lost revenues and COVID-19 related expenses. Amounts received from grants for which eligibility requirements have not been met under the terms of the agreements are included in unearned revenue in the statements of net position.

In fiscal year 2020, the College recognize $4.9 million in revenue from the HEERF. These funds were used to provide $2.4 million in grants to students and reimburse the College for $2.4 million in lost revenues.

Expenses

The following is an illustration of total expenses by function (both operating and nonoperating), for the fiscal year ended June 30, 2021 and 2020:



	2021		2020	
	Amount	Percent	Amount	Percent
			(Amounts in thousands)	
Instruction and research	$ 81,724	33.6%	$ 79,065	31.7%
Academic support	17,339	7.1%	17,278	6.9%
Student services	21,574	8.9%	21,538	8.6%
Direct student support	120,637	49.6%	117,881	47.2%
Public service	5,764	2.4%	5,554	2.2%
Operation and maintenance of plant	27,088	11.1%	26,499	10.6%
Institutional support	27,305	11.2%	24,626	9.9%
Auxiliary activities	15,667	6.4%	30,171	12.1%
Other postemployment benefits	5,006	2.1%	1,112	0.7%
Depreciation expense	29,163	12.0%	28,014	11.2%
Interest expense	6,005	2.5%	11,235	4.5%
Other nonoperating	3,522	1.4%	—	0.0%
Scholarships and fellowships	3,265	1.3%	3,958	1.6%
	$ **243,422**	**100.0%**	$ **249,050**	**100.0%**

The College has consistently demonstrated its commitment to preserving the quality of its academic programs despite the challenging state funding environment by continuing to allocate a significant portion of its expenses to direct student support (instruction, research, academic support and student services) and to college-funded scholarships which are reported as a reduction of student revenues in the financial statements.

Operating Expenses

In fiscal year 2021, total operating expenses were $233.9 million, representing an overall net decrease of $3.9 million or 1.6%, over the previous fiscal year total of $237.8 million. The College had $11.6 million in salary and fringe savings from furloughs, reduced discretionary spending, and had expense reductions in auxiliary activities and fuel and utilities as a result of the campus closure. These decreases were offset by a $16.8 million increase in net pension expense and a $3.9 million increase in the College's proportionate share of the OPEB expense.

Instruction and Research

The combination of instruction and research represents the College's largest operating expense category. In fiscal year 2021, the decrease in instruction was due to salary and fringe savings from furloughs and non-salary expense reductions which were offset by a $5.2 million increase in net pension expense. The increase in research was due to an increase in grant-funded salary and fringe plus a $2.6 million increase in net pension expense.

Academic Support

In fiscal year 2021, academic support expenses increased $61 thousand, or 0.4%. During fiscal year 2021, the reductions in salary, fringe and non-salary expenses were offset by the $1.4 million increase in net pension expense.

Public Service

Public service represents grant activities and academic enterprise programs geared toward community involvement and benefit, such as the Center for Community Engaged Learning and Research, Small Business Development Center, Sustainability Institute, and New Jersey AmeriCorps grants. This category increased by $210 thousand, or 3.8%, in fiscal year 2021 as a result of expense reductions that were offset by the $352 thousand increase in net pension expense.

Student Services

In fiscal year 2021, student service expenses increased by $36 thousand or 0.2%, due to expense reductions that were offset by the $2.7 million increase in net pension expense.

Operation and Maintenance of Plant

Operation and maintenance of plant increased by $589 thousand or 2.2% in fiscal year 2021 due to expense reductions that were offset by the $1.9 million increase in net pension expense.

Institutional Support

In fiscal year 2021, institutional support increased $2.7 million, or 10.9%, due to salary and fringe savings from furloughs and non-salary expense reductions which were offset by a $2.3 million increase in net pension expense. Additionally, the institutional overhead charged to auxiliaries was reduced in fiscal year 2021.

Auxiliary Activities

In fiscal year 2021, auxiliary activities decreased by $14.5 million, or 48.1%. The fiscal year 2021 decrease was primarily due to a $10.0 million reduction in food service costs, a $3.8 million reduction in institutional overhead charges, and salary and fringe savings from furloughs. These savings were partially offset by a $1.0 million increase in net pension expense.

Other Postemployment Benefit Expense

The fiscal year 2021 OPEB expense represents the College's proportionate share of OPEB expenses under GASB 75. OPEB expense increased by $3.9 million from $1.1 million in fiscal year 2020 to $5.0 million in fiscal year 2021. This non-cash expense is directly offset by the OPEB revenue that were recognized in fiscal year 2021. See note 11 for additional information on OPEB.

Depreciation Expense

Depreciation expense increased by $1.1 million, or 4.1% in fiscal year 2021, due to additional capital expenditures which were eligible to be depreciated.

Nonoperating Expenses

Nonoperating expenses are those not incurred by the College's core mission and include such activities as interest on debt and transactions with institutionally affiliated organizations.

Interest Expense

Interest expense decreased by $5.2 million, or 46.6% in fiscal year 2021, due to debt service savings achieved from the Series 2020D debt restructuring.

Transactions with Affiliates

The College's affiliates include The College of New Jersey Foundation (the Foundation) and the Trenton State College Corporation (the Corporation). Examples of transactions that are reflected in affiliate transfers include: funds disbursed from the Foundation for institutional scholarship support, restricted fund disbursements from the Foundation and transfer of properties from the Corporation. In fiscal year 2021, transactions with affiliates increased by $1.2 million, or 72.6%, primarily due to increased operating support and private grant transfers from the Foundation.

Other Revenues (Expenses), Net

In fiscal year 2021 other nonoperating revenue had a net increase of $899 thousand primarily due to an increase in bond administrative costs and amortization related to the Series 2020D bond issuance.

Coronavirus Outbreak

The spread of COVID-19 around the world has caused significant volatility in the United States and international economies and markets. In compliance with Executive Order #104 issued by Governor Phil Murphy of New Jersey on March 16, 2020, the College moved classes online, effective on March 23, 2020 for a two-week period following spring break and refunded pro-rated room and board charges for residential students in spring 2020 totaling $13.3 million.

Online course delivery was later extended for the fall 2020 and a hybrid format for spring 2021 semester. The majority of campus events scheduled during this timeframe were canceled or postponed. All but essential employees were required to work from home. Employee travel for business purposes was suspended. The results of operations for the fiscal year ending June 30, 2021 was affected by the impacts of the COVID-19 public health crisis on the College. The College collected minimal revenues for room and board in fall 2020 as on-campus housing was only provided to select students. Spring 2021 room and board revenues were significantly reduced due to COVID-19 restrictions for campus housing. In addition, there were reductions in certain mandatory fees related to on-campus presence.

To mitigate the adverse financial impacts, the College has significantly reduced discretionary spending, instituted a hiring freeze, suspended travel by College personnel and accepted approximately $21.9 million of total federal emergency relief funds from the HEERF, GEERF and CRF to be used to partially offset institutional losses. Of this $21.9 million, $11.9 million was recognized as revenue in fiscal year 2021. The College also received an additional $11.6 million of HEERF student grant funds, of which $1.6 million was disbursed to eligible students and recognized as revenue in fiscal year 2021. The total COVID-19 stimulus funding awards to date and revenue recognized in fiscal years 2020 and 2021 are as follows:

COVID-19 Stimulus Funding			
		2021	2020
	Award	Revenue	Revenue
HEERF I	$ 5,028	$ 148	$ 4,880
HEERF II	7,300	5,300	—
HEERF III	13,070	—	—
GEERF	1,878	1,878	—
CRF I	4,298	4,298	—
CRF II	1,906	1,906	—
Total	$ 33,480	$ 13,530	$ 4,880

See note 19 for additional information on the COVID-19 stimulus funding.

The College also acted early in the pandemic era to strengthen institutional finance. During the COVID-19 pandemic, the Board of Trustees and management took proactive steps to strategically restructure over $180.0 million of the College's outstanding debt. Because the college's debt was significantly front loaded, the restructure presented an opportunity to capture significant cash flow savings, provide flexibility to TCNJ, generate cash flow for opportunistic and strategic investments and reduce the near-term debt burden.

In addition, the College made pandemic-driven investments in health and safety (testing, physical facilities, telework), technology (classroom upgrades to support remote instruction), faculty training in virtual instruction, and graduate programs (marketing and new program initiatives), most with long-term benefit to the College. The College remains engaged in financial planning for fiscal 2022 and beyond and may need to take additional actions to offset any adverse financial effects of the continuing COVID-19 pandemic. The health and safety of its community members remains a paramount concern to the College, which will continue to follow all government directives issued during this public health crisis.

Economic Factors that Will Affect the Future

The College's long tradition of prudent management, cost containment, conservative budgeting and sensible investment strategies has allowed it to continue to strengthen its financial position through positive operating results and to weather unforeseen fiscal challenges.

Cognizant of the College's responsibility to allocate resources strategically and keep the cost of education at TCNJ affordable, the College will continue to identify areas for focused review and strategies to ensure the maintenance of its long-term financial health. These focused reviews will be coordinated with two major institutional initiatives, the new strategic planning framework and the enterprise risk management program. In fiscal year 2022, the College will be developing a new strategic plan that sets forth a clear set of actionable strategies that can be enacted to deliver on its mission, grow impact, and sustain financial strength in a post-pandemic era. The College has retained the services of a premier consulting firm to work as a strategic thought partner in collaboration with the Board of Trustees and campus community.

The state and national economy will continue to pose financial challenges for the College in the future. However, as a result of strategic planning efforts and a commitment to prudent fiscal management, TCNJ will continue to make significant strategic investments over the next several years based on our financial position.

A healthy student demand and favorable market position as evidenced by stable enrollment, our sustained ability to attract and retain high-achieving students and our consistently strong operating cash from margins and liquidity, are all factors in the positive outlook for The College of New Jersey. Management believes that the College is well positioned to continue providing excellence in educational programs to our students and service to the State and to achieve its strategic goal of long-term financial sustainability.

STATEMENT OF NET POSITION FOR BUSINESS-TYPE ACTIVITIES

June 30, 2021

(Amounts in thousands)

Assets	The College of New Jersey	Component Unit The College of New Jersey Foundation, Inc.	Component Unit Trenton State College Corporation	Total
Current assets:				
Cash and cash equivalents	$ 17,897	4,566	3,046	25,509
Receivables:				
Student accounts, net of allowance for doubtful accounts of $808	5,879	—	—	5,879
Student loans	770	—	—	770
Grants, net of allowance for doubtful accounts of $69	3,341	—	—	3,341
Due from State of New Jersey (note 5)	7,448	—	—	7,448
Due from affiliates (note 3)	5,079	—	190	5,269
Other	3,276	182	—	3,458
Total receivables	25,793	182	190	26,165
Investments (notes 4 and 15)	78,170	7,760	—	85,930
Restricted deposits held with trustees (note 7)	4,111	—	—	4,111
Prepaid expenses and other assets	1,651	—	32	1,683
Total current assets	127,622	12,508	3,268	143,398
Noncurrent assets:				
Student loans receivable, net of allowance for doubtful loans of $132	1,340	—	—	1,340
Escrow deposits from tenants	—	—	78	78
Other assets	1,515	—	—	1,515
Investments (notes 4 and 15)	17,026	2,835	—	19,861
Restricted investments (note 15)	—	54,816	—	54,816
Capital assets, net (notes 6 and 16)	646,488	—	5,640	652,128
Total noncurrent assets	666,369	57,651	5,718	729,738
Total assets	793,991	70,159	8,986	873,136
Deferred Outflows of Resources				
Deferred amounts from debt refunding	50,276	—	—	50,276
Deferred amounts from pensions (note 11)	89,565	—	—	89,565
Total deferred outflows of resources	139,841	—	—	139,841
Liabilities				
Current liabilities:				
Accounts payable and accrued expenses (note 8)	18,215	103	28	18,346
Compensated absences – current portion (note 12)	4,959	—	—	4,959
Due to affiliates (note 3)	190	4,947	132	5,269
Unearned revenue and student deposits	5,633	—	—	5,633
Bonds payable – current portion, including net premium of $652 (note 9)	652	—	—	652
Other long-term obligations – current portion (note 9)	1,864	129	3	1,996
Total current liabilities	31,513	5,179	163	36,855
Noncurrent liabilities (note 9):				
Compensated absences – noncurrent (note 12)	557	—	—	557
U.S. and Government grants refundable	1,760	—	—	1,760
Bonds payable – noncurrent, including net premium of $6,168 (note 9)	358,088	—	—	358,088
Other long-term obligations (note 9)	4,018	1,328	76	5,422
Net pension liability (note 11)	210,300	—	—	210,300
Total noncurrent liabilities	574,723	1,328	76	576,127
Total liabilities	606,236	6,507	239	612,982
Deferred Inflows of Resources				
Deferred amounts from pensions (note 11)	49,716	—	—	49,716
Deferred amounts from charitable gift annuities	—	1,446	—	1,446
Total deferred inflows of resources	49,716	1,446	—	51,162
Net Position				
Net investment in capital assets	288,962	—	5,640	294,602
Restricted:				
Nonexpendable:				
Scholarships	—	14,554	—	14,554
Other programs	—	10,286	—	10,286
Expendable:				
Scholarships	—	16,591	—	16,591
Debt service and capital	577	—	—	577
Other	—	10,523	—	10,523
Student loans	743	—	—	743
Unrestricted	(12,402)	10,252	3,107	957
Total net position	$ 277,880	62,206	8,747	348,833

See accompanying notes to financial statements.

STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET POSITION FOR BUSINESS-TYPE ACTIVITIES

Year ended June 30, 2021
(Amounts in thousands)

	The College of New Jersey	Component Unit The College of New Jersey Foundation, Inc.	Component Unit Trenton State College Corporation	Total
Operating revenues:				
Student revenues:				
Student tuition and fees	$ 134,126	—	—	134,126
Less tuition scholarship allowances	(29,783)	—	—	(29,783)
Net student tuition and fees	104,343	—	—	104,343
Student housing and fees	8,397	—	—	8,397
Less housing scholarship allowances	(1,358)	—	—	(1,358)
Net student housing and fees	7,039	—	—	7,039
Federal grants and contracts	11,503	—	—	11,503
State of New Jersey grants and contracts	10,248	—	—	10,248
Auxiliary activities	2,792	—	1,182	3,974
Contributions	—	8,761	—	8,761
Interest on student loans receivable	55	—	—	55
Other operating revenues	4,442	3,523	—	7,965
Total operating revenues	140,422	12,284	1,182	153,888
Operating expenses:				
Instruction	64,653	—	—	64,653
Research	17,071	—	—	17,071
Academic support	17,339	—	—	17,339
Public service	5,764	—	—	5,764
Student services	21,574	—	—	21,574
Operation and maintenance of plant	27,088	—	333	27,421
Institutional support	27,305	—	—	27,305
Scholarships and fellowships	3,265	1,440	—	4,705
Auxiliary activities	15,667	—	896	16,563
Fundraising and program services	—	742	—	742
Other postemployment benefits (note 11)	5,006	—	—	5,006
Depreciation	29,163	—	308	29,471
Total operating expenses	233,895	2,182	1,537	237,614
Operating (loss) income	(93,473)	10,102	(355)	(83,726)
Nonoperating revenues (expenses):				
State of New Jersey appropriations	28,708	—	—	28,708
State of New Jersey fringe benefits (note 10)	22,956	—	—	22,956
Other postemployment benefits (note 11)	5,006	—	—	5,006
COVID-19 stimulus funding	13,530	—	—	13,530
Investment income	15,489	9,636	4	25,129
Interest expense	(6,005)	—	—	(6,005)
Transactions with affiliates (note 3)	2,953	(6,458)	—	(3,505)
Gain on charitable gift annuities	—	5	—	5
Other expenses, net	(3,522)	—	4	(3,518)
Net nonoperating revenues (expenses)	79,115	3,183	8	82,306
(Loss) income before additions to permanent endowments	(14,358)	13,285	(347)	(1,420)
Additions to permanent endowments	—	761	—	761
(Decrease) increase in net position	(14,358)	14,046	(347)	(659)
Net position as of beginning of year	292,238	48,160	9,094	349,492
Net position as of end of year	$ 277,880	62,206	8,747	348,833

See accompanying notes to financial statements.

STATEMENT OF CASH FLOWS FOR BUSINESS-TYPE ACTIVITES

(College only)
Year ended June 30, 2021
(Amounts in thousands)

		2021
Cash flows from operating activities:		
Student tuition and fees	$	100,504
Federal and State grants and contracts		25,440
Payments to suppliers		(42,601)
Payments to employees		(112,181)
Payments for benefits		(5,463)
Student housing and auxiliary activities		10,586
Other receipts, net		1,513
Net cash used in operating activities		(22,202)
Cash flows from noncapital financing activities:		
New Jersey State appropriations		28,708
Other receipts, net		17,595
Net cash provided by noncapital financing activities		46,303
Cash flows from capital and related financing activities:		
Purchase of capital assets		(14,227)
Net withdrawals from deposits held with trustees		16,175
Bond debt retirement		(179,504)
Proceeds from bond issuance		182,185
Bond issuance costs		(2,657)
Principal payments on bonds and other obligations		(12,768)
Interest payments on bonds and other obligations		(9,881)
Net cash used in capital and related financing activities		(20,677)
Cash flows from investing activities:		
Interest on investments		45
Net cash provided by investing activities		45
Net change in cash and cash equivalents		3,469
Cash and cash equivalents as of beginning of year		14,428
Cash and cash equivalents as of end of year		17,897
Reconciliation of operating loss to net cash used in operating activities:		
Operating loss	$	(93,473)
Adjustments to reconcile operating loss to net cash used in operating activities:		
Other postemployment benefits	$	5,006
Depreciation		29,163
State of New Jersey fringe benefits		22,956
Gifts-in-kind		10
Changes in assets and liabilities:		
Receivables, net		(8,057)
Prepaid expenses		(379)
Deferred outflows of resources		(66,648)
Accounts payable and accrued expenses		5,158
Accrued salaries		(2,167)
Other accrued expenses		836
Due to affiliates		(155)
Unearned revenue and student deposits		1,210
Net pension liability		65,649
Deferred inflows of resources		18,689
Net cash used in operating activities	$	(22,202)

See accompanying notes to financial statements.

STATEMENT OF FIDUCIARY NET POSITION

June 30, 2021

(Amounts in thousands)

Assets		2021
Current assets:		
Other receivables	$	66
Prepaid expenses		90
Total current assets		90
Total assets		90
Liabilities		
Current liabilities:		
Accounts payable and accrued expenses		21
Total current liabilities		21
Total liabilities		21
Net Position		
Total net position	$	135

See accompanying notes to financial statements.

STATEMENT OF REVENUES, EXPENSES AND CHANGES IN FIDUCIARY NET POSITION

Year ended June 30, 2021
(Amounts in thousands)

		2021
Additions:		
Assessment income	$	3,643
Total additions		3,643
Deductions:		
Insurance premium payments		3,366
Administrative expenses		248
Total deductions		3,614
Increase in net position		29
Net position as of beginning of year		106
Net position as of end of year	$	135

See accompanying notes to financial statements.

(1) Organization

The College of New Jersey (the College or TCNJ) is a mid-sized, comprehensive public college that concentrates primarily on the undergraduate experience. Baccalaureate and master's degrees are offered through the academic programs of the College's seven schools (Arts and Communication; Business; Education; Humanities and Social Science; Science; Nursing, Health, and Exercise Science; and Engineering). In the fall of 2020, TCNJ enrolled 6,987 full-time equivalent undergraduate students and 437 full-time equivalent graduate students. The College has residential facilities that house more than half of the students on campus.

The College is recognized as a public institution of higher education by the State of New Jersey (the State) and, accordingly, the State Legislature appropriates funds annually to support the College. Under the law, the College is an instrumentality of the State with a high degree of autonomy. However, pursuant to the provisions of Governmental Accounting Standards Board (GASB) Statement No. 14, *The Financial Reporting Entity*, as amended, the College is considered to be a component unit of the State for financial reporting purposes. Accordingly, the financial statements of the College are included in the State's Annual Comprehensive Financial Report.

The College's financial statements and notes thereto include the financial statements of The College of New Jersey Foundation, Inc. (the Foundation) and The Trenton State College Corporation (the Corporation). The Foundation and the Corporation are discretely presented component units in the College's financial statements. Additional information about the Foundation is presented in notes 3 and 15. Additional information about the Corporation is presented in notes 3 and 16.

The College's financial statements and notes also include the New Jersey Risk Management consortium (NJRM) as a fiduciary component unit of the College in accordance with GASB Statement No. 84, *Fiduciary Activities* (GASB 84). Pursuant to New Jersey Statute 18A:64-88, any two or more state colleges or universities may form and become members of a risk management group. Such a group may participate in any joint liability funds, risk management programs or related services offered or provided by the group; has the power to establish funds for authorized coverages and to jointly purchase insurance or coverages under a master policy or contract of insurance for participating members; has the power to take other actions necessary to develop, administer, and provide risk management programs, joint liability funds, joint insurance purchases, and related services; and; is not considered or deemed to be an insurance company or insurer.

The participating institutions in the NJRM are supported by the Risk Manager for the New Jersey State Colleges and Universities, who is based out of TCNJ. The Risk Manager reports to the New Jersey State Colleges and Universities Vice Presidents for Administration and Finance Council, who delegates the supervision of the Risk Manager to TCNJ's Vice President and Treasurer. The Risk Manager oversees the purchase of various insurances either directly with insurance agents or through insurance brokers, and provides general risk management support services to the colleges and universities in the group.

TCNJ serves as the fiscal agent for NJRM. As the fiscal agent, TCNJ receives purchasing approval or waiver of advertising via the College's Board of Trustees; issues premium payments on behalf of the group; and; invoices and receives reimbursement from group members for their share. TCNJ also invoices and receives reimbursement from group members for their share of the risk management program operating assessment, which includes administrative expenses for the program.

(2) Summary of Significant Accounting Policies

(a) Basis of Presentation

The accounting policies of the College conform to all U.S. generally accepted accounting principles as applicable to public colleges and universities.

GASB Statement No. 35, *Basic Financial Statements — and Management's Discussion and Analysis—for Public Colleges and Universities—an amendment of GASB Statement No. 34* (GASB 35), establishes standards for external financial reporting for public colleges and universities and requires that resources be classified for accounting and reporting purposes into the following net position categories.

- ***Net investment in capital assets:*** Capital assets, net of accumulated depreciation, outstanding principal balances of debt, and restricted deposits held with trustees attributable to the acquisition, construction, or improvement of those assets.
- ***Restricted:***

  Nonexpendable: Net position that is subject to externally imposed stipulations and must be maintained permanently by the College.

  Expendable: Net position that is subject to externally imposed stipulations that can be fulfilled by actions of the College pursuant to the stipulations or that expire by the passage of time.
- ***Unrestricted:*** Net position that is not subject to externally imposed stipulations and may be designated for specific purposes by action of management to the board of trustees.

When an expense is incurred that can be paid using either restricted or unrestricted resources, the College's policy is to first apply the expense towards restricted resources and then towards unrestricted resources.

(b) Measurement Focus and Basis of Accounting

The accompanying financial statements have been prepared on the accrual basis of accounting using the economic resources measurement focus. The College reports as a business-type activity, as defined by GASB 35. Business-type activities are those that are financed in whole or in part by fees charged to external parties for goods or services. The College reports NJRM as a fiduciary activity, as defined by GASB 84. Assets, liabilities, net position, additions, and deductions related to NJRM are accounted for in a fiduciary fund.

(c) Cash and Cash Equivalents

Cash and cash equivalents consist of cash on hand and all highly liquid investments purchased with an original maturity of three months or less, except for those managed as a component of the College's investment portfolio. The balance includes deposits with Wells Fargo Bank and the State of New Jersey Cash Management Fund. The State of New Jersey Cash Management Fund is a large-scale investment program with amounts contributed by other state entities. These investments consist primarily of U.S. Treasury issues, commercial paper, certificates of deposit, obligations of government agencies and corporate bonds. The State of New Jersey Cash Management Fund is classified as a cash equivalent as it is a highly liquid investment purchased with an original maturity of three months or less and it is used to support the daily cash flow needs of the College.

(d) Restricted Deposits Held with Trustees

Restricted deposits held with trustees are reflected at fair value, which is based on quoted or published market prices in an active market. Purchases and sales of investments are accounted for on the trade-date basis. Investment income is recorded on an accrual basis.

(e) Investments

Investments are reflected at fair value, which is based on quoted or published market prices or other fair value measurement methods allowed by GASB Statement No. 72, *Fair Value Measurement and Application*. Purchases and sales of investments are accounted for on the trade-date basis. Investment income is recorded on an accrual basis. Changes in fair value (including both realized and unrealized gains and losses) are reported in investment income.

(f) Capital Assets

Capital assets include land, buildings, equipment, works of art, and infrastructure assets, such as roads and sidewalks. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Building improvements and infrastructure costing over $5, equipment items with a unit cost of $5 or more, land improvements over $20, and software implementation over $100 are capitalized. Leasehold improvements are capitalized using the building improvement and equipment thresholds and are depreciated over the life of the lease. Donated capital assets are recorded at estimated fair market value at the date of donation. The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend assets' lives are not capitalized. Major outlays for capital assets and improvements are capitalized as projects are constructed. Works of art or historical treasures that are held for public exhibition, education, or research in furtherance of public service are capitalized.

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

Capital asset	Useful lives
Buildings	30 to 50 years
Infrastructure	5 to 35 years
Land and building improvements	5 to 25 years
Leasehold improvements	10 years
Equipment and other assets	5 to 10 years

Estimated costs to complete the projects classified as construction in progress are approximately $13,924 Such construction costs are anticipated to be financed by proceeds from long-term debt, capital grants, and capital reserves.

(g) Deferred Outflows of Resources

Deferred outflows of resources represent unamortized amounts from debt refunding and amounts related to changes in the net pension liability.

(h) Deferred Inflows of Resources

Deferred inflows of resources represent amounts related to changes in the net pension liability and amounts related to The College of New Jersey Foundation's (the Foundation) remainder interest in irrevocable charitable gift annuity agreements.

(i) Revenue Recognition

Revenues from student tuition and fees and auxiliary activities are presented net of scholarships applied to student accounts and are recognized in the period earned. Tuition waivers and other payments made directly to students are presented as scholarships and are included in operating expenses in the period incurred. Student tuition and fees and deposits collected in advance of the fiscal year are recorded as unearned revenue in the accompanying statement of net position.

Grant revenue is comprised mainly of funds received from grants from Federal and State of New Jersey sources and is recognized when all eligibility requirements for revenue recognition are met which is generally the period in which related expenses are incurred. Amounts received from grants for which eligibility requirements have not been met under the terms of the agreements are included in unearned revenue in the accompanying statement of net position.

Revenue from State of New Jersey appropriations is recognized in the fiscal year during which the State of New Jersey appropriates the funds to the College.

(j) Student Activity Fees

It is the policy of the College to collect the student activity fees (SAF) for the Student Finance Board (the Board) and periodically transfer SAF funds to the Board as the SAF is paid by students. The Board is a student-represented board of nineteen undergraduates who are delegated the responsibility to assess, allocate and distribute the SAF and the student activities fund (the total amount of money available from the SAF) in a financially responsible manner for the purpose of engaging TCNJ students in constructive programming and services that promote the values of education, entertainment, service, diversity and recreation. The Board of Trustees has delegated responsibility for SAF funds to the President of the College, who in turn has delegated it to the Vice President for Student Affairs, who has delegated it to the Board. The Board has separate cash accounts with Wells Fargo and the New Jersey Cash Management Fund to facilitate management of the student activities fund. However, the Board is not a legally separate entity and the financial activities of the Board are reported within the financial statements of the College.

The Board is responsible for determining the allocation of funds and the ultimate distribution of funds to various clubs, service organizations and other student groups for the purpose of enriching the co-curricular life of the College community.

The Board is also responsible for administering funds for certain organizations controlled by TCNJ, such as the Residence Hall Association.

In addition, some student organizations choose to have the Board act as a “bank” for their fundraising dollars. The Board administers the funds as requested by each student organization, and balances carry over from year-to-year.

Due to the COVID-19 pandemic limiting on-campus presence and activities, there was no SAF assessed to students in fiscal year 2021. As of June 30, 2021, $15 was due to be transferred from the College’s bank account to the Board’s bank account for SAF funds collected during fiscal year 2021 from prior year student accounts receivable.

(k) Operating Activities

The College’s policy for defining operating activities as reported on the statement of revenues, expenses and changes in net position are those that serve the College’s principal purpose and generally result from exchange transactions such as the payment received for services and payment made for the purchase of goods and services. Examples include: student tuition and fees, net of scholarship allowances, and most Federal, State and private grants and contracts. Certain significant revenue streams relied upon for operations are recorded as nonoperating revenue, as defined by GASB 35, including state appropriations, gifts, and investment income. Interest expense is reported as a nonoperating expense.

(l) Adoption of Accounting Pronouncements

In January 2017, the GASB issued Statement No. 84, *Fiduciary Activities* (GASB 84). This Statement improves the guidance regarding the identification of fiduciary activities for accounting and financial reporting purposes and how those activities should be reported. The requirements of this Statement are effective for reporting periods beginning after December 15, 2019 (fiscal year 2021). The adoption of GASB 84 required the inclusion of the Statement of Fiduciary Net Position and Statement of Changes in Fiduciary Net Position related to NJRM which is a fiduciary component unit of the College. Beginning net position included in the Statement of Fiduciary Net Position and Statement of Changes in Fiduciary Net Position as a result of the adoption is $106.

(m) Accounting Pronouncements Applicable to the College, Issued but Not Yet Effective

In June 2017, the GASB issued Statement No. 87, *Leases*. This Statement improves the accounting and financial reporting for leases by governments. This Statement requires recognition of certain lease assets and liabilities for leases that previously were classified as operating leases and recognized as inflows of resources or outflows of resources based on the payment provisions of the contract. The requirements of this Statement are effective for reporting periods beginning after June 15, 2021 (fiscal year 2022). The College is evaluating the impact of this new standard.

In March 2020, the GASB issued Statement No. 94, *Public-Private and Public-Public Partnerships and Availability Payment Arrangements*. This Statement improves financial reporting by addressing issues related to public-private and public-public partnership arrangements. This Statement also provides guidance for accounting and financial reporting for availability payment arrangements. The requirements of this Statement are effective for reporting periods beginning after June 15, 2022 (fiscal year 2023). The College is evaluating the impact of this new standard.

In May 2020, the GASB issued Statement No. 96, *Subscription-Based Information Technology Arrangements*. This Statement provides guidance on the accounting and financial reporting for subscription-based information technology arrangements for government end users. The requirements of this Statement are effective for reporting periods beginning after June 15, 2022 (fiscal year 2023). The College is evaluating the impact of this new standard.

In June 2020, the GASB issued Statement No. 97, *Certain Component Unit Criteria, and Accounting and Financial Reporting for Internal Revenue Code Section 457 Deferred Compensation Plans—an amendment of GASB Statements No. 14 and 84, and a supersession of GASB Statement No. 32*. This Statement (1) increases consistency and comparability related to the reporting of fiduciary component units; (2) mitigates costs associated with the reporting of certain defined contribution pension plans, defined contribution other postemployment benefit plans, and other employee benefit plans as fiduciary component units in fiduciary fund financial statements; and (3) enhances the relevance, consistency, and comparability of the accounting and financial reporting for Internal Revenue Code Section 457 deferred compensation plans that meet the definition of a pension plan and for the benefits provided through those plans. The requirements of this Statement related to items (1) and (2) are effective immediately. The requirements of this Statement related to item (3) are effective for reporting periods beginning after June 15, 2021 (fiscal year 2022). The College is evaluating the impact of this new standard.

(n) Income Taxes

The College is exempt from income taxes on related income pursuant to Federal and State tax laws as an instrumentality of the State of New Jersey.

(o) Use of Estimates

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

(3) Transactions with Affiliates

(a) The College of New Jersey Foundation, Inc.

The College of New Jersey Foundation, Inc. (the Foundation) has approved payments to the College for restricted scholarships, private grants, departmental funds, and institutional scholarship and operating support of $6,458 during fiscal year 2021. In addition, the Foundation contributed $1,321 of designated scholarship support to the College during fiscal year 2021 which is part of students' financial aid. The College provides certain administrative functions on behalf of the Foundation. The costs of salaries and benefits for administrative functions were not charged to the Foundation in fiscal year 2021.

As of June 30, 2021, a receivable of $4,947 was due from the Foundation. Additional information about the Foundation is presented in note 15 to the financial statements.

(b) Trenton State College Corporation

The Trenton State College Corporation (the Corporation) assists in the development and growth of the College through property acquisitions and facilities management. The New Jersey Board of Higher Education approved the Corporation on April 15, 1988, in accordance with the Public College Auxiliary Organizations Act, P.L. 1982. Additional information about the Corporation is presented in note 16 to the financial statements.

During fiscal year 2021, the College incurred $387, in rent and related expenses paid to the Corporation for usage of space in homes owned by the Corporation. In addition, the College reimbursed the Corporation for expenses associated with the maintenance of College owned properties. As of June 30, 2021, there were outstanding payables of $190 due to the Corporation relating to these expenses.

Additionally, the Corporation pays the College for the portion of salaries and benefits of College employees who perform functions for the Corporation and any expenses applicable to the Corporation. This amounted to $387 as of June 30, 2021, of which $132 was due to the College as of June 30, 2021.

The Corporation purchases and maintains student housing facilities in order to provide additional housing for the College's students. During fiscal year 2021, the College reimbursed the Corporation for expenses incurred while maintaining the transfer housing facilities plus a management fee. The expenses reimbursed to the Corporation for transfer housing during fiscal year 2021 were $156.

Additional information about the College's transactions with the Corporation for Campus Town is presented in note 18 to the financial statements.

(4) Cash, Cash Equivalents and Investments

The carrying amount of cash and cash equivalents was $17,897 as of June 30, 2021, which included $7,356 held in the State of New Jersey Cash Management fund and $10,535 in various accounts at Wells Fargo Bank. The amount on deposit with Wells Fargo was $12,375 as of June 30, 2021. Of the amounts on deposit at Wells Fargo Bank, $250 was insured by the Federal Deposit Insurance Corporation (FDIC) and $8,853 was collateralized pursuant to New Jersey Statute 52:18-16-1. Cash on deposit at Wells Fargo Bank totaling $3,272 as of June 30, 2021 was uncollateralized.

The College participates in the State of New Jersey Cash Management Fund wherein amounts also contributed by other State entities are combined into a large scale investment program. The operations of the State of New Jersey Cash Management Fund are governed by the provisions of the State Investment Council Regulations for the purpose of determining authorized investments. Statutes of the State of New Jersey and Regulations of the State Investment Council authorize the New Jersey Division of Investment to invest in obligations of the U.S. Treasury, agencies, and municipal or political subdivisions of the State, commercial paper, bankers acceptances, revenue obligations of public authorities, debt instruments of banks, collateralized notes, mortgages, certificates of deposit, repurchase agreements, equity, and convertible equity securities and other common types of investment securities. Investee institutions and organizations are prescribed by the statutes and regulations based on such criteria as minimum capital, dividend paying history, credit history and other evaluation factors. The fair value of the State of New Jersey Cash Management Fund is based on the number of shares held by the College and the market price of those shares as of June 30, 2021. The Cash Management Fund is unrated with a portfolio maturity of less than one year.

The College has an investment policy approved by the Board of Trustees that establishes guidelines for permissible investments. The College may invest in equities, real estate assets, inflation hedge and fixed income assets.

The College's investments as of June 30, 2021 were as follows:

Investments		
		2021
Mutual funds:		
Domestic equities	$	8,948
International equities		11,572
Fixed income		12,688
Mutual funds total		33,208
U.S. Treasury bonds and notes		7,219
U.S. Government agencies		7,494
Corporate bonds		4,364
Municipal bonds		2,356
Commercial paper		1,374
Certificates of deposit		4,585
Exchange-traded funds		33,584
Cash and cash equivalents		1,012
Total	$	95,196

The College's investments are subject to various risks. Among these risks are credit risk and interest rate risk. Each one of these risks is discussed in more detail below.

Credit risk is the risk that an issuer or other counterparty to an investment will not fulfill its obligations. The credit risk of a debt instrument is measured by nationally recognized statistical rating agencies such as Moody's Investors Service, Inc. (Moody's).

As of June 30, 2021, the College's fixed income investments were rated as follows:

2021							
Fixed Income Investments Ratings							
Moody's Rating	Total	U.S. Treasury bonds and notes	U.S. Government agencies	Corporate bonds	Municipal bonds	Commercial paper	Certificates of deposit
Aaa	$ 14,813	7,219	7,494	—	100	—	—
Aa1	901	—	—	91	810	—	—
Aa2	1,602	—	—	244	742	—	616
Aa3	767	—	—	—	459	—	308
A1	1,630	—	—	1,429	—	—	201
A2	1,825	—	—	1,825	—	—	—
A3	775	—	—	775	—	—	—
P1	4,559	—	—	—	—	1,099	3,460
NR	520	—	—	—	245	275	—
	$ 27,392	7,219	7,494	4,364	2,356	1,374	4,585

The fixed income mutual funds of $12,688 as of June 30, 2021, were not rated.

The College's investment policy requires the following limits:

- Equities – No single corporation shall exceed 5% of the College's total stock portfolio. The College's ownership of the shares of one company shall not exceed 2% of those outstanding. Not more than 25% of stock valued at market value may be held in any one industry category.
- Corporate notes and bonds – Issuers must have a long-term rating of at least A- by Standard & Poor's or A3 by Moody's. The maximum maturity of any investment in this sector is limited to five years from time of purchase. No single issuer shall exceed 5% of the College's portfolio.
- Certificates of deposit – Issuers must have a minimum short-term rating of A-1 by Standard & Poor's or P1 by Moody's or a minimum long-term rating of A- by Standard & Poor's or A3 by Moody's. The maximum maturity of any investment in this sector is limited to five years from time of purchase.
- Commercial paper – Issuers must have a short-term rating of at least A-1 by Standard & Poor's or P1 by Moody's. The maximum maturity of any investment in this sector is limited to 270 days from time of purchase.
- Bankers' acceptances – Issuers must have a short-term rating of at least A-1 by Standard & Poor's and P1 by Moody's. The maximum maturity of any investment in this sector is limited to 180 days from time of purchase.
- Municipal debt obligations – Issuers must have a long-term rating of at least A- by Standard & Poor's or A3 by Moody's. The maximum maturity of any investment in this sector is limited to five years from time of purchase. No single issuer shall exceed 5% of the College's portfolio.
- Repurchase agreements – The maximum maturity of any investment in this sector is limited to 90 days at time of purchase. No single repurchase agreement counterparty shall exceed 15% of the College's portfolio.

- Money market funds – Funds must be rated AAm by Standard & Poor's or Aa-mf by Moody's. No single fund in this category shall exceed 15% of the College's portfolio.

Interest rate risk is the risk that changes in interest rates will adversely affect the fair value of a debt investment. The College's investment policy provides limitations in the maturities of various types of investments as a means of managing its exposure to fair value losses arising from interest rate fluctuations. As of June 30, 2021 the College's fixed income investments had maturity dates as follows:

2021							
Fixed Income Investments Maturity							
Maturing in years	Total	U.S. Treasury bonds and notes	U.S. Government agencies	Corporate bonds	Municipal bonds	Commercial paper	Certificates of deposit
Less than 1	$ 10,366	3,020	1,492	257	964	1,374	3,259
1 – 5	15,751	4,199	4,727	4,107	1,392	—	1,326
6 – 10	831	—	831	—	—	—	—
Greater than 10	444	—	444	—	—	—	—
	$ 27,392	7,219	7,494	4,364	2,356	1,374	4,585

Fair Value Measurement

Fair value is defined as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the financial statements measurement date. The fair value hierarchy categorizes the inputs to valuation techniques used to measure fair value into three levels as follows:

- Level 1 – unadjusted quoted or published prices for identical assets or liabilities in active markets that a government can access at the measurement date;
- Level 2 – quoted or published prices other than those included within Level 1 and other inputs that are observable for an asset or liability, either directly or indirectly; and
- Level 3 – unobservable inputs for an asset or liability.

The fair value hierarchy gives the highest priority to Level 1 inputs and the lowest priority to Level 3. When the fair value of an asset or a liability is measured using inputs from more than one level of the fair value hierarchy, the measurement is considered to be based on the lowest priority level that is significant to the entire measurement.

While the College believes its valuation methods are appropriate and consistent with other market participants, the use of different methodologies or assumptions to determine the fair value of certain financial instruments could result in a different estimate of fair value at the reporting date.

The following is a description of the valuation methodologies used for instruments measured at fair value:

- Mutual funds – The fair value of mutual funds are based on quoted market prices, when available, or market prices provided by recognized broker-dealers.
- U.S. Treasury bonds and notes – The fair value of debt and equity securities and funds are based on prices quoted in active markets for those securities.
- U.S. Government agencies – The fair value of government agencies are based on institutional bond quotes and evaluations based on various market and industry inputs.
- Corporate bonds – The fair value of corporate bonds are based on institutional bond quotes and evaluations based on various market and industry inputs.
- Municipal bonds – The fair value of municipal bonds are based on institutional bond quotes and evaluations based on various market and industry inputs.
- Commercial paper – The fair value of commercial paper is based on evaluations based on various market and industry inputs.
- Certificates of deposit – The fair value of certificates of deposit are based on evaluations based on various market and industry inputs.
- Exchange-traded funds – The fair value of exchange-traded funds are based on quoted market prices.
- Cash and cash equivalents – These investments are measured at amortized cost and have been excluded from fair value leveling.

The College's investments at June 30, 2021 are summarized in the following table by their fair value hierarchy:

2021				
Investments Measured at Fair Value				
		Fair value measurements using		
Investment	Total	Quoted prices in active markets for identical assets (Level 1)	Significant other observable inputs (Level 2)	Significant unobservable inputs (Level 3)
Investments by fair value level				
Mutual funds:				
Domestic equities	$ 8,948	8,948	—	—
International equities	11,572	11,572	—	—
Fixed income	12,688	12,688	—	—
Exchange-traded funds	33,584	33,584	—	—
U.S. Treasury bonds and notes	7,219	7,219	—	—
U.S. Government agencies	7,494	—	7,494	—
Corporate bonds	4,364	—	4,364	—
Municipal bonds	2,356	—	2,356	—
Commercial paper	1,374	—	1,374	—
Certificates of deposit	4,585	—	4,585	—
Total investments measured at fair value	$ 94,184	74,011	20,173	—

(5) Due from State of New Jersey

Due from the State of New Jersey consists of the following as of June 30, 2021:

Due from State of New Jersey		
		2021
FICA benefit reimbursement	$	6,587
Alternative Benefit Program		861
Total	$	7,448

(6) Capital Assets

Capital asset activity for the year ended June 30, 2021 was as follows:

2021 Capital Asset Activity		Beginning balance	Additions	Transfers/ retirements	Ending balance
Nondepreciable assets:					
Land	$	22,389	75	—	22,464
Works of art/historical treasures		915	—	—	915
Construction in progress		14,086	1,897	(5,085)	10,898
Total nondepreciable assets		37,390	1,972	(5,085)	34,277
Depreciable assets:					
Land improvements		836	89	—	925
Buildings		600,704	340	(463)	600,581
Building improvements		196,582	1,531	560	198,673
Leasehold improvements		1,456	—	—	1,456
Infrastructure		81,500	4,235	3,199	88,934
Equipment and other assets		103,930	1,355	810	106,095
Total depreciable assets		985,008	7,550	4,106	996,664
Total capital assets		1,022,398	9,522	(979)	1,030,941
Accumulated depreciation:					
Land improvements		(279)	(25)	—	(304)
Buildings		(198,108)	(12,147)	19	(210,236)
Building improvements		(55,912)	(7,739)	—	(63,651)
Leasehold improvements		(578)	(147)	—	(725)
Infrastructure		(25,014)	(3,798)	979	(27,833)
Equipment and other assets		(76,172)	(5,532)	—	(81,704)
Total accumulated depreciation		(356,063)	(29,388)	998	(384,453)
Capital assets, net	$	666,335	(19,866)	19	646,488

As of June 30, 2021, the College's bond obligations were collateralized by buildings and equipment with a book value of $500,274.

(7) Restricted Deposits Held with Trustees

Deposits held with trustees represent restricted funds held by U.S. Bank and BNY Mellon (the trustees), under the terms of various lease agreements, bond indentures and grant agreements. Restricted deposits held with trustees are carried in the financial statements at fair value and consist of short-term investments and government securities. As of June 30, 2021, deposits held with trustees include the following:

Restricted Deposits Held with Trustees		2021
Grant related deposits	$	828
Debt service (principal and interest)		3,283
	$	4,111

Interest rate risk is the risk that changes in interest rates will adversely affect the fair value of an investment. As of June 30, 2021, the College holds $4,111 in restricted deposits held with trustees which are invested in money market funds. All money market fund investments are rated Aaa-mf. The money market funds are invested in U.S. Treasury notes and government securities which are categorized as Level 1. The maturities for all restricted deposits held by trustees investments were less than one year as of June 30, 2021.

(8) Accounts Payable and Accrued Expenses

Accounts payable and accrued expenses consist of the following as of June 30, 2021:

Accounts Payable and Accrued Expenses		2021
Bond principal and interest	$	3,258
Vendors		4,468
Accrued salaries and benefits		10,097
Accrued expenses – construction		392
Total	$	18,215

(9) Noncurrent Liabilities

The College is obligated under lease agreements associated with various revenue bonds issued by the New Jersey Educational Facilities Authority to finance the construction and acquisition of dormitories, parking garages, equipment, academic facilities, a co-generation plant, and student recreational facilities.

The following is a breakout of bonds payable and other long-term obligations, as of June 30, 2021:

Bonds Payable and Other Long-Term Obligations		2021
Bonds payable:		
New Jersey Educational Facilities Authority:		
2015 Series G (interest 3.25% to 5.00%, due serially starting July 1, 2026 to July 1, 2035)	$	41,185
2016 Series F (interest 4.00% to 5.00%, due serially starting on July 1, 2017 to July 1, 2035)		36,165
2016 Series F (interest 3.00%, maturing on July 1, 2040)		12,975
2016 Series G (interest 2.829% to 3.459%, due serially starting on July 1, 2026 to July 1, 2032)		49,475
2016 Series G (interest 3.64%, maturing on July 1, 2034)		29,935
2020 Series D (interest 3.513%, maturing on July 1, 2042)		65,605
2020 Series D (interest 3.613%, maturing on July 1, 2050)		116,580
Subtotal bonds payable		351,920
Add:		
Bond premium		6,820
Total bonds payable	$	358,740
Other long-term obligations:		
Higher Education Capital Improvement Fund (interest 2.27% to 4.75%, maturing on August 15, 2022)	$	3,196
Higher Education Equipment Leasing Fund (interest 5.00%, maturing on May 1, 2023)		399
Higher Education Capital Improvement Fund (interest 3.00% to 5.50%, maturing on August 15, 2036)		2,287
Total other long-term obligations	$	5,882

Aggregate principal and interest repayments required during the next five fiscal years and in five years increments thereafter are as follows as of June 30, 2021:

Principal and Interest Repayments				
	Bond Principal	Other long-term obligations principal	Bond interest	Other long-term obligations interest
Year ending June 30:				
2022	$ —	1,864	6,517	205
2023	—	1,930	12,767	142
2024	—	107	12,767	102
2025	—	112	12,767	97
2026	13,200	117	12,767	92
2027-2031	74,035	671	55,816	375
2032-2036	79,660	877	41,258	169
2037-2041	56,055	204	29,139	5
2042-2046	66,550	—	18,647	—
2047-2050	62,420	—	5,738	—
	$ 351,920	5,882	208,183	1,187

Noncurrent liabilities activity for the year ended June 30, 2021 is as follows:

2021 Noncurrent Liabilities Activity					
	Beginning balance	Additions	Deductions	Ending balance	Current portion
Noncurrent liabilities:					
Compensated absences	$ 4,680	1,054	(218)	5,516	4,959
U.S. and Government grants refundable	2,325	—	(565)	1,760	—
Bonds payable, net	330,022	182,185	(153,467)	358,740	652
Other long-term obligations	6,705	—	(823)	5,882	1,864
Net pension liability	144,651	93,998	(28,349)	210,300	—
Total noncurrent liabilities	$ 488,383	277,237	(183,422)	582,198	7,475

In July 2020, the New Jersey Educational Facilities Authority (NJEFA) issued Series 2020 D (Federally Taxable) Revenue Refunding Bonds on behalf of the College to refund all or a portion of the principal and interest payments on the College's outstanding Series 2013 A, Series 2015 G, Series 2016 F and Series 2016 G bonds and to pay certain costs of issuance associated with the bond issuance.

The Series 2020 D bonds, totaling $182,185, consists of a $65,605 term bond with an interest rate of 3.513% maturing on July 1, 2042, and a $116,580 term bond with an interest rate of 3.613% maturing on July 1, 2050. The College paid $2,657 in bond issuance costs from the bond proceeds in fiscal year 2021, which includes the underwriters' discount. This also includes $1,627 of prepaid bond insurance that will be expensed on a straight-line basis over the life of the 2020D bonds.

The refunding provided the College with cash flow savings of $87,724 in fiscal years 2021-2025 and helped achieve level annual debt service payments from years fiscal years 2026-2035. The College's final bond maturity was extended to 2050.

(10) Benefits Paid by the State of New Jersey

The State, through separate appropriations, funds certain fringe benefits, principally healthcare costs and FICA taxes, on behalf of College employees and retirees. The costs of these benefits were funded directly by the State on behalf of the College and are included in the accompanying financial statements as part of nonoperating revenues and as operating expenses in various functional expense categories.

(11) Retirement Plans

(a) Introduction

The College participates in three cost-sharing, multiple-employer defined benefit retirement plans administered by the State of New Jersey, Division of Pensions and Benefits as follows:

- Public Employees' Retirement System (PERS) – The College was determined to be a separate employer within the State Group of the plan. Although the State has historically provided the contribution, the special funding situation criteria were not met and the New Jersey statutes are silent as to the legal obligation. The College has recorded its proportionate share of the net pension liability, pension expense, deferred outflows of resources and deferred inflows of resources related to the PERS plan in the financial statements.

- Police and Firemen's Retirement System (PFRS) – The College was determined to be a separate employer within the State Group of the plan. Although the State has historically provided the contribution, the special funding situation criteria were not met and the New Jersey statutes are silent as to the legal obligation. The College has recorded its proportionate share of the net pension liability, pension expense, deferred outflows of resources and deferred inflows of resources related to the PFRS plan in the financial statements.

- Teachers' Pension and Annuity Fund (TPAF) – TPAF met the GASB 68 special funding situation criteria per the New Jersey statute and thus the net pension liability is recorded by the State of New Jersey. The College has disclosed its proportionate share of the net pension liability and recorded its proportionate share of the pension expense and related revenue in the statement of revenues, expenses and changes in net position.

Benefit and employer contribution provisions are established by state statute and the provisions of the aforementioned plans can only be amended by new legislation passed by the State of New Jersey. Pension reforms enacted pursuant to Chapter 78, P.L. 2011 included provisions creating special Pension Plan Design Committees for PERS, PFRS and TPAF once a Target Funded Ratio (TFR) is met, that will have the discretionary authority to modify certain plan design features, including member contribution rate; formula for calculation of final compensation or final salary; fraction used to calculate a retirement allowance; age at which a member may be eligible for and the benefits for service or early retirement; and benefits provided for disability retirement. The committees will also have the authority to reactivate the cost of living adjustment (COLA) on pensions. However, modifications can only be made to the extent that the resulting impact does not cause the funded ratio to drop below the TFR in any one year of a 30 year projection period. Chapter 78, P.L. 2011 also suspended COLA increases for all active and future retirees of all State of New Jersey retirement plans.

A publicly available Annual Comprehensive Financial Report of the State of New Jersey Division of Pensions and Benefits, which includes financial statements, required supplementary information, and detailed information about the PERS, PFRS and TPAF plan's fiduciary net position, can be obtained at https://www.state.nj.us/treasury/pensions/annual-reports.shtml or_by writing to the State of New Jersey, Department of the Treasury, Division of Pensions and Benefits, P.O. Box 295, Trenton, NJ 08625-0295.

The College also participates in several defined contribution retirement plans, primarily the Alternative Benefit Program (ABP). Generally all employees, except certain part-time employees, participate in one of these plans. Under these plans, participants make annual contributions, and the State, in accordance with annual appropriations, makes employer contributions on behalf of the College for these plans. The College is charged for pension costs through a fringe benefit charge assessed by the State which is included within the state paid fringe benefits in the accompanying financial statements.

(b) Plan Descriptions

Public Employees' Retirement System

The State of New Jersey, Public Employees' Retirement System (PERS) is a cost-sharing multiple-employer defined benefit pension plan administered by the State of New Jersey, Division of Pensions and Benefits (the Division).

The vesting and benefit provisions are set by N.J.S.A. 43:15A. PERS provides retirement, death and disability benefits. All benefits vest after ten years of service.

The following represents the membership tiers for PERS:

Tier	Definition
1	Members who were enrolled prior to July 1, 2007
2	Members who were eligible to enroll on or after July 1, 2007 and prior to November 2, 2008
3	Members who were eligible to enroll on or after November 2, 2008 and prior to May 22, 2010
4	Members who were eligible to enroll on or after May 22, 2010 and prior to June 28, 2011
5	Members who were eligible to enroll on or after June 28, 2011

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

Police and Firemen's Retirement System

The State of New Jersey, Police and Firemen's Retirement System (PFRS) is a cost-sharing multiple-employer defined benefit pension plan administered by the State of New Jersey, Division of Pensions and Benefits (the Division).

The vesting and benefit provisions are set by N.J.S.A. 43:16A. PFRS provides retirement as well as death and disability benefits. All benefits vest after ten years of service, except disability benefits, which vest after four years of service.

The following represents the membership tiers for PFRS:

Tier	Definition
1	Members who were enrolled prior to May 22, 2010
2	Members who were eligible to enroll on or after May 22, 2010 and prior to June 28, 2011
3	Members who were eligible to enroll on or after June 28, 2011

Service retirement benefits are available at age 55 and are generally determined to be 2% of final compensation for each year of creditable service up to 30 years plus 1% for each year of service in excess of 30 years. Members may seek special retirement after achieving 25 years of creditable service, in which benefits would equal 65% (tiers 1 and 2 members) and 60% (tier 3 members) of final compensation plus 1% for each year of creditable service over 25 years, but not to exceed 30 years. Members may elect deferred retirement benefits after achieving ten years of service, in which case benefits would begin at age 55 equal to 2% of final compensation for each year of service.

Teachers' Pension and Annuity Fund

The State of New Jersey, Teachers' Pension and Annuity Fund (TPAF) is a cost sharing multiple-employer defined benefit pension plan with a special-funding situation, by which the State of New Jersey (the State) is responsible to fund 100% of the employer contributions, excluding any local employer early retirement incentive (ERI) contributions. TPAF is administered by the State of New Jersey, Division of Pensions and Benefits (the Division).

The vesting and benefit provisions are set by N.J.S.A. 18A:66. TPAF provides retirement, death, and disability benefits. All benefits vest after ten years of service. Members are always fully vested for their own contributions and, after three years of service credit, become vested for 2% of related interest earned on the contributions. In the case of death before retirement, members' beneficiaries are entitled to full interest credited to the members' accounts.

The following represents the membership tiers for TPAF:

Tier	Definition
1	Members who were enrolled prior to July 1, 2007
2	Members who were eligible to enroll on or after July 1, 2007 and prior to November 2, 2008
3	Members who were eligible to enroll on or after November 2, 2008 and prior to May 22, 2010
4	Members who were eligible to enroll on or after May 22, 2010 and prior to June 28, 2011
5	Members who were eligible to enroll on or after June 28, 2011

Service retirement benefits of 1/55th of final average salary for each year of service credit is available to tiers 1 and 2 members upon reaching age 60 and to tier 3 members upon reaching age 62. Service retirement benefits of 1/60th of final average salary for each year of service credit is available to tier 4 members upon reaching age 62 and tier 5 members upon reaching age 65. Early retirement benefits are available to tiers 1 and 2 members before reaching age 60, tiers 3 and 4 with 25 years or more of service credit before age 62, and tier 5 before age 65 with 30 years or more of service credit. Benefits are reduced by a fraction of a percent for each month that a member retires prior to the retirement age for his/her respective tier. Deferred retirement is available to members who have at least 10 years of service credit and have not reached the service retirement age for the respective tier.

Defined Contribution Plans

The ABP is a defined contribution plan that provides retirement and death benefits for or on behalf of those full-time professional employees and faculty members electing to participate in this optional retirement program. The ABP is an agency fund overseen by the State of New Jersey Division of Pensions and Benefits.

Effective July 1, 2010, the College established two supplemental retirement plans – Supplemental Alternate Benefit Plan and Supplemental Retirement Plan – for the benefit of its eligible employees and the eligible employees of certain subsidiaries and affiliates that adopt the plans. The objective of the plans is to help provide for additional security on retirement, by means of employer contributions supplemental to those under the Alternate Benefit Program for the Supplemental Alternate Benefit Plan and supplemental to those under the Alternate Benefit Program and the Supplemental Alternate Benefit Plan for the Supplemental Retirement Plan.

(c) Basis of Accounting and Valuation of Investments

For purposes of measuring the net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions, and pension expense, information about the fiduciary net position of the PERS, PFRS and TPAF and additions to/deductions from PERS', PFRS' and TPAF's fiduciary net position have been determined on the same basis as they are reported by the respective plans. Benefit payments, including refunds of employee contributions, are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

(d) Contributions

PERS, PFRS and TPAF covered employees are required by State statute to contribute a certain percentage of their salaries to the plan. The contribution requirements of employees are established and may be amended by the Pension Plan Design Committee of the respective plan. Each member's percentage is based on age determined at the effective date of enrollment. The employee contribution rates as a percentage of salary for the fiscal year ended June 30, 2021 were as follows:

Defined Benefit Retirement Plan Employee Contribution Rates	
	2021
Public Employees' Retirement System	7.50%
Police and Firemen's Retirement System	10.00%

The College had no active employees enrolled in TPAF in the fiscal year ended June 30, 2021.

The required employer contributions are actuarially determined. Chapter 1, P.L. 2010 required the State of New Jersey to resume making actuarially recommended contributions to the defined benefit pension plans on behalf of the employers on a phased-in basis over a seven year period beginning in the fiscal year ended June 30, 2012.

The State's contributions made subsequent to the measurement date to the PERS and PFRS plans on behalf of the College for the fiscal year ended June 30, 2021 were as follows:

Defined Benefit Retirement Plan Employer Contributions		
		2021
Public Employees' Retirement System	$	7,163
Police and Firemen's Retirement System		620

The above contributions are recognized in the financial statements as deferred outflows of resources.

(e) Pension Amounts

Net pension liability amounts recorded within the College's 2021 financial statements are measured as of June 30, 2020. The College's proportion of the respective plans' net pension liability was based on the ratio of the employer contributions made related to the College's employees to the total contributions made by all participating State-group employers for the fiscal year ended June 30, 2020. Pension expense is recognized within the functional classifications in the statement of revenues, expenses and changes in net position.

2021 Summary of Pension Amounts		PERS	PFRS	TPAF*
College proportionate share of the net pension liability	$	203,981	6,319	824
College proportion of the net pension liability - State group: 2021		0.918%	0.147%	0.001%
College proportion of the net pension liability - Plan as a whole: 2021		0.528%	0.033%	0.000%
Deferred outflows of resources		88,134	1,431	N/A
Deferred inflows of resources		47,639	2,077	N/A
Pension expense		26,059	242	51

*TPAF meets the special funding situation criteria of the GASB 68. The proportionate share of the net pension liability shown here is the portion of the State's net pension liability attributable to the College, and is 100% of the amount attributable to the College. Pension expense is recognized as expense and revenue by the College.

2021 Deferred Outflows of Resources from Pensions		PERS	PFRS
Difference between expected and actual experience	$	5,363	—
Changes in assumptions		3,403	5
Net difference between projected and actual investment earnings		2,315	153
Changes in proportion		69,890	653
Contributions paid to plan subsequent to measurement date**		7,163	620
Total	$	88,134	1,431

** The contributions paid to the plan subsequent to the measurement date are recognized as a reduction of the net pension liability in fiscal year 2021.

2021		
Deferred Inflows of Resources from Pensions		
	PERS	**PFRS**
Difference between expected and actual experience	$ 1,099	110
Changes in assumptions	45,927	750
Changes in proportion	613	1,217
Total	$ 47,639	2,077

The following table displays the net deferred outflows of resources and deferred inflows of resources that will be recognized in pension expense or that will be recognized as a reduction of the net pension liability:

Future Recognition of Net Deferred Outflows (Inflows) of Resources		
	PERS	**PFRS**
2022	$ 4,190	(444)
2023	4,171	(340)
2024	9,319	(183)
2025	13,530	(105)
2026	2,122	(194)
Total deferrals recognized as pension expense	33,332	(1,266)
Deferred outflows recognized as a reduction to net pension liability in fiscal year 2022	7,163	620
Net deferred (inflows) outflows	$ 40,495	(646)

(f) Defined Benefit Plan Assumptions

The College's June 30, 2021 net pension liability for each plan was measured as of June 30, 2020 and the total pension liability used to calculate the net pension liability for each plan was determined by an actuarial valuation as of July 1, 2019 rolled forward to June 30, 2020.

The total pension liability for each plan was determined using the following actuarial assumptions:

2021 Actuarial Methods and Assumptions	PERS	PFRS	TPAF
Valuation date	7/1/2019	7/1/2019	7/1/2019
Measurement date	6/30/2020	6/30/2020	6/30/2020
Inflation rate			
Price	2.75%	2.75%	2.75%
Wage	3.25%	3.25%	3.25%
Salary increases:			
Initial fiscal year applied through	2026	All future years	2026
Rate	2.00 - 6.00% based on years of service	3.25 - 15.25% based on years of service	1.55 - 4.45% based on years of service
Thereafter	3.00 - 7.00% based on years of service	Not applicable	2.75 - 5.65% based on years of service
Long-term expected rate of return	7.00%	7.00%	7.00%
Municipal bond rate:			
2020	Not applicable	Not applicable	2.21%
Discount rate:			
2020	7.00%	7.00%	5.40%
Experience study dates	7/1/2014 - 6/30/2018	7/1/2013 - 6/30/2018	7/1/2015 - 6/30/2018

For the June 30, 2020 measurement date, PERS Pre-retirement mortality rates were based on the Pub-2010 General Below-Median Income Employee mortality table with an 82.2% adjustment for males and 101.4% adjustment for females, and with future improvement from the base year of 2010 on a generational basis. Post-retirement mortality rates were based on the Pub-2010 General Below-Median Income Healthy Retiree mortality table with a 91.4% adjustment for males and 99.7% adjustment for females, and with future improvement from the base year of 2010 on a generational basis. Disability retirement rates used to value disabled retirees were based on the Pub-2010 Non-Safety Disabled Retiree mortality table with a 127.7% adjustment for males and 117.2% adjustment for females, and with future improvement from the base year of 2010 on a generational basis. Mortality improvement is based on Scale MP-2020.

For the June 30, 2020 measurement date, PFRS pre-retirement mortality rates were based on the Pub-2010 Safety Employee mortality table with a 105.6% adjustment for males and 102.5% adjustment for females, and with future improvement from the base year of 2010 on a generational basis. Post-retirement mortality rates were based on the Pub-2010 Safety Retiree Below-Median Income Weighted mortality table with a 96.7% adjustment for males and 96.0% adjustment for females, and with future improvement from the base year of 2010 on a generational basis. For beneficiaries (contingent annuitants), the Pub-2010 General Retiree Below-Median Income Weighted mortality table was used, unadjusted, and with future improvement from the base year of 2010 on a generational basis. Disability rates were based on the Pub-2010 Safety Disabled Retiree mortality table with a 152.0% adjustment for males and 109.3% adjustment for females, and with future improvement from the base year of 2010 on a generational basis. Mortality improvement is based on Scale MP-2020.

For the June 30, 2020 measurement date, TPAF pre-retirement mortality rates were based on the Pub-2010 Teachers Above-Median Income Employee mortality table with a 93.9% adjustment for males and 85.3% adjustment for females, and with future improvement from the base year of 2010 on a generational basis. Post-retirement mortality rates were based on the Pub-2010 Teachers Above-Median Income Healthy Retiree mortality table with a 114.7% adjustment for males and 99.6% adjustment for females, and with future improvement from the base year of 2010 on a generational basis. Disability mortality rates were based on the Pub-2010 Non-Safety Disabled Retiree mortality table with a 106.3% adjustment for males and 100.3% adjustment for females, and with future improvement from the base year of 2010 on a generational basis. Mortality improvement is based on Scale MP-2020.

Discount Rate

The discount rate used to measure the total pension liabilities for PERS and PFRS, respectively, as of June 30, 2020 are in the table above. The projection of cash flows used to determine the discount rate assumed that contributions from plan members will be made at the current member contribution rates and that contributions from employers will be based on 78% of the actuarially determined contributions for the State employer and 100% of actuarially determined contributions for the local employers. Based on those assumptions, the plan's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members for PERS and PFRS. Therefore, the long-term expected rate of return on plan investments was applied to all projected benefit payments for PERS and PFRS to determine the total pension liability.

The discount rate in the table above used to measure the total pension liabilities for TPAF as of June 30, 2020 is a single blended discount rate based on the long-term expected rate of return on pension plan investments of 7.00% and a municipal bond rate of 2.21% as of June 30, 2020 based on the Bond Buyer Go 20-Bond Municipal Bond Index, which includes tax-exempt general obligation municipal bonds with an average rating of AA/Aa or higher. The projection of cash flows used to determine the discount rate assumed that contributions from plan members will be made at the current member contribution rates and that contributions from employers will be based on 78% of the actuarially determined contributions for the State. Based on those assumptions, the plan's fiduciary net position was projected to be available to make projected future benefit payments of current plan members through 2062 for TPAF. Therefore, the long-term expected rate of return on plan investments was applied to projected benefit payments through 2062 for TPAF and the municipal bond rate was applied to projected benefit payments after that date in determining the total pension liability.

Long-Term Expected Rate of Return

The long-term expected rate of return on pension plan investments in the table above was determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plans investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. Best estimates of arithmetic real rates of return for each major asset class included in the pension plans target asset allocation as of June 30, 2020 are summarized in the following table:

2021		
Target Asset Allocation and Long-Term Expected Rate of Return		
	PERS, PFRS and TPAF	
	Target Allocation	**Long-term Expected Real Rate of Return**
US Equity	27.00%	7.71%
Non-U.S. Developed Markets Equity	13.50%	8.57%
Emerging Markets Equity	5.50%	10.23%
Private Equity	13.00%	11.42%
Real Assets	3.00%	9.73%
Real Estate	8.00%	9.56%
High Yield	2.00%	5.95%
Private Credit	8.00%	7.59%
Investment Grade Credit	8.00%	2.67%
Cash Equivalents	4.00%	0.50%
U.S. Treasuries	5.00%	1.94%
Risk Mitigation Strategies	3.00%	3.40%

Change in Assumptions

For the valuation used in the measurement of the net pension liability for PERS as of June 30, 2020, the discount rate increased from 6.28% at June 30, 2019 to 7.00%. For the valuation used in the measurement of the net pension liability for PFRS as of June 30, 2020, the discount rate increased from 6.85% at June 30, 2019 to 7.00%. For the valuation used in the measurement of the net pension liability for TPAF as of June 30, 2020, the discount rate decreased from 5.60% at June 30, 2019 to 5.40%. For TPAF the municipal bond rate decreased from 3.50% at June 30, 2019 to 2.21% at June 30, 2020.

Sensitivity of the Net Pension Liability to Changes in the Discount Rate

The following table presents the College's proportionate share of the collective net pension liability for PERS and PFRS as of June 30, 2020 calculated using the discount rate as disclosed above for each plan as well as what the College's proportionate share of the collective net pension liability would be if it were calculated using a discount rate that is one percentage point lower or one percentage point higher than the current discount rate:

2021 Sensitivity of the Net Pension Liability			
Pension Plan	1.0% decrease in discount rate	At current discount rate	1.0% increase in discount rate
PERS (6.00%, 7.00%, 8.00%)	232,708	203,981	179,680
PFRS (6.00%, 7.00%, 8.00%)	7,347	6,319	5,464

(g) *Alternate Benefit Program*

The ABP currently provides the choice of seven investment carriers: Teachers Insurance and Annuity Association/College Retirement Equities Fund (TIAA/CREF), VALIC, AXA Financial (Equitable), Met Life, MassMutual (formerly The Hartford), VOYA Financial Services and Prudential Retirement Services. The College assumes no liability for ABP members other than payment of contributions. A separate board of trustees administers ABP alternatives. The State and Social Security Law establishes participation eligibility as well as contributory and noncontributory requirements.

Benefits are determined by the amount of individual accumulations and the retirement income option selected. All benefits vest after the completion of one year of service. Individually owned annuity contracts that provide for full ownership of retirement and survivor benefits are purchased at the time of vesting. Participating College employees contribute 5% of salary and may contribute a voluntary additional contribution up to the maximum Federal statutory limit, on a pretax basis. Employer contributions for the ABP are 8%. During the year ended June 30, 2021 ABP investment carriers received employer and employee contributions as follows:

ABP Employer and Employee Contributions		2021
Employer contributions	$	5,909
Employee contributions		4,010
Participating employees' salaries		73,857

Employer contributions to the ABP are paid by the State and are reflected in the accompanying financial statements as nonoperating revenue under New Jersey State appropriations and as operating expenses in various functional expense categories.

(h) Supplemental Alternate Benefit Program

The plan is administered by the College. TIAA-CREF is the privately operated investment carrier for this defined contribution retirement plan. All contributions are made by the College with non-State funds. The plan is intended to qualify as a governmental plan that is a tax-sheltered annuity plan under section 403(b) of the Internal Revenue Code of 1986, as amended. It is also intended that the Plan be exempt from the Employee Retiree Income Security Act of 1974, as amended, pursuant to Department of Labor regulations section 2510.3-2(f). Each employee whose compensation exceeds the State limit on contributions for the ABP in a given year shall be eligible to participate in the plan and have employer contributions made on their behalf. The College will contribute 8% of the employee's compensation in excess of the State limit on compensation. The accumulated base salary limit during each calendar year is $141. There were no employee contributions during fiscal year 2021. The employer contributions made during fiscal year 2021 were $63.

(i) Postemployment Benefits Other Than Pensions

The College's retirees participate in the State Health Benefit State Retired Employees Plan (the Plan).

Plan Description, Including Benefits Provided

The Plan is a single-employer defined benefit other postemployment benefit (OPEB) plan, which provides medical, prescription drug, and Medicare Part B reimbursements to retirees and their covered dependents. Although the Plan is a single-employer plan, it is treated as a cost-sharing multiple employer plan for standalone reporting purposes. In accordance N.J.S.A. 52:14-17.32, the State is required to pay the premiums and periodic charges for OPEB of State employees who retire with 25 years or more of credited service, or on a disability pension, from one or more of the following pension plans: PERS, TPAF, ABP or PFRS. In addition, Chapter 302, P.L. 1996 provides that for purposes of this Plan, the College's employees retain any and all rights to the health benefits in the Plan, even though the College is considered autonomous from the State, therefore, its employees are classified as State employees. As such, the State is legally obligated for the benefit payments on behalf of the retirees of the College; therefore, the Plan meets the definition of a special funding situation as defined in GASB Statement No. 75, *Accounting and Financial Reporting for Other Postemployment Benefits Other Than Pensions* (GASB 75).

Retirees who are not eligible for employer-paid health coverage at retirement can continue in the program by paying the cost of the insurance for themselves and their covered dependents. Pursuant to Chapter 78, P.L, 2011, future retirees eligible for postretirement medical coverage, who have less than 20 years of creditable service on June 28, 2011, will be required to pay a percentage of the cost of their healthcare coverage in retirement provided they retire with 25 years or more of pension service credit. The percentage of the premium for which the retiree will be responsible for will be determined based on the retiree's annual retirement benefit and level of coverage.

The Plan is administered on a pay-as-you-go-basis. Accordingly, no assets are accumulated in a qualifying trust that meets the definition of a trust as per GASB 75.

Total OPEB Liability and OPEB Expense

As of June 30, 2021, the State recorded a liability of $285,593, which represents the portion of the State's total proportionate share of the collective total OPEB liability that is associated with the College (the College's share). The College's share was based on the ratio of its members to the total members of the Plan. At June 30, 2021, the College's share was 3.57% and 1.01% of the special funding situation and of the Plan, respectively.

For the year ended June 30, 2021, the College recognized OPEB expense of $5,006. As the State is legally obligated for benefit payments on behalf of the College, the College recognized revenue related to the support provided by the State of $5,006.

Actuarial Assumptions and Other Inputs

The State's liability associated with the College at June 30, 2021 was determined by an actuarial valuation as of June 30, 2019, which was rolled forward to the measurement date of June 30, 2020:

Actuarial Methods and Assumptions	
	2021
Inflation rate	2.50%
Projected salary increases:	
Initial fiscal year applied through	2026
Rate	1.55% - 15.25%
Thereafter	2.75% - 7.00%
Discount rate	2.21%

The discount rate is based on the Bond Buyer GO 20-Bond Municipal Bond Index, which includes tax-exempt general obligation municipal bonds with an average rating of AA/Aa or higher. Salary increases depend on the pension plan a member is enrolled in. In addition, they are based on age or years of service.

The June 30, 2019 valuation used preretirement mortality rates based on the PUB-2010 Healthy "Teachers" (TPAF/ABP), "General" (PERS), and "Safety" (PFRS) classification headcount-weighted mortality table with fully generational mortality improvement projections from the central year using Scale MP-2020. Postretirement mortality rates were based on the PUB-2010 "General" classification headcount-weighted mortality table with fully generational mortality improvement projections from the central year using Scale MP-2020. Disability mortality was based on the PUB-2010 "Safety" (PFRS), "Teachers" (TPAF/ABP), and "General (PERS) classification headcount-weighted disabled mortality table with fully generational mortality improvement projections from the central year using Scale MP-2020.

Certain actuarial assumptions used in the June 30, 2019 valuation were based on the results of actuarial experience studies of the State of New Jersey's defined benefit plans. For June 30, 2019, this included PERS (July 1, 2014 through June 30, 2018), ABP/TPAF (using the experience of the TPAF – July 1, 2015 through June 30, 2018) and PFRS (July 1, 2013 through June 30, 2018).

Health Care Trend Assumptions

For the June 30, 2019 valuation, the trend rate is initially 5.6% and decreases to a 4.5% long-term trend rate after seven years for pre-Medicare medical benefits. For post-65 medical benefits, the actual fully-insured Medicare Advantage trend rate for fiscal year 2021 through 2022 are reflected. The rates used for 2023 and 2024 are 21.83% and 18.53%, respectively, trending to 4.5% for all future years. For prescription drug benefits, the initial trend rate is 7.0% and decreases to a 4.5% long-term trend rate after seven years.

(12) Compensated Absences

Payments for accumulated sick leave balances are made to retiring employees upon regular retirement. The payment is based on 50% of the sick leave accumulation at the pay rate in effect at the time of retirement up to a maximum of $15 per employee. Employees separating from College service prior to retirement are not entitled to payments for accumulated sick leave balances. Accordingly, the College recorded a liability for accumulated sick leave balances in the amount of $557 as of June 30, 2021, which is reflected in compensated absences, noncurrent, in the accompanying financial statements.

The College is required to pay non-faculty employees for their accumulated vacation time upon their separation or retirement. The liability was $4,668, as of June 30, 2021 and is reflected in compensated absences, current, in the accompanying financial statements.

The College is required to pay employees for their accumulated bank leave time upon their separation or retirement. As of June 30, 2021, a liability of $291 was included in compensated absences, current, in the accompanying financial statements.

(13) Contingencies

The College is a party to various pending legal actions and other claims in the normal course of business. Management of the College is of the opinion that the outcome thereof will not have a material effect on its financial position based on legal representation letters obtained from outside counsel.

(14) Government Relations and Legal Fees

The New Jersey Higher Education Restructuring Act of 1994 requires the College to disclose the costs incurred associated with government and public relations and legal costs. During the year ended June 30, 2021 the College expended $43 for government and public relations, and $92 for legal fees.

(15) The College of New Jersey Foundation, Inc.

Component Unit

The College of New Jersey Foundation, Inc. (the Foundation) is a legally separate, tax-exempt component unit of the organization with a fiscal year end of June 30. The Foundation has received a determination letter from the Internal Revenue Service concluding that it is exempt from Federal income taxes under Section 501(c)(3) of the Internal Revenue Code. The Foundation acts primarily as a fundraising entity to supplement the resources that are available to the College in support of its programs. Although the College does not control the timing or amount of receipts from the Foundation, the Foundation's assets are used exclusively for the benefit, support, and promotion of the College and its educational activities. The Foundation meets the criteria to be discretely presented in the College's financial statements. Complete financial statements for the Foundation can be obtained from the Foundation at 2000 Pennington Road, Green Hall Room 214, Ewing, NJ 08628.

Investments

The Foundation has an investment policy which establishes guidelines for permissible investments. The primary investment objective is to preserve and increase the value of endowment funds and maximize the long-term total rate of return on all invested assets while assuming a level of risk consistent with prudent investment practices for such funds. The Foundation may invest in obligations of the U.S. Government, certificates of deposit, money market funds, equities and stock funds, bonds and bond funds, and alternative investments. Investments consist of the following as of June 30, 2021:

Investments

		2021
Cash and cash equivalents	$	7,760
U.S. Treasury bills and notes		2,316
U.S. Government agencies		1,568
Corporate bonds		1,439
Equity securities		22,131
Mutual funds		19,006
Exchange-traded funds		4,604
Alternative investments:		
Private equity		925
Hedge funds		3,471
Real estate income trust		1,162
Common trust funds		1,029
	$	65,411

The Foundation's investments are subject to various risks. Among these risks are credit risk and interest rate risk. Each one of these risks is discussed in more detail below.

Credit risk is the risk that an issuer or other counterparty to an investment will not fulfill its obligations. The credit risk of a debt instrument is measured by nationally recognized statistical rating agencies such as Moody's Investors Service, Inc. (Moody's).

Within the Foundation's investment policy guidelines, the policy gives investment money managers and investment funds full responsibility for security selection, diversification, turnover and allocation of holdings among selected securities and industry groups.

The following are guidelines to be followed by the investment advisors in the selection of investment money managers:

- Domestic equities may be selected from the New York, American and Regional Stock Exchanges, or the NASDAQ markets. The cost of an individual security in the portfolio at purchase may not exceed 5% of the total market value of that portfolio. Individual securities held in a portfolio must not exceed 5% of the portfolio on a cost basis. Mutual funds and investment money managers are not to be included in this limitation.
- Only international managers experienced in trade on foreign exchanges shall handle investments in international equities.
- Managers may use a mutual fund as a means of participating in international equities, with prior approval of the Investment Committee.
- Managers may invest in commercial paper, bankers' acceptances, repurchase agreements, U.S. Treasury bills, certificates of deposit, and money market funds to provide income, liquidity for expense payments, and preservation of the portfolio's principal value. All such assets must represent maturities of one year or less at the time of purchase.
- Commercial paper must be rated A-1 or P-1 by Standard & Poor's and Moody's, respectively.
- Bankers' acceptances and certificates of deposit should only be purchased from larger, well-capitalized domestic and foreign banks with a minimum of an A rating from one of the major rating agencies. Uninvested cash reserves should be kept to minimum levels. In any instance where the total funds on deposit with a financial institution exceeds the insurance coverage provided by the FDIC or FSLIC, collateral security or its equivalent shall be required.
- Fixed income investments will include U.S. Treasury and Federal agency debt obligations, corporate bonds, mortgages, asset backed securities and preferred stocks. By design, the managers should focus on fixed income securities of the highest quality, thereby reducing investment risk. With the exception of Federal Government issues, no single issue should exceed 4% and no industry group should exceed 10% of the aggregate fixed income portfolio without the Investment Committee's prior approval. The average credit quality of the fixed income or convertible portfolio should be rated investment grade or better. The average maturity of the fixed income portfolio may not exceed 12 years and the average duration of the fixed income portfolio should not exceed 10 years.

As of June 30, 2021, the Foundation's fixed income investments, which consist of U.S. Treasury bills and notes, U.S. Government agencies, certificates of deposit, and corporate bonds, were rated as follows:

2021 Fixed Income Investments Ratings					
Rating		Total	U.S. Treasury bills and notes	U.S. Government agencies	Corporate bonds
Aaa	$	3,917	2,316	1,568	33
Aa1		47	—	—	47
Aa2		131	—	—	131
Aa3		24	—	—	24
A1		180	—	—	180
A2		302	—	—	302
A3		166	—	—	166
Baa1		230	—	—	230
Baa2		326	—	—	326
Total	$	5,323	2,316	1,568	1,439

Interest rate risk is the risk that changes in interest rates will adversely affect the fair value of a debt investment. The Foundation's investment policy provides limitations in the maturities of various types of investments. As of June 30, 2021, the Foundation's fixed income investments, which consist of U.S. Treasury bills and notes, U.S. Government agencies, certificates of deposit, and corporate bonds, had maturity dates as follows:

2021 Fixed Income Investments Maturity					
Maturing in years		Total	U.S. Treasury bills and notes	U.S. Government agencies	Corporate bonds
1 – 5	$	1,463	843	46	574
6 – 10		1,340	557	73	710
Greater than 10		2,520	916	1,449	155
Total	$	5,323	2,316	1,568	1,439

Fair Value Measurement

Fair value is defined as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the financial statements measurement date. The fair value hierarchy categorizes the inputs to valuation techniques used to measure fair value into three levels as follows:

- Level 1 – unadjusted quoted or published prices for identical assets or liabilities in active markets that a government can access at the measurement date;
- Level 2 – quoted or published prices other than those included within Level 1 and other inputs that are observable for an asset or liability, either directly or indirectly; and
- Level 3 – unobservable inputs for an asset or liability.

The fair value hierarchy gives the highest priority to Level 1 inputs and the lowest priority to Level 3. When the fair value of an asset or a liability is measured using inputs from more than one level of the fair value hierarchy, the measurement is considered to be based on the lowest priority level that is significant to the entire measurement.

While the Foundation believes its valuation methods are appropriate and consistent with other market participants, the use of different methodologies or assumptions to determine the fair value of certain financial instruments could result in a different estimate of fair value at the reporting date.

The following is a description of the valuation methodologies used for instruments measured at fair value:

- U.S. Treasury bills and notes – The fair value of U.S. Treasury bills and notes are based on prices quoted in active markets for those securities.
- U.S. Government agencies – The fair value of government agencies are based on a multi-dimensional relational model. Standard inputs to the pricing model for the Level 2 debt securities include benchmark yields, reported trades, broker/dealer quotes, issuer spreads, two-sided markets, benchmark securities, bids, offers, and reference data.
- Certificates of deposit – The fair value of certificates of deposit are based on estimated secondary market prices that may be received if the certificate of deposit could be sold prior to maturity. The estimated secondary market price is evaluated using a curve-based approach which develops a constant maturity curve for specific programs which take into account factors such as instrument type, issuer, sector, credit rating and prevailing market conditions. Standard inputs to the pricing model for the Level 2 certificates of deposit include maturity date, issue date, and coupon rate.
- Corporate bonds – The fair value of corporate bonds are based on a multi-dimensional relational model. Standard inputs to the pricing methods for the Level 2 debt securities include benchmark yields, reported trades, broker/dealer quotes, issuer spreads, two-sided markets, benchmark securities, bids, offers, and reference data.
- Equity securities – The fair value of equity securities is the market value based on quoted market prices, when available, or market prices provided by recognized broker-dealers. These investments are classified as Level 1. Equity securities classified in Level 2 of the fair value hierarchy are valued at quoted market prices in the over-the-counter (inactive) market. The price used as the fair value may be from a market transaction or a bid or ask price in the market that did not result in a transaction.

- Mutual funds – The fair value of mutual funds is the market value based on quoted market prices, when available, or market prices provided by recognized broker-dealers.
- Exchange-traded funds – The fair value of exchange-traded funds are based on the quoted market price on an active market as of the measurement date.
- Alternative investments – Alternative investments are valued using current estimates of net asset value obtained from the investment manager in the absence of readily determinable public market values. The estimated fair value of these investments is based on the most recent valuations provided by external investment managers. Because alternative investments are not readily marketable, their estimated value is subject to uncertainty and therefore may differ from the value that would have been used had a ready market for such investments existed.
- Cash and cash equivalents – These investments are measured at amortized cost and have been excluded from fair value leveling.

The Foundation's investments at June 30, 2021 are summarized in the following table by their fair value hierarchy:

2021				
Investments Measured at Fair Value				
		Fair value measurements using		
Investment	**Total**	**Quoted prices in active markets for identical assets (Level 1)**	**Significant other observable inputs (Level 2)**	**Significant unobservable inputs (Level 3)**
Investments by fair value level				
U.S. Treasury bills and notes	$ 2,316	2,316	—	—
U.S. Government agencies	1,568	—	1,568	—
Corporate bonds	1,439	—	1,439	—
Equity securities	22,131	22,131	—	—
Mutual funds	19,006	19,006	—	—
Exchange-traded funds	4,604	4,604	—	—
Total investments by fair value level	51,064	48,057	3,007	—
Investments measured at net asset value (NAV)				
Private equity	925			
Hedge funds	3,471			
Real estate income trust	1,162			
Common trust funds	1,029			
Total investments measured at NAV	6,587			
Total investments measured at fair value	$ 57,651			

The fair value as of June 30, 2021 and redemption terms for investments measured at the net asset value (NAV) per share (or its equivalent) is presented in the following table:

2021			
Investments Measured at NAV			
Investment	Fair value	Redemption frequency (if currently eligible)	Redemption notice period
Private equity	$ 925	Quarterly	65 days
Hedge funds	3,471	Quarterly	30 - 96 days
Real estate income trust	1,162	Monthly	Second to last business day of the month
Common trust funds	1,029	N/A	N/A
Total investments measured at NAV	$ 6,587		

As of June 30, 2021, the Foundation had no unfunded commitments for investments measured at NAV.

The investment strategy, valuation method and redemption terms for the investments measured as NAV are discussed below.

Private equity: This type is an investment in one multi-strategy private equity fund that invests in direct, secondary and primary private equity investments across a range of geographic markets, investment types and vintage years. The objective of the fund is to generate returns by systematically overweighting the vehicles, segments and opportunities it believes offer the best relative value at a point in time. Redemptions may be requested quarterly by tender offer with 65 days' notice. The fund's board of managers has the sole discretion to repurchase units from a tender offer due to the illiquid nature of the fund. The fund limits the redemptions each quarter to no more than 5% of the fund's net asset value. The fair value of the investment in this type has been determined using the NAV per share (or its equivalent) of the investment.

Hedge funds: This type consists of investments in three funds that employ a variety of alternative investment strategies including multi-strategy equity, relative value, and multi-strategy funds of funds. Redemption terms vary by fund. Redemptions may be requested quarterly with 30 – 96 calendar days' notice depending on the fund. None of the funds have active lockup periods. One fund's board of directors has the sole discretion to repurchase units with a tender offer. This fund limits the redemptions each quarter to 5-25% of the fund's NAV. The fair value of the investments in this type has been determined using the NAV per share (or its equivalent) of the investment.

Real estate income trust: This type is an investment in one fund that acquires stabilized, income-oriented commercial real estate in the United States, such as multi-family, industrial, hotel and retail properties, and real estate-related securities. Redemptions may be requested monthly by the second to last business day of each month. The fund's board of directors has the sole discretion to accept repurchase requests. Repurchases of shares outstanding for one year or less will be repurchased at 95% of the prior month's NAV. Aggregate repurchases are limited to no more than 2% of the fund's aggregate NAV per month and

no more than 5% of the fund's aggregate NAV per calendar quarter. The fair value of the investment in this type has been determined using the NAV per share (or its equivalent) of the investment.

Common trust funds: This type consists of investments in eleven common trust funds that invest in a variety of debt and equity strategies including small- and mid-cap growth and value, small-, mid-, and large-cap core, emerging markets, international equities, dividend income, and aggregate bonds. These funds are held within an irrevocable trust of which the Foundation is a beneficiary. The investments in these common trust funds cannot be redeemed. The Foundation is currently receiving income earned on the investments. Distributions from the liquidation of the underlying assets are unknown at this time. The fair value of the investment in this type has been determined using the NAV per share (or its equivalent) of the investment.

(16) Trenton State College Corporation

Component Unit

The Trenton State College Corporation (the Corporation or TSCC) is a legally separate, tax-exempt component unit of the organization with a fiscal year end of June 30. The Corporation is qualified under Section 115 of the Internal Revenue Code as an organization exempt from Federal income taxes by its relationship with the College and the State of New Jersey. The Corporation assists in the development and growth of the College through property acquisitions and facilities management. The Corporation meets the criteria to be discretely presented in the College's financial statements. Complete financial statements for the Corporation can be obtained from the Corporation at 54 Carlton Avenue, Ewing Township, NJ 08618.

Capital Assets

Capital asset activity for the Corporation for year ended June 30, 2021 was as follows:

2021 Capital Assets				
2021	**Beginning balance**	**Additions**	**Property sold/ transferred**	**Ending balance**
Depreciable assets:				
Buildings	$ 6,421	—	(310)	6,111
Building improvements	1,478	22	24	1,524
Leasehold improvements	1,214	—	—	1,214
Furniture	30	—	—	30
Vehicles	64	—	—	64
Nondepreciable assets:				
Construction in progress	9	19	(24)	4
Land	2,826	—	(75)	2,751
Total capital assets	12,042	41	(385)	11,698
Accumulated depreciation:				
Buildings	(4,634)	(118)	14	(4,738)
Building improvements	(584)	(55)	—	(639)
Leasehold improvements	(486)	(121)	—	(607)
Furniture	(30)	—	—	(30)
Vehicles	(35)	(9)	—	(44)
Total accumulated depreciation	(5,769)	(303)	14	(6,058)
Capital assets, net	$ 6,273	(262)	(371)	5,640

(17) Risk Management

The College is exposed to various risks of loss. The College purchases and funds property and casualty insurances through the NJRM joint insurance program with the nine State of New Jersey Public Colleges and Universities. The College's risk management program involves insurance for all property risk in the joint insurance program and all liability risk and employee benefit exposures are self-funded programs maintained and administered by the State of New Jersey (including tort liability, auto liability, trustees and officers liability, workers' compensation, unemployment, temporary and long term disability, unemployment liability, life insurance and employee retirement programs).

Subject to policy conditions, exclusions, and limits, buildings, plants, and equipment and lost revenue are fully insured on an all risk replacement basis to the extent that losses exceed $1,000 per occurrence with a per occurrence limit of $2,000. Commercial crime insurance coverage provides money and securities coverage for an actual loss in excess of $100 with a per loss limit of $5,000. In addition to the insurance purchased and maintained through the consortium, the College maintains two additional policies. The first is a student blanket professional liability insurance policy with a limit of $2,000 per claim and a $5,000 aggregate. The second is a museum collection and temporary loans policy with a $500 limit.

As an instrumentality of the State of New Jersey the liability of the College is subject to all of the provisions of the New Jersey Tort Claims Act (NJSA 59:1-1 et seq.), the New Jersey Contractual Liability Act (NJSA 59:13-1 et seq.), and the availability of appropriations. The Tort Claims Act also creates a fund and provides for payment of claims under the Act against the State of New Jersey or against its employees for which the State of New Jersey is obligated to indemnify against tort claims, which arise out of the performance of their duties.

All insurance policies are renewed on an annual basis. All of the State of New Jersey self-funded programs are statutory with an annual appropriation provided by the legislature. There has been no decrease in insurance coverage during the current year.

(18) Campus Town Development

The College is participating in a public-private partnership with a private real estate corporation to develop approximately 13 acres of land adjacent to the College into a mixed use retail/student housing complex. This project, called Campus Town, which is projected to cost approximately $85 million for Phase One, was made possible pursuant to the provisions of the New Jersey Economic Stimulus Act of 2009. In February 2015, the College and the developer agreed to expand the project to include two additional residential buildings in Phase Two of the project. The partnership has been structured to include no direct financial obligation of the College to support the project. Planning, design, construction, operation, preventative maintenance and capital renewal of the project are all borne by the developer.

The Ground Lease for Campus Town was executed by all parties at closing on April 4, 2014. The term of the Ground Lease is 50 years and the Developer agrees to make Basic Rent payments of $400 on the rent commencement date (September 1, 2017) in accordance with the lease agreement, increasing by an Additional Applicable Increase Rent of $25 annually for the duration of the Ground Lease term. In addition to the Basic and Applicable Increase Rent, after the seventh year of the lease, the Developer will also pay Supplemental Rent in accordance with the lease agreement. The developer will set rental rates for the student housing units and the College will treat this similarly to other off-campus housing it does not own and manage. The developer made ground lease rental payments of $471 during fiscal year 2021. The College will not be providing any financial assistance to the developer. Upon expiration of the lease term the premises will revert to the College.

Phase One of the project opened on schedule for student housing in August 2015 for the fall semester of 2015. Phase Two of the project opened on schedule for student housing in August 2016 for the fall semester of 2016. Bond rating agencies do not include any Campus Town debt in their calculations of the College's debt burden given the state's legislation prohibiting the College from financing any portion of Campus Town, or being financially obligated.

The College entered into an agreement on April 4, 2014 to lease a space from the developer to operate a fitness center on the Campus Town premises. The lease term is 10 years beginning August 2015 with two options to renew for an additional five years. The Base Rent for year one was $196 annually plus Additional Rent equal to the College's percentage of the cost of expenses as included in the lease agreement. Future years' Base Rent will also increase in accordance with the lease agreement. Rental payments began on the Rent Commencement Date (September 14, 2015) in accordance with the lease agreement. In fiscal year 2021 there were rental payments by the College totaling $215. The minimum annual base rental commitments approximate the following:

Annual Rental Commitments		
		Amount
Year ending June 30:		
2022	$	219
2023		224
2024		228
2025		232
2026		48
	$	951

Under the fitness center lease agreement, the College is responsible for the capital tenant improvements to prepare the leased property for its intended use. As of June 30, 2021, $1,456 of capital construction costs have been incurred and were recorded as leasehold improvements in the statement of net position. The cost of these leasehold improvements are depreciated on a straight-line basis over the 10 year term of the lease agreement.

To facilitate the construction and operation of the bookstore in Campus Town, the Corporation was engaged to act as an intermediary between the College, Barnes & Noble College Booksellers, LLC (Barnes & Noble) and PRC Campus Partners, LLC (PRC). The Corporation entered into a ten year service management agreement dated April 4, 2014 with Barnes & Noble to manage and operate a hybrid campus and general interest retail bookstore in the space leased by the Corporation in the Campus Town development. Beginning on the Bookstore Services Commencement Date (August 3, 2015), Barnes & Noble will pay the Corporation a minimum annual guaranteed commission of $650 with additional commission paid based on the specified percentages of gross sales in accordance with the agreement terms. After the Corporation pays the space rental payments to the landlord and other operational costs and deducts certain amounts for tenant fit-out as described below, excess commission will be transferred to the College. If annual gross sales of the Bookstore shall materially decline as a result of declining enrollment, public legislation, other conflicting campus agreements, material changes in school policies or business module of the industry, such as digital books, sales directly from the publisher, or other reasons outside control of Contractor, the Corporation agrees to negotiate in good faith with Barnes & Noble an appropriate reduction in the payments set forth in the agreement. In fiscal year 2021, the annual gross sales of the bookstore materially declined due to the impact of the COVID-19 pandemic and as a result the Corporation modified the agreement with Barnes and Noble to eliminate the minimum annual guaranteed commission for fiscal year 2021. The College instituted a commission arrangement based on a specified percentage of gross sales. In fiscal year 2021, the total commission payments received were $351 and there was no excess commission to be transferred to the College.

(19) Impact of COVID-19

In fiscal year 2021, the College collected minimal revenues for room and board in fall 2020 as on-campus housing was only provided to select students. Spring 2021 room and board revenues were significantly reduced due to COVID-19 restrictions for campus housing. Certain mandatory fees related to on-campus presence were also reduced. The state operating appropriation was restored to the pre-COVID-19 level. In addition to cost saving measures, the College accepted federal emergency relief funds from the Higher Education Emergency Relief Fund (HEERF), Governor's Emergency Education Relief Fund (GEERF), and Coronavirus Relief Fund (CRF) to offset institutional losses and provide student grants. The table below illustrates the revenue recognized from the COVID-19 stimulus funds in fiscal year 2021 which are reported as non-operating revenues:

2021			
COVID-19 Stimulus Funding			
	Student Grants	Insitutional	Total
HEERF I	$ 74	$ 74	$ 148
HEERF II	1,514	3,786	5,300
GEERF	—	1,878	1,878
CRF I	—	4,298	4,298
CRF II	—	1,906	1,906
Total	$ 1,588	$ 11,942	$ 13,530

In addition to the revenue recognized in the table above, the College received $1,000 of cash from the HEERF II institutional grant to reimburse the College for losses incurred in fiscal year 2021 and prior. All of the eligibility criteria to recognize this revenue were not met as of June 30, 2021, therefore this amount is reported as unearned revenue as of June 30, 2021.

(20) Subsequent Events

The College evaluated events subsequent to June 30, 2021 through April 29, 2022, the date on which the financial statements were issued, and determined there were no subsequent events required to be disclosed.

The College of New Jersey

Schedule of Proportionate Share of the Net Pension Liability

(Unaudited)

June 30, 2021

(In thousands)

Public Employees' Retirement System

		2021	2020	2019	2018	2017	2016	2015
College proportion of the net pension liability - State group		0.918%	0.598%	0.590%	0.595%	0.586%	0.571%	0.557%
College proportion of the net pension liability - Plan as a whole		0.528%	0.334%	0.322%	0.312%	0.292%	0.294%	0.289%
College proportionate share of the net pension liability	$	203,981	137,504	139,891	152,684	172,328	135,548	112,127
College covered-employee payroll (for the year ended as of the measurement date)		27,283	26,684	26,648	26,046	25,776	25,823	25,380
College proportionate share of the net pension liability as a percentage of the employee covered-payroll		747.65%	515.31%	524.96%	586.21%	668.56%	524.91%	441.79%
Plan fiduciary net position as a percentage of the total pension liability		42.90%	42.04%	40.45%	36.78%	31.20%	38.21%	42.74%

Police and Firemen's Retirement System

		2021	2020	2019	2018	2017	2016	2015
College proportion of the net pension liability - State group		0.147%	0.170%	0.149%	0.157%	0.167%	0.169%	0.153%
College proportion of the net pension liability - Plan as a whole		0.033%	0.039%	0.033%	0.032%	0.031%	0.032%	0.031%
College proportionate share of the net pension liability	$	6,319	7,147	6,452	6,890	7,878	7,262	5,420
College covered-employee payroll (for the year ended as of the measurement date)		804	764	766	785	772	763	822
College proportionate share of the net pension liability as a percentage of the employee covered-payroll		785.95%	935.47%	842.30%	877.71%	1020.47%	951.77%	659.37%
Plan fiduciary net position as a percentage of the total pension liability		58.78%	60.20%	57.91%	54.52%	48.55%	52.84%	58.86%

Teachers' Pension and Annuity Fund

		2021	2020	2019	2018	2017	2016	2015
College proportion of the net pension liability		0.001%	0.001%	0.001%	0.001%	0.000%	0.000%	0.000%
College proportionate share of the net pension liability	$	—	—	—	—	—	—	—
State's proportionate share of the net pension liability associated with the College		824	756	822	928	2,024	4,749	4,666
Total net pension liability		824	756	822	928	2,024	4,749	4,666
College covered-employee payroll (for the year ended as of the measurement date)		—	—	—	—	—	—	122
College proportionate share of the net pension liability as a percentage of the employee covered-payroll		N/A	N/A	N/A	N/A	N/A	N/A	3824.59%
Plan fiduciary net position as a percentage of the total pension liability		24.60%	26.95%	26.49%	25.41%	22.33%	28.71%	33.64%

Notes:

1. Information provided for Required Supplementary Information will be provided for ten years as the information becomes available in subsequent years.

2. There were no significant changes in benefits for any of the actuarial valuations used to determine required contributions.

3. There were no significant changes in assumptions except for the annual changes as follows:

PERS

For 2021, the discount rate changed to 7.00%. For 2020, the discount rate changed to 6.28% and the mortality tables changed from the RP-2000 tables to the Pub-2010 tables. For 2019, the discount rate changed to 5.66%. For 2018, the discount rate changed to 5.00% and the long-term rate of return changed to 7.00%. For 2017, the discount rate changed to 3.98%, the long-term expected rate of return changed to 7.65% from 7.90%.

PFRS

For 2021, the discount rate changed to 7.00%. For 2020, the discount rate changed to 6.85% and the mortality tables changed from the RP-2000 tables to the Pub-2010 tables. For 2019, the discount rate changed to 6.51%. For 2018, the discount rate changed to 6.14% and the long-term rate of returned changed to 7.00%. For 2017, the discount rate changed to 5.55%, the long-term expected rate of return changed to 7.65% from 7.90%.

See accompanying independent auditors' report.

The College of New Jersey

Schedule of Employer Contributions

(Unaudited)

June 30, 2021

(in thousands)

Public Employees' Retirement System

		2021	2020	2019	2018	2017	2016	2015
Contractually required contribution (amount provided by the State of New Jersey)	$	7,163	8,268	4,837	3,833	2,835	1,941	1,289
Contributions in relation to the contractually required contribution (amount provided by the State of New Jersey)		7,163	8,268	4,837	3,833	2,835	1,941	1,289
Contribution deficiency (excess)	$	—	—	—	—	—	—	—
College covered-employee payroll (as of the fiscal year end)	$	27,406	27,283	26,684	26,648	26,046	25,776	25,823
Contributions as a percentage of covered-employee payroll		26.14%	30.30%	18.13%	14.38%	10.88%	7.53%	4.99%

Police and Firemen's Retirement System

		2021	2020	2019	2018	2017	2016	2015
Contractually required contribution (amount provided by the State of New Jersey)	$	620	558	547	387	306	231	120
Contributions in relation to the contractually required contribution (amount provided by the State of New Jersey)		620	558	547	387	306	231	120
Contribution deficiency (excess)	$	—	—	—	—	—	—	—
College covered-employee payroll (as of the fiscal year end)	$	886	804	764	766	785	772	763
Contributions as a percentage of employee covered payroll		69.98%	69.40%	71.60%	50.52%	38.98%	29.92%	15.73%

Notes:
See notes included on the Schedules of Proportionate Share of the Net Pension Liability.

See accompanying independent auditors' report.

The College of New Jersey

Schedule of Proportionate Share of the Total Other Postemployment Benefits (OPEB) Liability

(Unaudited)

June 30, 2021

(In thousands)

State Health Benefit State Retired Employees Plan

	2021	2020	2019	2018
College proportion of the collective total OPEB liability	0.000%	0.000%	0.000%	0.000%
College proportionate share of the collective OPEB liability	$ —	—	—	—
State's proportionate share of the collective OPEB liability associated with the College	285,593	186,302	296,779	289,555
Total proportionate share of the collective OPEB liability	285,593	186,302	296,779	289,555
College covered-employee payroll (for the year ended as of the measurement date)	87,512	90,895	108,347	77,708
College proportionate share of the collective OPEB liability as a percentage of the employee covered-payroll	0.000%	0.000%	0.000%	0.000%

Notes:

1. Information provided for Required Supplementary Information will be provided for ten years as the information becomes available in subsequent years.

2. For the State Health Benefit State Retired Employees Plan, there are no assets accumulated in a trust that meets the criteria in paragraph 4 of GASB Statement No. 75, *Accounting and Financial Reporting for Other Postemployment Benefits Other Than Pensions* .

3. Changes in assumptions – There were no significant changes in assumptions except for the annual change in the discount rate.
   For fiscal year 2021, the discount rate changed to 2.21% from 3.50%. The mortality tables utilized Pub-2010 and Scale MP-2020.
   For fiscal year 2020, the discount rate changed to 3.50% from 3.87%. The mortality tables utilized changed from RP 2000 in 2018 to Pub-2010 in 2019.
   For fiscal year 2019, the discount rate changed to 3.87% from 3.58%.

See accompanying independent auditors' report.

Schedule of Expenditures of Federal Awards
Year ended June 30, 2021

Federal grantor/pass-through grantor/ program or cluster title	ALN	Pass-through grant award number	Current year expenditures	Amount provided to subrecipients
Student Financial Assistance Cluster:				
U.S. Department of Health and Human Services:				
Nursing Student Loans (note 2)	93.364	—	$ 239,139	—
Total U.S. Department of Health and Human Services			239,139	—
U.S. Department of Education:				
Federal Supplemental Educational Opportunity Grants	84.007	—	338,839	—
Federal Work-Study Program	84.033	—	42,479	—
Federal Perkins Loan (FPL) - Federal Capital Contributions (note 2)	84.038	—	2,525,539	—
Federal Pell Grant Program	84.063	—	6,570,787	—
Federal Direct Student Loans	84.268	—	28,990,921	—
Teacher Education Assistance for College and Higher Education Grants (TEACH Grants)	84.379	—	51,755	—
Total U.S. Department of Education			38,520,320	—
Total Student Financial Assistance Cluster			38,759,459	—
Research and Development Cluster:				
National Science Foundation:				
Passed through Johns Hopkins University:				
Stabilization and Circuit Strategies for Enhanced Vapor Sensing with Polymer Semiconductors	47.041	2004474837	41,790	—
RUI: Spatial light modulator technology for the on-demand fabrication of optical microstructures in polarization-sensitive materials	47.041	—	18,922	—
MRI: Acquisition of a Spatial Light Modulator System for Research and Education in Optical Materials, Bioscience, and Human-Computer Interaction	47.049	—	73,035	—
RUI: Collaborative Research: Exploring Barnacle Exoskeleton Development and Materials Properties as a Function of Growth Environment	47.049	—	37,150	—
RUI: Investigation of the structure and dynamics of type IV pilus filaments using all-atom and coarse-grained molecular dynamics	47.074	—	59,376	—
RUI: Honeysuckle phylogenomics and the evolution of organ fusion (Lonicera, Caprifoliaceae)	47.074	—	79,146	—
RUI: Regulation of Natural Variation in Maize (Zea mays) Defense Responses by Jasmonate Signaling	47.074	—	110,577	66,881
Passed through Rutgers, The State University of New Jersey:				
EDGE CT: Virus-inspired, lipid-mediated transfection and genetic manipulation of the marine coccolithophore, Emiliania huxleyi	47.074	1151	49,156	—
Preparing Highly Qualified Physics Teachers	47.076	—	70,349	—
Collaborating Across Boundaries to Engage Undergraduates in STEM Learning	47.076	—	154,371	—
Collaborative Research: Swift/E: Integrating Parallel Scripted Workflow into the Scientific Software Ecosystem	47.070	—	9,022	—
CC*Networking Infrastructure: Building a Friction-free High-speed Science Network and DMZ to Support Data-intensive Research and Education at The College of New Jersey	47.070	—	10,914	—
Collaborative Research: RI: Medium: Learning Joint Crowd-Space Embeddings for Cross-Modal Crowd Behavior Prediction	47.070	—	9,477	—
Passed through Florida State University:				
Investigating Relationships between STEM Teacher Preparation, Instructional Quality, and Teacher Persistence	47.076	R01901	5,899	—
RUI: Cirrus Ice Crystal Surface Structure and Kinetics at the Nanoscale	47.050	—	2,572	—
Collaborative Research: RUI: Investigating Time-Varying Relationships Between Interseismic Coupling, Slow Slip, and Seismicity Along the Mexican Megathrust and Sliver Fault	47.050	—	21,501	—
Passed through University of San Diego:				
CAREER: Small-Scale Plankton_Aggregate Dynamics and the Biological Pump: Integrating Mathematical Biology in Research and Education	47.050	A18-005-S001	10,438	—
Total National Science Foundation			763,695	66,881
U.S. Department of Commerce:				
National Oceanic and Atmospheric Administration:				
Comparison of Adult vs. Juvenile Golden King Crabs	11.UNK	—	7,200	—
Passed through the New Jersey Sea Grant Consortium:				
Project SEA: Science, Education, and Action	11.417	6208-0005	2,164	—
Total U.S. Department of Commerce			9,364	—
U.S. Department of Health and Human Services:				
National Institute of Health:				
Reciprocal coupling between RNA splicing and transcription through chromatin dynamics	93.859	—	22,962	—
Towards deciphering the tubulin code: Identifying the contribution glutamylation makes to regulation of microtubule dynamics	93.859	—	23,974	—
Serotonin deficiency and nicotine exposure during development: Effects on postnatal maturation of cardiorespiratory control	93.837	—	50,716	—
Total U.S. Department of Health and Human Services			97,652	—
National Endowment for Humanities:				
A Documentary History of Ismailism, the Second Largest Branch of Shia Islam, from the 16th-20th Centuries	45.161	—	60,630	—
Total National Endowment for Humanities			60,630	—
National Aeronautics and Space Administration:				
A Low-Mass Galaxy with AGN Feedback?	43.001	—	20,062	—
Effects of Acute and Protracted Galactic Cosmic Radiation on Bone Strength	43.003	—	15,773	—
Passed through Rutgers, The State University of New Jersey:				
New Jersey Space Grant Consortium	43.008	6238	34,569	—
TCNJ-Summer Research and Senior Design Research Support	43.008	1826	31,345	—
Passed through Smithsonian Astrophysical Observatory:				
Chandra Cycle 18 Transfer: Understanding the Role of AGN in Transitioning Galaxies	43.001	GO7-18093A	680	—
Chandra Cycle 21: A Powerful, Hard X-ray Emitting, AGm in a Low Mass Galaxy in the First Half of the Universe	43.001	GO0-21107X	6,423	—
Total National Aeronautics and Space Administration			108,852	—
U.S. Department of Agriculture:				
Enzymes as Regulators of Plant Responses to Combined Abiotic and Biotic Stresses	10.310	—	15,086	—
Total U.S. Department of Agriculture			15,086	—
U.S. Department of Energy:				
Passed through The Pennsylvania State University:				
Characterizing the Small-Scale Dynamical, Ice Microphysical, and Residual Aerosol Properties of Mid-Latitude Cold Clouds: A Pilot Study	81.049	S001041-NASA	13,790	—
Passed through Rowan University:				
New Jersey Underserved Communities Electric Vehicle Affordability Program	81.119	53936-1	9,535	—
Total U.S. Department of Energy			23,325	—
Total Research and Development Cluster			1,078,604	66,881

Schedule of Expenditures of Federal Awards
Year ended June 30, 2021

Federal grantor/pass-through grantor/ program or cluster title	ALN	Pass-through grant award number	Current year expenditures	Amount provided to subrecipients
Other Federal Awards:				
U.S. Department of Education:				
Special Education, Technical Assistance and Dissemination to Improve Services and Results for Children With Disabilities	84.326	—	$ (581)	—
Increasing access to and progressing the general education curriculum and grade-level academic content standards for children who are deaf-blind	84.326	—	222,171	—
Subtotal 84.326			221,590	—
Success for English Language Learners (SELL)	84.365	—	452,589	—
Passed through Bergen Community College:				
Transition Program for Students with Intellectual Disabilities Into Higher Education (TPSID)	84.407	Agreement dated 03/19/16	64,296	—
Passed through Georgian Court University:				
Pathways to Possibility: A Transition and Postsecondary Model Inclusive Program for Students with Intellectual Disabilities	84.407	Agreement dated 10/01/20	29,065	—
Subtotal 84.407			93,361	—
Passed through New Jersey Department of Education:				
Schools Technology and Digital Readiness Initiative	84.424	50920200036	96,510	—
Passed through New Jersey Department of Human Services, Commission for the Blind and Visually Impaired:				
Rehabilitation Services - Vocational Rehabilitation Grants to States:				
Work Skills Prep Program (WSP) @ TCNJ	84.126	FFY2017 MOU	261,076	—
Summer College Preparatory Program	84.126	FFY2017 MOU	179,427	—
New Jersey Deaf-Blind Equipment Distribution Project	84.126	2018-2020 MOU	81,055	—
Support Service Providers - New Jersey (SSP-NJ)	84.126	2018-2020 MOU	142,042	—
Total Rehabilitation Services - Vocational Rehabilitation Grants to States			663,600	—
Education Stabilization Funds:				
COVID-19 - Higher Education Emergency Relief Fund - Student Aid Portion	84.425E	—	1,588,398	—
COVID-19 - Higher Education Emergency Relief Fund - Institutional Portion	84.425F	—	9,822,629	—
COVID-19 - Governor's Emergency Education Relief Fund	84.425C	—	1,877,804	—
Total Education Stabilization Funds			13,288,831	—
Total U.S. Department of Education			14,816,481	—
U.S. Department of Health and Human Services:				
Youth Mental Health First Aid: Addressing Mercer County's Critical Need	93.243	—	89,866	—
Passed through Henry J. Austin Health Center:				
Nurse Practitioner Residency Program	93.247	Agreement dated 09/01/20	26,010	—
Total U.S. Department of Health and Human Services			115,876	—
U.S. Department of Homeland Security, Federal Emergency Management Agency:				
Passed through New Jersey Department Environmental Protection:				
National Dam Safety Program	97.041	CFR20-021	24,996	—
FEMA Community Assistance Program - State Support Services Element	97.023	CFR20-016	7,588	—
FEMA Cooperating Technical Partners	97.045	CFR20-016	7,588	—
Total U.S. Department of Homeland Security, Federal Emergency Management Agency			40,172	—
U.S. Department of Transportation:				
Passed through New Jersey Division of Highway Traffic Safety:				
Highway Safety Cluster:				
HTS Federal Highway Safety Grant 2020	20.616	AL-20-45-06-03	25,692	—
HTS Federal Highway Safety Grant 2021	20.616	AL-21-45-06-03	16,911	—
Total Highway Safety Cluster			42,603	—
Passed through North Jersey Transportation Planning Authority, Inc:.				
Highway Planning and Construction Cluster:				
Complete Streets Outreach and Technical Assistance-Phase II	20.205	997162 (Fund 27S244)	47,495	26,469
Total Highway Planning and Construction Cluster			47,495	26,469
Total U.S. Department of Transportation			90,098	26,469
U.S. Small Business Administration:				
Passed through Rutgers, The State University of New Jersey:				
New Jersey Small Business Development Centers	59.037	0888; 1420; 1448	215,896	—
Total U.S. Small Business Administration			215,896	—
Corporation for National and Community Service:				
Passed through New Jersey Department of State:				
AmeriCorps	94.006	AC20Form-011; AC21Form-007	209,288	80,399
Passed through Montclair State University:				
New Jersey COVID-19 Service Corps	94.006	Covid-19 Service Corps-TCNJ	11,260	—
Total Corporation for National Community Service			220,548	80,399
U.S. Department of Justice:				
Office for Victims of Crime:				
Passed through the State of New Jersey Department of Law and Public Safety, Office of the Attorney General (Crime Victim Assistance):				
The College of New Jersey Expand Services to Victims of Sexual Violence	16.575	VAG-151-18	244,800	—
The College of New Jersey's "Am I Okay" program	16.575	V-85-17	102,720	—
"Am I Okay" Project Expansion	16.575	V-85-19	288,213	—
Total Crime Victim Assistance			635,733	—
Total U.S. Department of Justice			635,733	—
National Endowment for Humanities:				
Conservation Survey of The Sarnoff Collection at The College of New Jersey	45.149	—	3,000	—
Total National Endowment for Humanities			3,000	—
Total expenditures of Federal awards			$ 55,975,867	173,749

See accompanying notes to schedules of expenditures of Federal and State of New Jersey awards.

Schedule of Expenditures of State of New Jersey Awards
Year ended June 30, 2021

State of New Jersey grantor/pass-through grantor/ program or cluster title	State of New Jersey or pass-through grant award number	Grant amount	Grant period	Current year expenditures	Amount provided to subrecipients
Student Financial Assistance Cluster:					
Office of the Secretary of Higher Education:					
Educational Opportunity Fund - Article III - Academic Year (AY19-20)	100-074-2401-001-KKKK-6140	545,450	06/01/19 - 07/31/20	$ 2,282	—
Educational Opportunity Fund - Article III - Academic Year (AY20-21)	100-074-2401-001-KKKK-6140	568,000	06/01/20 - 06/30/21	477,758	—
Educational Opportunity Fund - Article III - Summer (AY20-21)	100-074-2401-001-KKKK-6140	277,314	06/01/20 - 06/30/21	271,842	—
Educational Opportunity Fund - Article III - Summer (AY21-22)	100-074-2401-001-KKKK-6140	276,128	06/01/21 - 06/30/22	4,956	—
Total Office of the Secretary of Higher Education				756,838	—
Higher Education Student Assistance Authority:					
Tuition Aid Grant Program	18-100-074-2405-007	7,789,503	07/01/20 - 06/30/21	7,789,503	—
Governor's Urban Scholarship	18-100-074-2405-329	11,500	07/01/20 - 06/30/21	11,500	—
New Jersey Student Tuition Assistance Reward Scholarship II	18-100-074-2405-313	74,209	07/01/20 - 06/30/21	74,209	—
Total Higher Education Student Assistance Authority				7,875,212	—
Total Student Financial Assistance Cluster				8,632,050	—
New Jersey Department of Education:					
CTSO-TSA Continuation (Year 7)	20E00094	146,500	09/01/19 - 09/30/20	42,921	—
CTSO-TSA Continuation (Year 8)	21-AG19-G06	158,500	10/01/20 - 08/31/21	95,244	—
Total New Jersey Department of Education				138,165	—
New Jersey Department of Environmental Protection:					
Sustainable and Scalable Food Solutions for Schools	SHW20-012	235,000	02/01/20 - 10/01/21	17,515	—
Total New Jersey Department of Environmental Protection				17,515	—
New Jersey Commission on Higher Education:					
Educational Opportunity Fund - Article IV- Academic Year (AY19-20)	100-074-2401-001-KKKK-6140	421,969	06/01/19 - 07/31/20	7,164	—
Educational Opportunity Fund - Article IV- Academic Year (FY20 5th Quarter)	100-074-2401-001-KKKK-6140	106,292	07/01/20 - 09/30/20	77,251	—
Educational Opportunity Fund - Article IV- Academic Year (AY20-21)	100-074-2401-001-KKKK-6140	318,901	10/01/20 - 06/30/21	253,410	—
Educational Opportunity Fund - Article IV - Summer (AY20-21)	100-074-2401-001-KKKK-6140	17,234	06/01/20 - 06/30/21	17,234	—
Educational Opportunity Fund - Winter Session (AY19-20)	100-074-2401-001-KKKK-6140	218,273	12/24/19 - 01/27/20	1,820	—
Educational Opportunity Fund - Winter Session (AY20-21)	100-074-2401-001-KKKK-6140	105,000	12/16/20 - 01/24/21	103,597	—
Educational Opportunity Fund - Sophomore Second Summer (AY20-21)	100-074-2401-001-KKKK-6140	90,194	06/01/21 - 08/31/21	282	—
Total Educational Opportunity Fund				460,758	—
Total New Jersey Commission on Higher Education				460,758	—
New Jersey Department of Community Affairs:					
Passed through Trenton Police Department:					
Trenton Rise (Resilience increases success and excellence) Project	Agreement dated 02/20/19	383,000	01/01/19 - 12/31/20	45,842	—
Passed through Mercer County, Department of Counselor Education					
Mercer County Youth Marijuana Diversion Program	Agreement dated 01/09/20	40,000	01/01/20 - 12/31/21	(5,405)	—
Total New Jersey Department of Community Affairs				40,437	—
New Jersey Board of Public Utilities:					
Office of Clean Energy Program- A Statewide Initiative of Municipal Governments and Leading Organizations Working to Assist Communities in Working Toward a Sustainable Future (SFY2017/SFY2020)	17-71D-082-2014-003-3610	1,875,000	07/01/16 - 06/30/21	480,905	—
Total New Jersey Board of Public Utilities				480,905	—

Schedule of Expenditures of State of New Jersey Awards
Year ended June 30, 2021

State of New Jersey grantor/pass-through grantor/ program or cluster title	State of New Jersey or pass-through grant award number	Grant amount	Grant period	Current year expenditures	Amount provided to subrecipients
New Jersey Department of Transportation:					
Passed through Rutgers, The State University of New Jersey:					
Real-Time Traffic Signal System Performance Measurement (Phase II)	1296	60,000	11/26/19 - 11/25/20	$ 38,697	—
Total New Jersey Department of Transportation				38,697	—
New Jersey Department of Treasury:					
Grants-In-Aid Appropriations to Senior Public Colleges and Universities	18-100-074-2470-001	—	07/01/20 - 06/30/21	28,708,000	—
Fringe Benefits Other than FICA for Senior Public Colleges and Universities	XX-100-094-9410-XXX	—	07/01/20 - 06/30/21	16,791,658	—
FICA (Social Security Tax) for Senior Public Colleges and Universities	XX-100-094-9410-137	—	07/01/20 - 06/30/21	6,165,716	—
Total New Jersey Department of Treasury				51,665,374	—
New Jersey Department of Human Services:					
Division of Mental Health and Addiction Services:					
Supporting Students in Recovery and Recovery and Environmental Strategies for Alcohol and Other Drugs	20-824-ADA-0	490,000	07/01/19 - 06/30/21	228,075	—
Division of Disability Services:					
Municipal Engagement of People with Disabilities	01GIHC	100,000	01/11/21 - 06/30/22	56,576	35,234
Division of Deaf and Hard of Hearing:					
TCNJ-Center for Sensory & Complex Disabilities MOU	MOU dated 02/11/21	507,231	01/01/21 - 06/30/22	32,122	—
Total New Jersey Department of Human Services				316,773	—
New Jersey Department of State Business Action Center:					
Passed through Rutgers, The State University of New Jersey:					
Business Action Center - SBDC 2021	1836	49,433	07/01/20 - 06/30/21	46,927	—
Total New Jersey Department of State Business Action Center				46,927	—
Total expenditures of State of New Jersey awards				$ 61,837,601	—

See accompanying notes to schedules of expenditures of Federal and State of New Jersey awards.

(1) Basis of Presentation

The accompanying schedules of expenditures of Federal and State of New Jersey awards include the Federal and State of New Jersey grant activity of The College of New Jersey (the College) and are presented on the accrual basis of accounting. The information in these schedules is presented in accordance with the requirements of Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* and New Jersey Office of Management and Budget Circular 15-08, *Single Audit Policy for Recipients of Federal Grants, State Grants and State Aid*. Therefore, some amounts presented in these schedules may differ from amounts presented in, or used in the preparation of, the 2021 basic financial statements.

(2) Federal Perkins Loan and Nursing Student Loan Programs

The College administers and accounts for certain aspects of the Federal Perkins Loan and Nursing Student Loan programs. The balance of loans outstanding under these programs as of June 30, 2021 are as follows:

Year Ended June 30, 2021			
		Federal Perkins Loan Program	Nursing Student Loan Program
Beginning balance	$	2,525,539	225,439
New loans issued		—	13,700
Payments		(461,507)	(46,084)
Adjustments		—	—
Cancellations		(17,139)	—
Ending balance	$	2,046,893	193,055

(3) Federal Direct Student Loans

The College is responsible only for the performance of certain administrative duties with respect to the Federal Direct Student Loans program and, accordingly, these loans are not included in the College's basic financial statements. It is not practical to determine the balance of loans outstanding to students of the College under this program as of June 30, 2021.

(4) Indirect Costs

For the year ended June 30, 2021, the College did not elect to use the 10% de minimis indirect cost rate.

KPMG LLP
New Jersey Headquarters
51 John F. Kennedy Parkway
Short Hills, NJ 07078-2702

Independent Auditors' Report on Internal Control Over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance With *Government Auditing Standards*

The Board of Trustees
The College of New Jersey:

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States, the financial statements of the business-type and fiduciary activities and the aggregate discretely presented component units of The College of New Jersey (the College), a component unit of the State of New Jersey, as of and for the year ended June 30, 2021, and the related notes to the financial statements, which collectively comprise the College's basic financial statements as listed in the table of contents, and have issued our report thereon dated April 29, 2022. The financial statements of The College of New Jersey Foundation, Inc. and the Trenton State College Corporation were not audited in accordance with *Government Auditing Standards*, and accordingly, this report does not include reporting on internal control over financial reporting or instances of reportable noncompliance associated with The College of New Jersey Foundation, Inc. or the Trenton State College Corporation.

Internal Control Over Financial Reporting

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

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

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

Compliance and Other Matters

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

Purpose of this Report

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

KPMG LLP

Short Hills, New Jersey
April 29, 2022

KPMG LLP
New Jersey Headquarters
51 John F. Kennedy Parkway
Short Hills, NJ 07078-2702

Independent Auditors' Report on Compliance for Each Major Federal and State of New Jersey Program; Report on Internal Control Over Compliance; and Report on Schedules of Expenditures of Federal and State of New Jersey Awards Required by the Uniform Guidance and New Jersey OMB Circular 15-08

The Board of Trustees
The College of New Jersey:

Report on Compliance for Each Major Federal and State of New Jersey Program

We have audited The College of New Jersey's (the College) compliance with the types of compliance requirements described in the OMB Compliance Supplement and the New Jersey Office of Management and Budget (New Jersey OMB) State Grant Compliance Supplement (the Compliance Supplements) that could have a direct and material effect on each of the College's major Federal and State of New Jersey programs for the year ended June 30, 2021. The College's major Federal and State of New Jersey programs are identified in the summary of auditors' results section of the accompanying schedule of findings and questioned costs.

Management's Responsibility

Management is responsible for compliance with Federal and State of New Jersey statutes, regulations, and the terms and conditions of its Federal and State of New Jersey awards applicable to its Federal and State of New Jersey programs.

Auditors' Responsibility

Our responsibility is to express an opinion on compliance for each of the College's major Federal and State of New Jersey programs based on our audits of the types of compliance requirements referred to above. We conducted our audits of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; the audit requirements of Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance); and New Jersey OMB Circular 15-08, *Single Audit Policy for Recipients of Federal Grants, State Grants and State Aid* (New Jersey OMB Circular 15-08). Those standards, the Uniform Guidance and New Jersey OMB Circular 15-08, require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major Federal or State of New Jersey program occurred. An audit includes examining, on a test basis, evidence about the College's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

We believe that our audits provide a reasonable basis for our opinion on compliance for each major Federal and State of New Jersey program. However, our audits do not provide a legal determination of the College's compliance.

Opinion on Each Major Federal and State of New Jersey Program

In our opinion, the College complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major Federal and State of New Jersey programs for the year ended June 30, 2021.

Report on Internal Control Over Compliance

Management of the College is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements referred to above. In planning and performing our audits of compliance, we considered the College's internal control over compliance with the types of requirements that could have a direct and material effect on each major Federal and State of New Jersey program to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance for each major Federal and State of New Jersey program and to test and report on internal control over compliance in accordance with the Uniform Guidance and New Jersey OMB Circular 15-08, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the College's internal control over compliance.

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

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

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

Report on Schedules of Expenditures of Federal and State of New Jersey Awards Required by the Uniform Guidance and New Jersey OMB Circular 15-08

We have audited the financial statements of the business-type and fiduciary activities and the aggregate discretely presented component units of The College of New Jersey as of and for the year ended June 30, 2021, and the related notes to the financial statements, which collectively comprise the College's basic financial statements, and have issued our report thereon dated April 29, 2022, which contained unmodified opinions on those financial statements. Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the basic financial statements. The accompanying schedules of expenditures of Federal and State of New Jersey awards for the year ended June 30, 2021 are presented for purposes of additional analysis as required by the Uniform Guidance and New Jersey OMB Circular 15-08, respectively, and are not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used

to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the schedules of expenditures of Federal and State of New Jersey awards are fairly stated in all material respects in relation to the basic financial statements as a whole.

KPMG LLP

Short Hills, New Jersey
April 29, 2022

(1) Summary of Auditors' Results

(a) Type of report issued on whether the financial statements were prepared in accordance with generally accepted accounting principles: **Unmodified opinions were issued on the basic financial statements of the business-type and fiduciary activities and the aggregate discretely component units of The College of New Jersey, a component unit of the State of New Jersey, as of and for the year ended June 30, 2021.**

(b) Internal control deficiencies over financial reporting disclosed by the audit of the basic financial statements:

- Material weakness: **No**
- Significant deficiencies: **None Reported**

(c) Noncompliance material to the basic financial statements: **No**

(d) Internal control deficiencies over major Federal programs disclosed by the audit:

- Material weaknesses: **No**
- Significant deficiencies: **None reported**

Internal control deficiencies over major State of New Jersey programs disclosed by the audit:

- Material weaknesses: **No**
- Significant deficiencies: **None reported**

(e) Type of report issued on compliance for each major Federal and State of New Jersey program: **Unmodified for all major Federal and State of New Jersey programs**

(f) Audit findings that are required to be reported in accordance with 2 CFR 200.516(a) and New Jersey OMB Circular 15-08: **Federal: No; State of New Jersey: No**

(g) The major Federal and State of New Jersey programs of the College for the year ended June 30, 2021 were as follows:

Federal:

- Education Stabilization Funds - Governor's Emergency Education Relief Fund (ALN 84.425C) and Higher Education Emergency Relief Fund (ALN 84.425E, 84,425F)
- Research and Development Cluster – (Various ALNs)

State of New Jersey:

- Grants-In-Aid Appropriations to Senior Public Colleges and Universities (Grant award number 18-100-074-2470-001)

(h) Dollar threshold used to distinguish between Type A and Type B programs: **$1,679,276 (Federal); $1,855,128 (State of New Jersey)**

(i) Auditee qualified as a low risk auditee: **Federal: Yes; State of New Jersey: Yes**

Year Ended June 30, 2021

(2) Findings Relating to the Financial Statements Reported in Accordance with *Government Auditing Standards*

None

(3) Findings and Questioned Costs Relating to Federal Awards and State of New Jersey Awards

None