

**WIDENER UNIVERSITY AND AFFILIATE  
CONSOLIDATED FINANCIAL STATEMENTS  
YEARS ENDED JUNE 30, 2021 AND 2020**



WEALTH ADVISORY | OUTSOURCING  
AUDIT, TAX, AND CONSULTING

[CLAconnect.com](http://CLAconnect.com)

**WIDENER UNIVERSITY AND AFFILIATE  
TABLE OF CONTENTS  
YEARS ENDED JUNE 30, 2021 AND 2020**

<b>INDEPENDENT AUDITORS' REPORT</b>	<b>1</b>
<b>CONSOLIDATED FINANCIAL STATEMENTS</b>	
<b>CONSOLIDATED STATEMENTS OF FINANCIAL POSITION</b>	<b>3</b>
<b>CONSOLIDATED STATEMENTS OF ACTIVITIES</b>	<b>4</b>
<b>CONSOLIDATED STATEMENTS OF CASH FLOWS</b>	<b>5</b>
<b>NOTES TO CONSOLIDATED FINANCIAL STATEMENTS</b>	<b>6</b>



## INDEPENDENT AUDITORS' REPORT

Board of Trustees  
Widener University and Affiliate  
Chester, Pennsylvania

We have audited the accompanying consolidated financial statements of Widener University and Affiliate, which comprise the consolidated statements of financial position as of June 30, 2021 and 2020, and the related consolidated statements of activities and cash flows for the years then ended, and the related notes to the consolidated financial statements.

### ***Management's Responsibility for the Consolidated Financial Statements***

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

### ***Auditors' Responsibility***

Our responsibility is to express an opinion on these consolidated financial statements based on our audits. We conducted our audits in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the consolidated 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 consolidated 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 consolidated financial statements.

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

Board of Trustees  
Widener University and Affiliate

***Opinion***

In our opinion, the consolidated financial statements referred to above present fairly, in all material respects, the financial position of Widener University and Affiliate as of June 30, 2021 and 2020 and the changes in their net assets and their cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

***Emphasis of Matter***

As discussed in Note 1 to the consolidated financial statements, management has adopted Financial Accounting Standards Board (FASB) Accounting Standards Updated (ASU) No. 2016-02, *Leases (Topic 842)*. Our opinion is not modified with respect to these matters.

A handwritten signature in cursive script that reads "CliftonLarsonAllen LLP".

**CliftonLarsonAllen LLP**

Plymouth Meeting, Pennsylvania  
September 27, 2021

**WIDENER UNIVERSITY AND AFFILIATE**  
**CONSOLIDATED STATEMENTS OF FINANCIAL POSITION**  
**JUNE 30, 2021 AND 2020**  
(DOLLARS IN THOUSANDS)

<b>ASSETS</b>	2021	2020
Cash and Cash Equivalents	\$ 56,046	\$ 40,345
Accounts Receivable:		
Students (Net of Allowance for Doubtful Accounts of \$3,969 in 2021 and \$4,005 in 2020)	9,519	10,150
Affiliates	556	782
Grants and Other	3,198	3,467
Prepaid Expenses and Other Assets	613	989
Contributions Receivable (Net of Allowance for Doubtful Accounts of \$2,101 in 2021 and \$957 in 2020)	235	1,112
Long-Term Investments	118,299	94,131
Loans to Students (Net of Allowance for Doubtful Accounts of \$4,433 in 2021 and \$4,720 in 2020)	5,863	6,255
Finance lease right-of-use assets	1,366	-
Operating lease right-of-use assets	94	-
Property and Equipment	452,756	450,439
Less: Accumulated Depreciation	(247,210)	(234,358)
Net Property and Equipment	205,546	216,081
Total Assets	\$ 401,335	\$ 373,312
<b>LIABILITIES AND NET ASSETS</b>		
Accounts Payable and Accrued Expenses	\$ 17,098	\$ 14,452
Accrued Interest	1,708	1,756
Deferred Revenue and Deposits	13,091	12,108
Asset Retirement Obligation	4,086	3,909
Accrued Postretirement Benefit Obligation	65,812	65,808
Finance lease obligations	1,378	898
Operating lease obligations	94	-
Bonds and Notes Payable	73,223	75,352
U.S. Government Grants Refundable	4,638	5,826
Total Liabilities	181,128	180,109
Net Assets:		
Without Donor Restrictions	149,196	134,739
With Donor Restrictions	71,011	58,464
Total Net Assets	220,207	193,203
Total Liabilities and Net Assets	\$ 401,335	\$ 373,312

See accompanying Notes to Consolidated Financial Statements.

**WIDENER UNIVERSITY AND AFFILIATE  
CONSOLIDATED STATEMENTS OF ACTIVITIES  
YEARS ENDED JUNE 30, 2021 AND 2020  
(DOLLARS IN THOUSANDS)**

	2021	2020
<b>CHANGES IN NET ASSETS WITHOUT DONOR RESTRICTIONS</b>		
Operating Activities:		
Revenue, Gains, and Other Support:		
Tuition and Fees (Net of Scholarship and Fellowships of \$91,902 in 2021 and \$89,882 in 2020)	\$ 123,291	\$ 121,289
Federal Grants and Contracts	1,860	1,383
State Grants and Contracts	1,092	661
Interest on Loans	215	131
Contributions	978	1,418
Investment Returns Designated for Current Operations:		
Endowment Spending	4,239	2,868
Other Investment Income	70	557
Miscellaneous Income	991	1,920
Auxiliary Enterprises	5,761	18,390
Revenues and Gains Without Donor Restrictions	138,497	148,617
<b>NET ASSETS RELEASED FROM RESTRICTIONS</b>	<b>7,898</b>	<b>8,537</b>
Total Revenues and Gains Without Donor Restrictions	146,395	157,154
<b>EXPENSES</b>		
Educational and General Expenses:		
Instructional	72,276	70,188
Research	417	588
Public Service	558	583
Academic Support	13,228	13,711
Student Services	18,047	19,453
Institutional Support	16,136	24,198
Auxiliary Enterprises	16,762	21,579
CARES Act Grants To Students	1,603	1,136
Total Expenses	139,027	151,436
Total Operating Income	7,368	5,718
<b>NONOPERATING ACTIVITIES</b>		
Net Appreciation (Depreciation) in Fair Value of Investments	10,193	(2,256)
Loss on Disposition of Property	(82)	-
Net Change in Postretirement Benefit Obligation	(501)	(8,173)
Voluntary Retirement and Severance	(90)	(1,420)
Other	(2,431)	(128)
Total Gain (Loss) from Nonoperating Activities	7,089	(11,977)
<b>TOTAL CHANGE IN NET ASSETS WITHOUT DONOR RESTRICTIONS</b>	<b>14,457</b>	<b>(6,259)</b>
<b>CHANGE IN NET ASSETS - WITH DONOR RESTRICTION</b>		
Private Gifts, Grants, and Contracts	7,473	6,522
Loss on Write-Off of Pledge Receivable	(962)	80
Endowment Spending	2,161	2,106
Miscellaneous Income	8	(2)
Investment Returns Less Than Amounts Designated for Operations	11,765	(2,443)
Net Assets Released From Restrictions	(7,898)	(8,537)
Change in Net Assets With Donor Restrictions	12,547	(2,274)
<b>CHANGE IN NET ASSETS</b>	<b>27,004</b>	<b>(8,533)</b>
Net Assets - Beginning of Year	193,203	201,736
<b>NET ASSETS - END OF YEAR</b>	<b>\$ 220,207</b>	<b>\$ 193,203</b>

See accompanying Notes to Consolidated Financial Statements.

**WIDENER UNIVERSITY AND AFFILIATE**  
**CONSOLIDATED STATEMENTS OF CASH FLOWS**  
**YEARS ENDED JUNE 30, 2021 AND 2020**  
(DOLLARS IN THOUSANDS)

	2021	2020
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Change in Net Assets	\$ 27,004	\$ (8,533)
Adjustments to Reconcile Change in Net Assets to Net Cash Provided by Operating Activities:		
Depreciation and Amortization	14,135	12,958
Net Appreciation in Fair Value of Investments	(28,763)	(356)
Contributions Restricted for Long-Term Investment	(322)	(204)
Payments Under Lease Obligations	(132)	-
Loss on Disposal of Property	(82)	-
Changes in Assets and Liabilities:		
Accounts Receivable (Gross)	1,162	(6,197)
Allowance for Doubtful Accounts	(36)	1,020
Contributions Receivable	877	159
Prepaid Expenses and Other Assets	376	238
Accounts Payable and Accrued Expenses, Net of Investing Activities	2,646	(4,547)
Accrued Interest	(48)	(39)
Deferred Revenue and Deposits	983	1,544
Asset Retirement Obligation	177	(305)
Postretirement Benefit Obligation	4	7,788
Net Cash Provided by Operating Activities	17,981	3,526
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Net Decrease in Loans to Students	392	1,455
Purchase of Property and Equipment	(3,695)	(15,824)
Proceeds from Sales of Investments	37,564	36,110
Purchases of Investments	(32,969)	(31,437)
Net Cash Provided (Used) by Investing Activities	1,292	(9,696)
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
Proceeds from Contributions Restricted for Long-Term Investment	322	204
Payments Under Financing Leases	(544)	(334)
Repayments on Bonds Payable	(2,156)	(2,066)
Payment of Bond Issuance Costs	(6)	-
Net Change in U.S. Government Grants Refundable	(1,188)	(807)
Net Cash Used by Financing Activities	(3,572)	(3,003)
<b>NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS</b>	15,701	(9,173)
Cash and Cash Equivalents - Beginning of Year	40,345	49,518
<b>CASH AND CASH EQUIVALENTS - END OF YEAR</b>	\$ 56,046	\$ 40,345
<b>SUPPLEMENTAL DISCLOSURE</b>		
Cash Paid for Interest Expense, Net of Capitalized Interest	\$ 3,483	\$ 3,924
<b>NONCASH TRANSACTIONS</b>		
Equipment Financed with Leases	\$ 1,465	\$ 440

See accompanying Notes to Consolidated Financial Statements.

**WIDENER UNIVERSITY AND AFFILIATE**  
**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**  
**JUNE 30, 2021 AND 2020**

**NOTE 1      SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

**Description of Operations**

Founded in Wilmington, Delaware, in 1821, Widener University (the University) comprises eight schools and colleges that offer liberal arts and sciences, professional, and pre-professional curricula. A metropolitan teaching institution, the University is a three-campus university offering more than 150 programs of study leading to one of 90 associate, bachelors, masters, or doctoral degrees. The University's schools include the College of Arts and Sciences, School of Business Administration, School of Engineering, School of Human Service Professions, Delaware Law School, Commonwealth Law School, the School of Nursing, and the Center for Extended Learning.

The University is incorporated in both the Commonwealth of Pennsylvania and the state of Delaware. The University is a private, nonprofit institution of higher education with campuses in Chester, Pennsylvania; Harrisburg, Pennsylvania; and Wilmington, Delaware. The consolidated financial statements of the University have been prepared on the accrual basis of accounting. The significant accounting policies followed by the University are described below to enhance the usefulness of the financial statements for the reader.

During fiscal year 2016, Cares Twenty One S.R.L. (the Affiliate) was formed in Costa Rica. The Affiliate's purpose is to own and operate a property within Costa Rica for educational purposes. The University is the sole owner of the Affiliate.

**Basis of Presentation**

The University's consolidated financial statements are prepared in accordance with generally accepted accounting principles for nonprofit organizations.

Net assets and revenues, expenses, gains, and losses are classified as without donor restrictions or with donor restrictions based on the absence or existence of donor-imposed restrictions as follows:

*Net assets without donor restrictions* – Net assets that are not subject to donor-imposed restrictions.

*Net assets with donor restrictions* – Net assets whose use by the University are subject to donor-imposed stipulations that may or will be met either by actions of the University or the passage of time are reported as net assets with donor restrictions. Additionally, funds received as gifts which have been accepted with the donor stipulation that the principal be maintained intact in perpetuity are reported as net assets with donor restrictions. The investment returns on these gifts held in perpetuity are included in net assets with donor restrictions until such time that the funds are drawn in accordance with the University's spending policy and utilized in accordance with the donor restriction.



**WIDENER UNIVERSITY AND AFFILIATE**  
**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**  
**JUNE 30, 2021 AND 2020**

**NOTE 1      SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**Basis of Presentation (Continued)**

Revenues are reported as increases in net assets without donor restrictions unless use of the related assets is limited by donor imposed restrictions. Expenses are reported as decreases in net assets without donor restrictions. Gains and losses on investments and other assets or liabilities are reported as increases or decreases in net assets without donor restrictions, unless their use is restricted by explicit donor stipulation or by law. Expirations of restrictions on net assets (i.e., the donor-stipulated purpose has been fulfilled or the stipulated time period has elapsed) are reported as reclassifications between the applicable classes of net assets.

The University allocates its expenses on a functional basis among its various programs and supporting services. Expenses that can be readily identified with a specific program or supporting service are allocated directly. Other expenses that are common to several functions are allocated by various statistical bases.

Contributions, including unconditional promises to give, are recognized as revenues in the period received. Conditional promises to give are not recognized until they become unconditional, that is, when the conditions on which they depend are substantially met. Contributions of assets other than cash are recorded at their estimated fair value. An allowance for uncollectible contributions received is provided based upon management's judgment, including such factors as prior collection history, type of contribution, and nature of fund-raising activity.

Contributions made toward long-lived assets are held as net assets with donor restrictions until the asset is placed in service. At such time, the contribution is considered to be released from restriction and reclassified to net assets without donor restriction.

Income and realized and unrealized net gains on investments of endowment and similar funds are reported as follows:

- (1) As increases in net assets with donor restriction if the terms of the gift or the University interpretation of relevant state law require that they be added to the principal of a permanent endowment fund;
- (2) As increases in net assets with donor restriction based upon relevant state law or if the terms of the gift impose restrictions on the use of the income; or
- (3) As increases in net assets without donor restrictions in all other cases.

Commonwealth of Pennsylvania law permits the University to allocate to income each year a portion of endowment net realized gains under an endowment spending policy, limited to 7% of the trailing three-year average of the market value of the endowment assets. Since endowment net realized and unrealized gains may eventually be spent by the University, endowment net realized and unrealized gains are recorded in the financial statements as net assets with donor restriction until transferred to net assets without donor restrictions.

**WIDENER UNIVERSITY AND AFFILIATE**  
**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**  
**JUNE 30, 2021 AND 2020**

**NOTE 1      SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**Principals of Consolidation**

The consolidated financial statements of the University include the accounts of the Affiliate. All significant inter-organizational transactions have been eliminated in these consolidated financial statements.

**Nonoperating Activities**

Nonoperating activities reflect transactions of a long-term investment or capital nature, including investment returns net of the amount the University has appropriated for current operational support in accordance with the University's endowment spending guidelines, changes in the postretirement benefit obligation, voluntary retirement program and severance expense, and other transactions that are not accounted for as part of ongoing budgeted operations.

**Cash and Cash Equivalents**

Cash equivalents include all highly liquid interest-bearing deposits with maturities of three months or less at time of purchase, except those held for long-term investment purposes. The balances are insured by the Federal Deposit Insurance Corporation (FDIC) up to certain limits. At times the University's cash may exceed FDIC insurable limits.

**Investments**

Investments are stated at fair market value as provided by external investment managers or quoted market values. Investments acquired by gift are recorded at the fair value on the date the gift was received. Cost of investments sold is determined on the first-in, first-out method, and investment transactions are recognized on the settlement date.

Valuations for private debt and equity funds and other alternative investments are based on valuations provided by external investment managers or on audited financial statements when available. Valuations provided by external investment managers include estimates, appraisals, assumptions, and methods that are reviewed by management.

The University generally uses net asset value per share as reported by investment managers as the practical expedient estimate of fair value without further adjustment for its investments in alternative investment funds for which there is no readily determinable market value.

**Accounts Receivable**

Accounts receivable include student accounts receivable, affiliate receivables, grants, and other receivables. Accounts receivable are stated at the amount management expects to collect from outstanding balances. An allowance for doubtful accounts is recorded annually based on historical experience and management's evaluation of individual accounts. Bad debts are written off when deemed uncollectible. Receivables are generally unsecured.

**WIDENER UNIVERSITY AND AFFILIATE**  
**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**  
**JUNE 30, 2021 AND 2020**

**NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**Property and Equipment**

Property and equipment are recorded at cost, net of depreciation, except for gifts of physical properties, which are recorded at their appraised value when received. Depreciation is calculated on the straight-line method over the estimated useful lives of the assets: buildings, 50 years; building improvements, 15 years; equipment, 7 years; and personal computers, 4 years. Capital expenses greater than \$10,000 are capitalized.

**Art Collection**

The University houses a collection of American paintings and the Alfred O. Deshong Collection of European paintings and Oriental art objects that it does not capitalize. These collections adhere to the University's policy to (a) maintain them for public exhibition, education, or research; (b) protect, keep unencumbered, care for, and preserve them; and (c) use any proceeds from sale of collection items to acquire new collection items or the direct care of the existing collection. The University defines direct care as activities to enhance the life, usefulness, or quality of the collection, thereby ensuring that it will continue to benefit the public for years to come.

**Deferred Revenue**

Deferred revenue primarily consists of unearned tuition and fees related to summer semesters and prepaid tuition, fees, and contract advances. Such amounts will be recognized as revenue as they are earned.

**U.S. Government Grants Refundable**

Funds provided by the U.S. government under the Federal Perkins Loan Program are loaned to qualified students and may be reloaned after collections. These funds are ultimately refundable to the U.S. government and are presented in the accompanying consolidated statements of financial position as a liability.

**Asset Retirement Obligation**

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

**Leases**

The University determines if an arrangement is a lease at inception. Operating leases are included in right-of-use ("ROU") assets – operating and lease liability – operating, and finance leases are included in right-of-use ("ROU") assets – financing and lease liability – financing in the statements of financial position.

**WIDENER UNIVERSITY AND AFFILIATE**  
**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**  
**JUNE 30, 2021 AND 2020**

**NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**Leases (Continued)**

ROU assets represent the University's right to use an underlying asset for the lease term and lease liabilities represent the University's obligation to make lease payments arising from the lease. ROU assets and liabilities are recognized at commencement date based on the present value of lease payments over the lease term. Lease terms may include options to extend or terminate the lease when it is reasonably certain that the University will exercise that option. Lease expense for operating lease payments is recognized on a straight-line basis over the lease term. The University has elected to recognize payments for short-term leases with a lease term of 12 months or less as expense as incurred and these leases are not included as lease liabilities or right of use assets on the statements of financial position.

The individual lease contracts do not provide information about the discount rate implicit in the lease. Therefore, the University has elected to use a risk-free discount rate determined using a period comparable with that of the lease term for computing the present value of lease liabilities.

The University has elected not to separate nonlease components from lease components and instead accounts for each separate lease component and the nonlease component as a single lease component.

**Fair Value of Financial Instruments**

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

The standard describes three levels of inputs that may be used to measure fair value:

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

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

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

The level in the fair value hierarchy within which a fair value measurement in its entirety falls is based on the lowest level input that is significant to the fair value measurement in its entirety.

**WIDENER UNIVERSITY AND AFFILIATE**  
**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**  
**JUNE 30, 2021 AND 2020**

**NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**Use of Estimates**

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

**Self-Insurance**

The University maintains a self-insurance program for its employees' health care costs beginning in November 2016. The University is liable for losses on claims up to \$175 per claim and \$10,500 in total for the year. The University has third-party insurance coverage for any losses in excess of such amounts. Self-insurance costs are accrued based on claims reported as of the statement of financial position date as well as an estimated liability for claims incurred but not reported. The total accrued liability for self-insurance costs was \$1,795 and \$1,796 as of June 30, 2021 and 2020, respectively.

**Federal Income Taxes**

The University has been recognized by the Internal Revenue Service as a tax-exempt organization described in Section 501(c)(3) of the Internal Revenue Code. As such, it is subject to tax only on income from activities unrelated to its tax-exempt mission. For the years ended June 30, 2021 and 2020, the University generated no significant unrelated business income subject to tax, and no provision for income taxes was provided. The University believes it has taken no significant uncertain tax positions.

**Tuition and Fee Revenue**

The University recognizes revenue from student tuition and fees within the fiscal year in which educational services are provided. Any payments received in advance are classified as deferred revenue in the accompanying consolidated statements of financial position. The University provides financial aid to eligible students, generally in a package that can include loans, compensation under work-study programs, and/or grant and scholarship awards. The loans are provided primarily through programs with the U.S. government under which the University is responsible only for certain administrative duties. The grant and scholarships include awards provided from gifts and grants from private donors, income earned on endowment funds restricted for student aid, and University funds.

Four summer terms are offered: half summer I from mid-May to the end of June; half summer II from early July to mid-August; full-term summer I from mid-May to mid-August; and full-term summer II from end of May to mid-August. Payments of tuition and housing for all of the summer terms are recognized as performance obligations are met. Because the academic terms for Full-term Summer I and II span two reporting periods, a portion of the revenues are included in deferred revenue.

**WIDENER UNIVERSITY AND AFFILIATE**  
**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**  
**JUNE 30, 2021 AND 2020**

**NOTE 1      SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**Sponsored Awards**

The University receives sponsored program funding from various governmental and corporate sources. The funding may represent a reciprocal transaction in exchange for an equivalent benefit in return, or it may be a nonreciprocal transaction in which the resources provided are for the benefit of the University, the funding organization's mission, or the public at large.

Revenues from exchange transactions are recognized as performance obligations are satisfied.

Revenues from non-exchange transactions (contributions) may be subject to conditions, in the form of both a barrier to entitlement and a refund of amounts paid (or a release from obligations to make future payments). Revenues from conditional non-exchange transactions are recognized when the barrier is satisfied. As of June 30, 2021, the University has unrecorded conditional grant agreements of \$11,118 from government sponsors related to Higher Education Emergency Relief Funds (HEERF).

Indirect costs recovered on federally sponsored programs are generally based on predetermined reimbursement rates, which are stated as a percentage and distributed based on the modified total direct costs incurred. The University negotiates its federal indirect rate with its cognizant federal agency. Indirect costs recovered on all other grants and contracts are based on rates negotiated with the respective sponsors. Funds received for sponsored research activity are subject to audit. Based upon information currently available, management believes that any liability resulting from such audits will not materially affect the financial position or operations of the University.

**Auxiliary Enterprises Revenue**

Auxiliary enterprises revenue includes revenues from contracts with customers to provide student housing and dining facilities, the campus store, child development center and other miscellaneous activities. Performance obligations for housing and dining services are delivered over the academic terms. Consequently, revenue from housing and dining services is recognized ratably as services are rendered.

**WIDENER UNIVERSITY AND AFFILIATE**  
**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**  
**JUNE 30, 2021 AND 2020**

**NOTE 1      SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**Adoption of New Accounting Standard**

In February 2016, the Financial Accounting Standards Board (FASB) issued Accounting Standards Update (ASU) 2016-02, *Leases (Topic 842)*. This new standard increases transparency and comparability among organizations by requiring the recognition of right-of-use (ROU) assets and lease liabilities on the statements of financial position. Most prominent among the changes in the standard is the recognition of ROU assets and lease liabilities by lessees for those leases classified as operating leases. Under the standard, disclosures are required to meet the objective of enabling users of financial statements to assess the amount, timing, and uncertainty of cash flows arising from leases.

The University adopted the requirements of this guidance effective July 1, 2020, and has elected to apply the provisions of this standard to the beginning of the period of adoption.

The University has elected to adopt the package of practical expedients available in the year of adoption. The package of practical expedients allows the University not to reassess whether a contract is or contains a lease, lease classification, initial direct costs for any existing leases. The package also allows the University to use hindsight in determining the lease term and in assessing the impact on the University's ROU assets. Additionally, the University elected not to apply the recognition requirements in the lease standard to short-term leases, a lease that at the commencement date has a lease term of 12 months or less and does not contain a purchase option that the lessee is reasonably certain to exercise.

ROU assets represent the University's right to use an underlying asset for the lease term and lease liabilities represent the University's obligation to make lease payments arising from the lease. ROU assets and liabilities are recognized at commencement date based on the present value of the lease payments over the lease term.

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

As a result of adoption of this standard, the University recognized a ROU asset and liability of \$1,221 as of the July 1, 2020 date of adoption. Additional detail regarding leases is provided in Note 8, Leases.

**WIDENER UNIVERSITY AND AFFILIATE  
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS  
JUNE 30, 2021 AND 2020**

**NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**Adoption of New Accounting Standard (Continued)**

In August 2018, the FASB issued ASU 2018-13 Fair Value Measurement (Topic 820): *Disclosure Framework – Changes to the Disclosure Requirements for Fair Value Measurement*. The ASU removes and modifies disclosure requirements retrospectively for non-public entities. The provisions were effective for the University’s fiscal year ending June 30, 2021. Management has applied this standard retrospectively.

In March 2019, the FASB issued ASU 2019-03, *Updating the Definition of Collections*. The ASU modifies the definition of the term collections and requires that a collection-holding entity disclose its policy for the use of proceeds from when collection items are deaccessioned (that is, removed from a collection). If a collection-holding entity has a policy that allows proceeds from deaccessioned collection items to be used for direct care, it should disclose its definition of direct care. Management has applied this standard prospectively.

**NOTE 2 REVENUE FROM CONTRACTS WITH CUSTOMERS**

**Revenue Recognition**

Revenue from contracts with customers is recognized when control of the promised goods or services is transferred to our customers (students), in an amount that reflects the consideration we expect to be entitled in exchange for those goods or services.

The following table shows the University’s tuition revenue disaggregated according to the timing of transfer of goods or service and by source:

<b>Revenue Recognized over Time:</b>	<b>Year Ended June 30, 2021</b>	<b>Year Ended June 30, 2020</b>
Undergraduate Tuition and Fees	\$ 57,649	\$ 59,153
Extended Learning Tuition and Fees	2,443	2,584
Graduate Tuition and Fees	63,199	59,552
Total	\$ 123,291	\$ 121,289

The following table shows the University’s auxiliary revenues disaggregated according to the timing of transfer of goods or service and by source:

<b>Revenue Recognized over Time:</b>	<b>Year Ended June 30, 2021</b>	<b>Year Ended June 30, 2020</b>
Housing	\$ 3,609	\$ 10,954
Dining	2,032	6,885
Other	120	551
Total	\$ 5,761	\$ 18,390



**WIDENER UNIVERSITY AND AFFILIATE**  
**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**  
**JUNE 30, 2021 AND 2020**

**NOTE 2 REVENUE FROM CONTRACTS WITH CUSTOMERS (CONTINUED)**

**Performance Obligations and Revenue Recognition**

The University has four academic terms: fall, spring, summer 1, and summer 2. Tuition revenue is recognized in the fiscal year in which the academic programs are delivered. Auxiliary revenue is recognized in the fiscal year in which housing and food services are provided. Any payments received prior to fiscal year-end related to academic terms that occur subsequent to fiscal year-end are recorded as deferred revenue in the accompanying consolidated statements of financial position.

Customer contracts generally have separately stated prices for each performance obligation contained in the contract. Therefore, each performance obligation generally has its own standalone selling price. Arrangements for payment are agreed to prior to registration of the student's first academic term. Generally, payments for tuition, fees and auxiliaries are due approximately two weeks prior to the start of the academic terms. Students may also enter into a payment plan in which payment is due at predetermined dates during the course of a semester. Many students obtain Title IV or other financial aid resulting in the University receiving a significant amount of the transaction price at the beginning of the academic term.

**Transaction Price**

Revenue, or transaction price, is measured as the amount of consideration expected to be received in exchange for transferring goods or services. Tuition and auxiliary revenues are reported at established rates.

Students may receive discounts, scholarships or refunds, which gives rise to variable consideration. The amount of discounts or scholarships are applied to individual student accounts when such amounts are awarded. Therefore, the transaction price is reduced directly by these discounts or scholarships from the amount of the standard rates charged.

Students who adjust their course load or withdraw completely within the first 8 days of the academic term (add/drop period) may receive a full or partial refund in accordance with the University's refund policy. Once the add/drop period passes, students are no longer eligible for a refund.

If a student withdraws prior to completing an academic term, federal regulations permit the University to retain only a set percentage of the total tuition and auxiliary revenues received from such student, which varies with, but generally equals or exceeds, the percentage of the academic term completed by such student. Payment amounts received by the University in excess of such set percentages of tuition are refunded to the student or the appropriate funding source.

Management reassesses collectability throughout the period revenue is recognized by the University based on the aging of the students' accounts receivable balances.

**WIDENER UNIVERSITY AND AFFILIATE  
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS  
JUNE 30, 2021 AND 2020**

**NOTE 2 REVENUE FROM CONTRACTS WITH CUSTOMERS (CONTINUED)**

**Contract Balances**

Tuition, fees and auxiliary revenues are recognized in the period classes and services are provided and amounts received for future periods are reported as deferred revenue. Students are billed at the beginning of each academic term and payment is due at pre-established dates prior to the start of the academic term. The University's performance obligations are to provide educational services in the form of instruction as well as housing facilities and meals during the academic term. As these performance obligations are satisfied over the academic term, deferred revenue is reduced.

The activity and balances for deposits and deferred revenue from contracts with customers are shown in the following table:

	<b>Summer Terms (Tuition &amp; Housing)</b>	<b>Student Organizations</b>	<b>Other Organizations</b>	<b>Deposits</b>	<b>Total</b>
Balance at June 30, 2019	\$ 10,149	\$ 274	\$ 125	\$ 16	\$ 10,564
Revenue Recognized	(10,149)	(274)	(125)	(16)	(10,564)
Payments Received and/or Amounts Billed in Advance of Performance	11,705	284	91	28	12,108
Balance at June 30, 2020	11,705	284	91	28	12,108
Revenue Recognized	(11,705)	(284)	(91)	(28)	(12,108)
Payments Received and/or Amounts Billed in Advance of Performance	12,740	211	110	30	13,091
Balance at June 30, 2021	<u>\$ 12,740</u>	<u>\$ 211</u>	<u>\$ 110</u>	<u>\$ 30</u>	<u>\$ 13,091</u>

The balance of deferred revenue at June 30, 2021 will be recognized as revenue over the related academic term beginning on July 1, 2021 as services are rendered.

**Practical Expedients**

As the University's performance obligations have an original expected duration of one year or less, the University has applied the practical expedient to not disclose the amount of the transaction price allocated to our performance obligations that are unsatisfied (or partially unsatisfied) as of the end of the reporting period and when the entity expects to recognize this amount as revenue. All consideration from contracts with customers is included in the transaction price.

**WIDENER UNIVERSITY AND AFFILIATE  
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS  
JUNE 30, 2021 AND 2020**

**NOTE 3 LIQUIDITY**

To help manage unanticipated liquidity needs, the University has signed a line of credit in the amount of \$5,000 in 2018 which it could draw upon. Additionally, the University has a quasi-endowment of \$50,233. Although the University does not intend to spend from its quasi-endowment other than amounts appropriated for general expenditure as part of its annual budget approval and appropriation, amounts from its quasi-endowment could be made available if necessary. However, both the quasi-endowment and donor endowment contain lock-up provisions that would reduce the total investments that could be made available.

The University's financial assets due within one year of the balance sheet date for general expenditure are as follows at June 30:

	2021	2020
Cash and Cash Equivalents	\$ 56,046	\$ 40,345
Student Receivable	9,519	10,150
Affiliates Receivable	556	782
Grants and Other Receivables	3,198	3,467
	<u>\$ 69,319</u>	<u>\$ 54,744</u>

The University endowment funds consist of donor endowment and quasi-endowment. Income from the donor endowment is restricted for specific purposes and, therefore, is not available for general expenditure. The quasi-endowment has a spending rate of 7.0% and 5.5% for the years ended June 30, 2021 and 2020, respectively.

**NOTE 4 CONTRIBUTIONS RECEIVABLE**

Contributions receivable are summarized as follows at June 30:

	2021	2020
Unconditional Promised Expected to be Collected:		
Within One Year	\$ 301	\$ 40
Between One and Five Years	2,006	2,085
After Five Years	114	62
	<u>2,421</u>	<u>2,187</u>
Less:		
Allowance for Uncollectible Contributions Receivable	(2,101)	(957)
Present Value Discount (1.2% - 3.4%)	(85)	(118)
	<u>\$ 235</u>	<u>\$ 1,112</u>

Development costs were \$1,829 and \$2,184 for the years ended June 30, 2021 and 2020, respectively.

**WIDENER UNIVERSITY AND AFFILIATE**  
**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**  
**JUNE 30, 2021 AND 2020**

**NOTE 5 INVESTMENTS**

The University records investments at fair value. Long-term investments are comprised primarily of the endowment funds, which has a fair value of \$114,876 and \$90,187 as of June 30, 2021 and 2020, respectively, and are invested through fund managers.

The University has investments in University Technology Park, Inc. and Uno Providence LLC, which are recorded using the equity method of accounting and totaled \$326 and \$767 as of June 30, 2021 and 2020, respectively.

Investments that are recorded at fair value at June 30 are summarized as follows:

	<u>2021</u>	<u>2020</u>
Equity Funds	\$ 65,047	\$ 54,633
Commodities	4,986	2,963
Venture Capital	12,312	5,414
Natural Resources	5,530	6,779
Fixed Income	20,192	18,218
Real Estate	6,726	2,201
Money Market Funds	112	88
Other	3,068	3,068
Total	<u>\$ 117,973</u>	<u>\$ 93,364</u>

Investment fees were \$93 and \$69 for the years ended June 30, 2021 and 2020, respectively.

**WIDENER UNIVERSITY AND AFFILIATE**  
**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**  
**JUNE 30, 2021 AND 2020**

**NOTE 5 INVESTMENTS (CONTINUED)**

The following tables present the University's fair value hierarchy for assets and liabilities measured at fair value on a recurring basis:

	Fair Value	Fair Value Measurements at June 30, 2021 Using		
		Level 1	Level 2	Level 3
Assets:				
Equity Funds	\$ 29	\$ 29	\$ -	\$ -
Other	3,068	3,068	-	-
Subtotal	3,097	3,097	-	-
Investments Measured at Fair Value using Net Asset Value per Share	114,876			
Equity Method Investments	326			
Total Investments	<u>\$ 118,299</u>			

	Fair Value	Fair Value Measurements at June 30, 2020 Using		
		Level 1	Level 2	Level 3
Assets:				
Equity Funds	\$ 108	\$ 108	\$ -	\$ -
Money Market Funds	-	-	-	-
Other	3,069	3,069	-	-
Subtotal	3,177	3,177	-	-
Investments Measured at Fair Value using Net Asset Value per Share	90,187			
Equity Method Investments	767			
Total Investments	<u>\$ 94,131</u>			

**WIDENER UNIVERSITY AND AFFILIATE**  
**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**  
**JUNE 30, 2021 AND 2020**

**NOTE 5 INVESTMENTS (CONTINUED)**

The University's major categories of alternative marketable investments held at June 30, their significant investment strategies, and the conditions upon which the University may redeem its investment for each major category are summarized below:

June 30, 2021		
Investment Category	Investment Strategy	Redemption Terms
Strategic Solutions Global Equity LLC	Equity	Monthly, with 5 days prior notice
High Quality Bond Fund	Fixed	Weekly, with 5 days prior notice
Global Absolute Alpha Company A	Hedge Fund	Quarterly, with 65 days prior notice
SSgA S&P Global LargeMidCap Natural Resr	Natural Resources	Monthly, with 30 days prior notice
SSgA S&P 500 Index Non-Lending Strat.	Equity	Daily, with 2 days prior notice
SSgA US Aggregate Bond Index NL Strat.	Fixed	Daily, with 2 days prior notice
CF REIT Portfolio, LLC	Real Assets	Daily, with 2 days prior notice
CF Credit Series	Fixed	Monthly, with 90 Days Prior Notice

  

June 30, 2020		
Investment Category	Investment Strategy	Redemption Terms
Strategic Solutions Global Equity LLC	Equity	Monthly, with 5 days prior notice
State Street Inst US Govt Money Mkt Fund	Fixed	Daily, by 3:00 PM EST Day of Transaction
High Quality Bond Fund	Fixed	Weekly, with 5 days prior notice
CF Credit Series	Fixed	Monthly, with 90 Days Prior Notice
Global Absolute Alpha Company A	Hedge Fund	Quarterly, with 65 days prior notice
SSgA S&P Global LargeMidCap Natural Resr	Natural Resources	Monthly, with 30 days prior notice
SSgA Tuckerman US REIT Index NL QP	Real Assets	Daily, with 2 days prior notice

The University has \$37,701 and \$22,955 as of June 30, 2021 and 2020, respectively, of investments in nonmarketable alternative investment funds which are reported at estimated fair value. The unobservable inputs used to determine the fair value of these investments have been estimated based on the net asset value per share as provided by the investment managers as the practical expedient estimate of fair value of the investment without further adjustment. All of those investments are redeemable with the fund at net asset value under the original terms of the partnership agreements and/or subscription agreements and operations of the underlying funds. However, it is possible that these redemption rights may be restricted or eliminated by the funds in the future in accordance with the underlying fund agreements. Due to the nature of the investments held by the funds, changes in market conditions and the economic environment may significantly impact the net asset value of the funds and, consequently, the fair value of the University's interests in the funds. Although a secondary market exists for these investments, it is not active and individual transactions are typically not observable. When transactions do occur in this limited secondary market, they may occur at discounts to the reported net asset value. It is therefore reasonably possible that if the University were to sell these investments in the secondary market, a buyer may require a discount to the reported net asset value, and the discount could be significant.

The University is not aware of any fund-specific secondary market information available for its alternative investment funds.

**WIDENER UNIVERSITY AND AFFILIATE**  
**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**  
**JUNE 30, 2021 AND 2020**

**NOTE 5 INVESTMENTS (CONTINUED)**

The University's nonmarketable investments are generally not redeemable as of June 30, 2021 and 2020. Major categories held at June 30, and their significant investment strategies include:

June 30, 2021	
Alternative Investment Category	Investment Strategy
Private Equity Partners VI	Private Equity
Private Equity Partners VII	Private Equity
CCI-SSG Global Private Equity Fund	Private Equity
CCI-SSG Global Private Equity Fund II, L	Private Equity
CCI-SSG Global Private Equity Fund III	Private Equity
Int'l Private Equity Partners V	International Equity
Int'l Private Equity Partners VI	International Equity
Venture Partners VII	Venture
Venture Partners VIII	Venture
Venture Partners IX	Venture
Venture Partners XI	Venture
Venture Partners XII	Venture
Venture Partners XIII	Venture
Commonfund Private Credit Fund 2018	Private Capital
Commonfund Private Credit Fund II	Private Capital
Cerberus Offshore LLOF III, L.P.	Private Capital
Natural Resources Partners VII	Natural Resources
Natural Resources Partners VIII	Natural Resources
Natural Resources Partners IX	Natural Resources
Natural Resources Partners XI	Natural Resources
Strategic Solutions Core Real Estate Fd.	Real Estate
SSG Realty Opportunities Fund 2014	Real Estate
Commonfund Real Estate Opportunity Fund	Real Estate
Environmental Sustainability Ptrs. 2020	Real Assets

June 30, 2020	
Alternative Investment Category	Investment Strategy
Private Equity Partners VI	Private Equity
Private Equity Partners VII	Private Equity
CCI-SSG Global Private Equity Fund	Private Equity
CCI-SSG Global Private Equity Fund II, L	Private Equity
CCI-SSG Global Private Equity Fund III	Private Equity
Int'l Private Equity Partners V	International Equity
Int'l Private Equity Partners VI	International Equity
Venture Partners VII	Venture
Venture Partners VIII	Venture
Venture Partners IX	Venture
Venture Partners XI	Venture
Venture Partners XII	Venture
Venture Partners XIII	Venture
Commonfund Private Credit Fund 2018	Private Capital
Cerberus Offshore LLOF III, L.P.	Private Capital
Natural Resources Partners VII	Natural Resources
Natural Resources Partners VIII	Natural Resources
Natural Resources Partners IX	Natural Resources
Natural Resources Partners XI	Natural Resources
Strategic Solutions Core Real Estate Fd.	Real Estate
SSG Realty Opportunities Fund 2014	Real Estate
Commonfund Real Estate Opportunity Fund	Real Estate

**WIDENER UNIVERSITY AND AFFILIATE**  
**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**  
**JUNE 30, 2021 AND 2020**

**NOTE 5 INVESTMENTS (CONTINUED)**

The University's best estimate of the remaining life of finite-lived investments, the amount of the University's unfunded commitments related to the investment at June 30, 2021, and the terms and conditions upon which the University may redeem its investment for each major category of alternative investments are summarized below:

Alternative Investment Category	Estimated Remaining Life	Unfunded Commitments at June 30, 2021	Redemption Terms
Private Equity Partners VI	0	\$ 36	N/A
Private Equity Partners VII	1	40	N/A
CCI-SSG Global Private Equity Fund	8	656	N/A
CCI-SSG Global Private Equity Fund II, L	8	989	N/A
CCI-SSG Global Private Equity Fund III	11	2,430	N/A
Int'l Private Equity Partners V	0	26	N/A
Int'l Private Equity Partners VI	1	37	N/A
Venture Partners VII	0	10	N/A
Venture Partners VIII	1	23	N/A
Venture Partners IX	4	16	N/A
Venture Partners XI	8	181	N/A
Venture Partners XII	8	625	N/A
Venture Partners XIII	9	1,140	N/A
Commonfund Private Credit Fund 2018	8	852	N/A
Commonfund Private Credit Fund II, L.P.	0	1,173	N/A
Cerberus Offshore LLOF III, L.P.	0	474	N/A
Environmental Sustainability Prtnrs 2020	0	1,470	N/A
Natural Resources Partners VII	2	19	N/A
Natural Resources Partners VIII	5	25	N/A
Natural Resources Partners IX	8	369	N/A
Natural Resources Partners XI	0	1,384	N/A
SSG Realty Opportunities Fund 2014	3	622	N/A
Commonfund Real Estate Opportunity Fund	8	2,666	N/A
		<u>\$ 15,263</u>	

**NOTE 6 STUDENT LOANS RECEIVABLE**

The University issues uncollateralized loans to students based on financial need. Student loans are funded through the Perkins Federal Loan Program. Allowances for doubtful accounts are established based upon prior collection experience and current economic factors, which, in management's judgment, could influence the ability of loan recipients to repay the amounts per the loan terms.



**WIDENER UNIVERSITY AND AFFILIATE**  
**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**  
**JUNE 30, 2021 AND 2020**

**NOTE 6 STUDENT LOANS RECEIVABLE (CONTINUED)**

Student loans receivable consist of the following:

	2021	2020
Federal Government Programs, Gross	\$ 9,423	\$ 10,378
Institutional Programs, Gross	873	597
Less: Allowance for Doubtful Accounts		
Beginning of Year	(4,720)	(4,320)
Increases	287	(400)
End of Year	<u>(4,433)</u>	<u>(4,720)</u>
Student Loans Receivable, Net	<u>\$ 5,863</u>	<u>\$ 6,255</u>

Government advances and related interest earned on Perkins Loans of \$4,638 and \$5,826 as of June 30, 2021 and 2020, respectively, are ultimately refundable to the United States Government and thus are reported as a liability.

**NOTE 7 PROPERTY AND EQUIPMENT**

At June 30, property and equipment were as follows:

	2021	2020
Land	\$ 17,030	\$ 19,617
Buildings		
Cost of Buildings	218,701	217,944
Less: Accumulated Depreciation	<u>(90,560)</u>	<u>(86,702)</u>
Net Cost of Buildings	128,141	131,242
Building Improvements		
Cost of Improvements	137,354	135,774
Less: Accumulated Depreciation	<u>(87,429)</u>	<u>(80,948)</u>
Net Cost of Improvements	49,925	54,826
Furniture and Equipment		
Cost of Furniture and Equipment	68,011	66,443
Less: Accumulated Depreciation	<u>(59,609)</u>	<u>(57,351)</u>
Net Cost of Furniture and Equipment	8,402	9,092
Computers		
Cost of Computers	10,297	10,660
Less: Accumulated Depreciation	<u>(9,612)</u>	<u>(9,356)</u>
Net Cost of Computer Equipment	685	1,304
Construction in Progress	1,363	-
Net Property and Equipment	<u>\$ 205,546</u>	<u>\$ 216,081</u>

**WIDENER UNIVERSITY AND AFFILIATE**  
**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**  
**JUNE 30, 2021 AND 2020**

**NOTE 7 PROPERTY AND EQUIPMENT (CONTINUED)**

The University has asset retirement obligations arising from regulatory requirements to perform certain asset retirement activities at the time of disposal of certain capital assets. The liability was initially recorded at fair value, and is adjusted for accretion expenses and changes in the amount or timing of cash flows. The corresponding asset retirement costs are capitalized as part of the carrying values of the related long-lived assets and depreciated over the useful lives of the assets. The discount rate is 5% for 2021 and 2020. The liability relates to estimated costs to remove asbestos that is contained within the University's facilities, and is as follows for the years ended June 30:

	2021	2020
Asset Retirement Obligation - Beginning of Year	\$ 3,909	\$ 4,214
Accretion	194	186
Less: Disposals	(17)	(491)
Asset Retirement Obligation - End of Year	\$ 4,086	\$ 3,909

Depreciation and accretion costs are approximately \$138 and \$289 for the years ended June 30, 2021 and 2020, respectively.

**NOTE 8 LEASES**

The University has operating and finance leases for certain equipment. The leases expire at various dates through 2025 and do not provide for renewal options. All future required payments are fixed and are not subject to future increases. Additionally, the agreements generally require the University to pay insurance and repairs. The University also receives rental income by leasing real estate to a third-party lessee operating a restaurant. This lease expires in March 2025 and will automatically renew for an additional five-year term.

The following table provides quantitative information concerning the Company's leases.

	2021
Lease cost:	
Finance lease cost:	
Amortization of right-of-use assets	\$ 556
Interest on lease liabilities	28
Operating lease cost	104
Sublease income	(55)
Total lease cost	\$ 633

**WIDENER UNIVERSITY AND AFFILIATE**  
**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**  
**JUNE 30, 2021 AND 2020**

**NOTE 8 LEASES (CONTINUED)**

Cash paid for amounts included in the measurement of lease liabilities:

Finance - Financing cash flows	\$	544
Finance - Operating cash flows		28
Operating - Operating cash flows		104
Right-of-use assets obtained in exchange for lease liabilities:		
Finance leases		1,465
Operating leases		-
Weighted-average remaining lease term:		
Finance leases		2.53
Operating leases		1.18
Risk-free discount rate:		
Finance leases		1.95%
Operating leases		1.20%

A maturity analysis of annual undiscounted cash flows for leases liabilities as of June 30, 2021, is as follows:

Year	Financing Leases	Operating Leases
2022	\$ 633	\$ 77
2023	490	18
2024	228	-
2025	60	-
Total	<u>1,411</u>	<u>95</u>
Less: Present value discount	<u>(33)</u>	<u>(1)</u>
Lease liability	<u><u>1,378</u></u>	<u><u>94</u></u>

As of June 30, 2021, the University has additional finances leases, primarily copiers and equipment, that have not yet commenced of \$903. The finance leases will commence between in fiscal year 2022 with lease terms of 4 years.

**WIDENER UNIVERSITY AND AFFILIATE  
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS  
JUNE 30, 2021 AND 2020**

**NOTE 9 LONG-TERM DEBT**

Bonds and notes payable comprise the following:

	Dated	Security	Due Serially to	Original Amount	Interest Rate	Outstanding Principal Balance June 30	
						2021	2020
Pennsylvania Higher Education Facilities Authority Bonds	2013	Dormitory	2043	\$ 11,980	5.50%	\$ 11,980	\$ 11,980
Pennsylvania Higher Education Facilities Authority Bonds	2013A	Refinancing	2038	52,875	4.00% to 5.50%	45,080	46,590
Pennsylvania Higher Education Facilities Authority Bonds	2014	Refinancing	2038	19,605	2.00% to 5.00%	16,140	16,750
						73,200	75,320
Unamortized Discount on Bonds						(324)	(339)
Unamortized Premium on Bonds						994	1,044
Unamortized Issuance Costs on Bonds						(647)	(673)
Bonds Payable						\$ 73,223	\$ 75,352

In August 2013, the University borrowed \$11,980 for the construction of dormitory facilities on the Main Campus. Financing was arranged through a bond offering with the Authority. The bond offering original principal consisted of term bonds of \$1,235 that bear interest at 5.5% and are due on July 15, 2035; term bonds of \$2,130 that bear interest at 5.5% and are due on July 15, 2038; and term bonds of \$8,615 that bear interest at 5.5% and are due on July 15, 2043.

In November 2013, the University borrowed \$52,875 for the refinancing of the 2003 revenue bonds and the partial refinancing of the 2005 revenue bonds. The 2003 revenue bonds were for the refinancing of the 1992, 1993, 1996, and 2000 revenue bonds, as well as the construction of a Science and Engineering building on the Main Campus. Financing was arranged through a bond offering with the Authority. The 2013A bond offering original principal consisted of \$22,995 of serial bonds that bear interest at the annual rate of 4.0% to 5.25% and are due over thirteen years beginning July 15, 2015 and maturing July 15, 2028; term bonds of \$4,840 that bear interest at 5.0% and are due on July 15, 2030; term bonds of \$8,270 that bear interest at 5.25% and are due on July 15, 2033; and term bonds of \$16,770 that bear interest at 5.5% and are due on July 15, 2038.

**WIDENER UNIVERSITY AND AFFILIATE  
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS  
JUNE 30, 2021 AND 2020**

**NOTE 9 LONG-TERM DEBT (CONTINUED)**

In September 2014, the University borrowed \$19,605 for the refinancing of the 2005 revenue bonds. Financing was arranged through a bond offering with the Authority. The bond offering original principal consisted of \$14,705 of serial bonds that bear interest at the annual rate of 2.0% to 5.0% and are due over nineteen years beginning July 15, 2015 and maturing July 15, 2034; term bonds of \$4,900 that bear interest at 5.0% and are due on July 15, 2038.

Total interest was \$3,690 and \$3,814 for the years ended June 30, 2021 and 2020, respectively.

At June 30, 2021, the University's obligations mature as follows:

<u>Year Ending June 30,</u>	<u>Amount</u>
2022	\$ 2,225
2023	2,325
2024	2,425
2025	2,535
2026	2,645
Thereafter	61,045
Total	<u>\$ 73,200</u>

**NOTE 10 EMPLOYEE BENEFIT PLANS**

The University has a 403(b) tax-deferred saving plan for faculty, administrative staff, and other employees. The plan is funded by the purchase of individual annuity contracts and mutual funds. The University makes a matching contribution of 100% of participants' deferrals up to the first 5% after the employee has met the age and service requirements. The University also makes a nondiscretionary employer contribution of 5% of eligible compensation for employees, even if the employees have not elected to make their own deferral contributions after they meet the age and service requirements. In fiscal year 2021, the University temporarily suspended its contributions to these funds. Employees vest immediately in all contributions made by the University.

The University also makes direct pension payments to certain pensioners for service prior to the initiation of the current plans.

Total expense relating to the above savings plans and pension payments was \$2,710 and \$5,713 for the years ended June 30, 2021 and 2020, respectively.

**WIDENER UNIVERSITY AND AFFILIATE**  
**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**  
**JUNE 30, 2021 AND 2020**

**NOTE 10 EMPLOYEE BENEFIT PLANS (CONTINUED)**

In addition, the University provides medical plan supplemental coverage to retirees as a postretirement benefit. Information with respect to the plans is as follows:

	<u>2021</u>	<u>2020</u>
Change in Benefit Obligation		
Benefit Obligation at Beginning of Year	\$ 65,808	\$ 58,020
Service Cost	1,226	1,157
Interest Cost	1,457	1,919
Plan Participants' Contributions	234	204
Actuarial (Gain) Loss	(956)	6,253
Benefits Paid	(1,976)	(1,804)
Medicare Part D Prescription Drug Federal Subsidy	19	59
Benefit Obligation at End of Year	<u>\$ 65,812</u>	<u>\$ 65,808</u>

Net periodic postretirement benefit cost (service cost reported as an expense, the remaining components reported as a part of the net change in postretirement benefit obligation, in the consolidated statements of activities) includes the following components:

	<u>2021</u>	<u>2020</u>
Service Cost	\$ 1,226	\$ 1,157
Interest Cost	1,457	1,919
Amortization of Prior Service Credit	(36)	(36)
Amortization of Unrecognized Loss	917	505
Net Periodic Postretirement Benefit Cost	<u>\$ 3,564</u>	<u>\$ 3,545</u>

The accumulated postretirement benefit obligation was determined using a discount rate of 2.8% in 2021 and 2.75% in 2020 and a healthcare cost trend rate of 5.75% in 2021 and 5.90% in 2020. This rate gradually decreases to 4.5% by the year 2030 and remains constant thereafter. Increasing the assumed healthcare cost trend rate by 1.0% in each year and holding all other assumptions constant would increase accumulated postretirement benefit obligation approximately \$10,710 and \$11,577 at June 30, 2021 and 2020, respectively, and increase the aggregate of the service and interest cost components of the net periodic postretirement benefit cost by \$570 and \$588 for the years ended June 30, 2021 and 2020, respectively.

The University's expected employer contributions are \$1,810 for the year ending June 30, 2022.

**WIDENER UNIVERSITY AND AFFILIATE  
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS  
JUNE 30, 2021 AND 2020**

**NOTE 10 EMPLOYEE BENEFIT PLANS (CONTINUED)**

At June 30, 2021, the University's expected future benefit payments for future service are as follows:

Estimated Future Benefits Payments Reflecting Expected Future Service for <u>the Fiscal Year Ending June 30:</u>	<u>Amount</u>
2022	\$ 1,744
2023	1,932
2024	2,116
2025	2,352
2026	2,524
2027 - 2030	15,262

At June 30, 2021, the items not yet recognized as a component of net periodic postretirement benefit cost are as follows:

Unrecognized Prior Service Cost	\$ (46)
Unrecognized Net Loss	10,168
Total Unamortized Items	<u>\$ 10,122</u>

In addition to service and interest costs, the components of projected net periodic postretirement benefit cost for fiscal 2021 are amortization of prior service cost of approximately \$36 and amortization of net actuarial losses of approximately \$917.

**NOTE 11 NET ASSET BALANCES**

Net assets with donor restrictions related to purpose restrictions consist of the following at June 30:

	<u>2021</u>	<u>2020</u>
Funds Held for Accumulated Gains on True Endowment	\$ 22,559	\$ 10,311
Funds Held for Scholarships	1,769	2,466
Funds Held for Special Projects	6,195	5,645
	<u>\$ 30,523</u>	<u>\$ 18,422</u>

**WIDENER UNIVERSITY AND AFFILIATE  
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS  
JUNE 30, 2021 AND 2020**

**NOTE 11 NET ASSET BALANCES (CONTINUED)**

Net assets with donor restrictions related to endowment funds consist of the following at June 30:

	2021	2020
Funds Held in Support of Scholarships	\$ 19,682	\$ 19,210
Funds Held in Support of Academic Professorships	5,237	6,109
Funds Held in Support of General Operations	2,319	2,317
Funds Held for Other Purposes	12,456	11,616
Land Held for Conservation	794	790
	\$ 40,488	\$ 40,042

**NOTE 12 ENDOWMENTS**

The University's endowment consists of 323 individual funds established for a variety of purposes. Its endowment includes both donor-restricted endowment funds and funds designated by the board of trustees to function as endowments. Net assets associated with endowment funds, including funds designated by the board of trustees to function as endowments, are classified and reported based on the existence or absence of donor-imposed restrictions.

**Interpretation of Relevant Law**

The University has interpreted relevant law as requiring the preservation of the fair value of the original gift as of the gift date of the donor-restricted endowment fund absent explicit donor stipulations to the contrary. As a result of this interpretation, the University classifies as net assets with donor restrictions endowment funds as (a) the original value of gifts donated to the endowment; (b) the original value of subsequent gifts to the endowment; and (c) accumulations to the endowment made in accordance with the direction of the applicable donor gift instrument at the time the accumulation is added to the fund.

The remaining portion of the donor-restricted endowment fund is classified as net assets with donor restrictions until those amounts are appropriated for expenditure by the University in a manner consistent with the standard of prudence prescribed by relevant law. Pennsylvania law permits the board of trustees to make an election to annually appropriate for expenditure a selected percentage between 2% and 7% of the fair value of the assets related to donor-restricted endowment funds averaged over a period of three or more preceding years, provided the board of trustees has determined that such percentage is consistent with the long-term preservation of the real value of such assets.



**WIDENER UNIVERSITY AND AFFILIATE**  
**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**  
**JUNE 30, 2021 AND 2020**

**NOTE 12 ENDOWMENTS (CONTINUED)**

**Return Objectives and Risk Parameters**

The University has adopted investment and spending policies for endowment assets that attempt to provide a predictable stream of funding to programs supported by its endowment while seeking to maintain the purchasing power of the endowment assets. Endowment assets include those assets of donor-restricted funds that the organization must hold in perpetuity as well as board-designated funds. Under this policy, as approved by the board of trustees, the endowment assets are invested in a manner that is intended to produce results that exceed the price and yield results of the appropriate indices while assuming a moderate level of investment risk. The University expects its endowment funds, over time, to provide a board-approved average rate of return annually. Actual returns in any given year may vary from that amount.

**Strategies Employed for Achieving Objectives**

To satisfy its long-term rate of return objectives, the University relies on a total return strategy in which investment returns are achieved through both capital appreciation (realized and unrealized) and current yield (interest and dividends). The University targets a diversified asset allocation that places a greater emphasis on equity-based investments to achieve its long-term return objectives within prudent risk constraints.

**Spending Policy and How the Investment Objectives Relate to Spending Policy**

The University has a policy of appropriating for distribution each year up to a board-approved percentage of its funds based on the average three-year rolling market value. The board-approved spending rate was 7.0% and 5.5% for the years ended June 30, 2021 and 2020, respectively. In establishing this policy, the University considered the long-term expected return on its funds. Accordingly, over the long term, the University expects the current spending policy to allow its endowment to grow annually. This is consistent with the University's objective to maintain the purchasing power of the endowment assets held in perpetuity as well as to provide additional real growth through new gifts and investment return.

**Funds with Deficiencies**

From time to time, the fair value of assets associated with individual donor-restricted endowment funds may fall below the original gift amount. There were no deficiencies of this nature as of June 30, 2021 and 2020.

**WIDENER UNIVERSITY AND AFFILIATE**  
**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**  
**JUNE 30, 2021 AND 2020**

**NOTE 12 ENDOWMENTS (CONTINUED)**

**Net Asset Classifications of Endowment Funds**

Net asset classification by type of endowment as of June 30, 2021:

	Without Donor Restriction	With Donor Restriction	Total
Donor-Restricted Endowment Funds	\$ -	\$ 64,716	\$ 64,716
Board-Designated Endowment Funds	50,233	-	50,233
	<u>\$ 50,233</u>	<u>\$ 64,716</u>	<u>\$ 114,949</u>

Changes in endowment net assets for the year ended June 30, 2021:

	Without Donor Restriction	With Donor Restriction	Total
Endowment Net Assets, Beginning of Year	\$ 40,900	\$ 50,194	\$ 91,094
Investment Return			
Investment Loss	(34)	(47)	(81)
Net Appreciation (Realized and Unrealized Gains and Losses)	13,279	16,158	29,437
Total Investment Gain	13,245	16,111	29,356
Contributions	-	1,861	1,861
Loss on Write Off of Pledges	-	(961)	(961)
Appropriation of Endowment Assets for Expenditure	(3,912)	(2,489)	(6,401)
	<u>\$ 50,233</u>	<u>\$ 64,716</u>	<u>\$ 114,949</u>

Net asset classification by type of endowment as of June 30, 2020:

	Without Donor Restriction	With Donor Restriction	Total
Donor-Restricted Endowment Funds	\$ -	\$ 50,194	\$ 50,194
Board-Designated Endowment Funds	40,900	-	40,900
	<u>\$ 40,900</u>	<u>\$ 50,194</u>	<u>\$ 91,094</u>

**WIDENER UNIVERSITY AND AFFILIATE**  
**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**  
**JUNE 30, 2021 AND 2020**

**NOTE 12 ENDOWMENTS (CONTINUED)**

Changes in endowment net assets for the year ended June 30, 2020:

	Without Donor Restriction	With Donor Restriction	Total
Endowment Net Assets, Beginning of Year	\$ 43,279	\$ 52,272	\$ 95,551
Investment Return			
Investment Loss	(16)	(31)	(47)
Net Appreciation (Realized and Unrealized Gains and Losses)	209	82	291
Total Investment Gain	193	51	244
Contributions	-	351	351
Loss on Write Off of Pledges	-	(80)	(80)
Appropriation of Endowment Assets for Expenditure	(2,572)	(2,400)	(4,972)
	<u>\$ 40,900</u>	<u>\$ 50,194</u>	<u>\$ 91,094</u>

**NOTE 13 CONTINGENCIES**

The University is party to certain claims and litigation arising in the ordinary course of business. In the opinion of management, the resolution of such claims and litigation will not materially affect the University's financial position.

Since 1997, the University has also guaranteed, on a joint and several basis with another entity, certain loans to finance the building of the University Technology Park, Inc. These loans amount to approximately \$2,142 as of June 30, 2021, of which the University has guaranteed \$1,071 of these loans.

Amounts received and expended by the University under various federal and state programs are subject to audit by the various federal and state agencies. In the opinion of management, audit adjustments, if any, will not have a significant effect on the financial position of the University.

The University did not have any outstanding construction commitments as of June 30, 2021.

**WIDENER UNIVERSITY AND AFFILIATE**  
**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**  
**JUNE 30, 2021 AND 2020**

**NOTE 14 RELATED PARTIES**

The University is the sole member of the Widener Partnership Charter School, Inc., (the School) a non-profit corporation. The School's bylaws stipulate that the University will nominate and elect the members of the School's Board of Trustees and that there shall be no less than ten (10) and no more than twenty (20) trustees. The School also has an arrangement with the University that the School will reimburse the University for general and administrative services rendered at a rate of 3% of tuition revenue for the years ended June 30, 2021 and 2020. As of June 30, 2021 and 2020, the School has a payable to the University in the amount of \$156 and a payable of \$198, respectively. Rent expense charged to the School from the University for use of the school building was \$700 for the years ended June 30, 2021 and 2020. Related party expenses charged to the School from the University for management and professional services were \$171 and \$178 for the years ended June 30, 2021 and 2020, respectively.

The University has \$2,078 and \$833 in gross pledges receivable due from members of the board of trustees as of June 30, 2021 and 2020, respectively.

**NOTE 15 LINE OF CREDIT**

Effective June 27, 2018, the University signed a line of credit for \$5,000, which is secured by the University's revenues. Draws on the line of credit bear interest at the prime rate. The University was obligated for \$-0- at June 30, 2021 and 2020.

**WIDENER UNIVERSITY AND AFFILIATE  
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS  
JUNE 30, 2021 AND 2020**

**NOTE 16 FUNCTIONAL EXPENSES**

The statements of activities present expenses by functional classification. The table below presents expenses by both their nature and function for the years ended June 30, 2021 and 2020.

	Salaries and							Total
	Wages	Benefits	O&M	Depreciation	Interest	Other		
<b>2021</b>								
Instructional	\$ 45,031	\$ 15,894	\$ 3,830	\$ 4,027	\$ 1,047	\$ 2,447	\$ 72,276	
Research	221	49	-	-	-	147	417	
Public Service	383	101	-	-	-	74	558	
Academic Support	4,112	1,563	1,211	1,273	331	4,738	13,228	
Student Service	8,084	3,191	2,232	2,346	610	1,584	18,047	
Institutional Support	9,311	595	637	669	174	4,750	16,136	
Auxiliary Enterprises	523	184	5,691	5,983	1,556	2,825	16,762	
CARES Act Grants To Students	-	-	-	-	-	1,603	1,603	
<b>Total</b>	<b>\$ 67,665</b>	<b>\$ 21,577</b>	<b>\$ 13,601</b>	<b>\$ 14,298</b>	<b>\$ 3,718</b>	<b>\$ 18,168</b>	<b>\$ 139,027</b>	
<b>2020</b>								
Instructional	\$ 44,094	\$ 13,559	\$ 4,477	\$ 3,559	\$ 1,074	\$ 3,425	\$ 70,188	
Research	243	48	-	-	-	297	588	
Public Service	383	117	-	-	-	83	583	
Academic Support	4,473	1,525	1,415	1,125	340	4,833	13,711	
Student Service	8,492	2,840	2,610	2,074	625	2,812	19,453	
Institutional Support	8,357	10,922	745	591	178	3,405	24,198	
Auxiliary Enterprises	1,029	312	6,653	5,287	1,596	6,702	21,579	
CARES Act Grants To Students	-	-	-	-	-	1,136	1,136	
<b>Total</b>	<b>\$ 67,071</b>	<b>\$ 29,323</b>	<b>\$ 15,900</b>	<b>\$ 12,636</b>	<b>\$ 3,813</b>	<b>\$ 22,693</b>	<b>\$ 151,436</b>	

The financial statements utilize, when possible, a direct allocation method for expenses of a functional category. Other categories of expenses that are attributable to more than one program or supporting function require allocation on a reasonable basis that is consistently applied. Expenses that are allocated on a square footage basis include depreciation, interest, and operations and maintenance. Benefits and payroll taxes are allocated based on the percentage of salary expense.

**NOTE 17 RISKS AND UNCERTAINTIES**

During the fiscal year, the World Health Organization declared the spread of Coronavirus Disease (COVID-19) a worldwide pandemic. Subsequent to year-end, the COVID-19 pandemic continues to have significant effects on global markets, supply chains, businesses, and communities. Specific to Widener University, COVID-19 may impact various parts of its 2022 operations and financial results, including, but not limited to, declines in enrollment, loss of auxiliary revenues, additional bad debts, costs for increased use of technology, or potential shortages of personnel. Management believes Widener University is taking appropriate actions to mitigate the negative impact. However, the full impact of COVID-19 is unknown and cannot be reasonably estimated as these events are still developing.

**WIDENER UNIVERSITY AND AFFILIATE**  
**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**  
**JUNE 30, 2021 AND 2020**

**NOTE 17 RISKS AND UNCERTAINTIES (CONTINUED)**

Due to COVID-19, the Federal Government passed the Coronavirus Aid, Relief, and Economic Security (CARES) Act on March 27, 2020, the Coronavirus Response and Relief Supplemental Appropriations Act (CRRSAA) on December 27, 2020, and the American Rescue Plan Act (ARP) on March 11, 2021 which include funding for the Higher Education Emergency Relief Fund (HEERF). These funds were awarded to institutions of higher education in two allotments; institutional aid to provide support for defraying expenses associated with coronavirus and a student portion to provide emergency financial aid grants to students.

Through June 30, 2021, the University has received an allocation of \$6,828 in student portion and \$8,453 in institutional portion. The University had expended \$27 related to implementing evidence-based practices to monitor and suppress coronavirus and \$1,397 related to room and board refunds that is included in Grants with Donor Restriction on the Statement of Activities, for the years ended June 31, 2021 and 2020, respectively. The University had expended \$1,603 and \$1,136 related to emergency student grants that is included in HEERF Grants to Students expense on the Statement of Activities for years ended June 30, 2021 and 2020, respectively. The University has drawn down and received \$1,358 and \$1,397 for the years ended June 30, 2021 and 2020, respectively. The University has \$11 and \$1,397 in accounts receivable as of June 30, 2021 and 2020, respectively, related HEERF funding amounts to be drawn.

**NOTE 18 SUBSEQUENT EVENTS**

In preparing these consolidated financial statements, the University has evaluated events and transactions for potential recognition or disclosure through September 27, 2021, the date the financial statements were issued.

Subsequent to the end of the fiscal year, in July 2021, the University borrowed \$26,130 for the financing of renovations of existing buildings for Health Sciences programs and future planned capital projects. The 2021A bond offering original principal consisted of \$1,800 of serial bonds that bear interest at the annual rate of 3.0% and are due over two years beginning July 15, 2039 and maturing July 15, 2041; term bonds of \$8,650 that bear interest at 4.0% and are due on July 15, 2046; and term bonds of \$15,680 that bear interest at 4.0% and are due on July 15, 2051.

In July 2021, the University also borrowed \$55,060 for the refinancing of the 2013 and 2013A revenue bonds. The 2013 revenue bonds were for the construction of dormitory facilities on the Main Campus. The 2013A revenue bonds refinanced previous bonds and were for the construction of the Science and Engineering building on the Main Campus. The 2021B bond offering original principal consisted of \$19,440 of serial bonds that bear interest at the annual rate of 0.86% to 2.94% and are due over nine years beginning July 15, 2022 and maturing July 15, 2031; term bonds of \$18,485 that bear interest at 3.36% and are due on July 15, 2036; and term bonds of \$17,135 that bear interest at 3.73% and are due on July 15, 2043.

Investment advisory services are offered through CliftonLarsonAllen Wealth Advisors, LLC, an SEC-registered investment advisor. CLA is an independent member of Nexia International, a leading, global network of independent accounting and consulting firms. See [nexia.com/member-firm-disclaimer](https://www.nexia.com/member-firm-disclaimer) for details. **CliftonLarsonAllen LLP**

