NEW JERSEY INSTITUTE OF TECHNOLOGY

(A component unit of the State of New Jersey)

Financial Statements and Management's Discussion and Analysis

Together with Report of Independent Certified Public Accountants

June 30, 2023 and 2022

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REPORT OF INDEPENDENT CERTIFIED PUBLIC ACCOUNTANTS

To the Board of Trustees of
New Jersey Institute of Technology

Opinions

We have audited the financial statements of the business-type activities and the aggregate discretely presented component unit of New Jersey Institute of Technology (the "University"), a component unit of the State of New Jersey, as of and for the years ended June 30, 2023 and 2022, and the related notes to the financial statements, which collectively comprise the University's basic financial statements as listed in the table of contents.

In our opinion, the accompanying financial statements present fairly, in all material respects, the respective financial position of the business-type activities and the aggregate discretely presented component unit of the University as of June 30, 2023 and 2022, and the respective changes in financial position and, where applicable, cash flows thereof for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for opinions

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

Responsibilities of management for the financial statements

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

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the University's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

Auditor's responsibilities for the audit of the financial statements

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

In performing an audit in accordance with US GAAS, we:

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

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

Required supplementary information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis included on pages 3 through 13 and the Schedules of Proportionate Share of the Net Pension Liability, the Schedules of Employer Contributions, and the Schedules of Proportionate Share of the Total Other Postemployment Benefits (OPEB) Liability included on pages 54 through 61 be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a required 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 US GAAS. These limited procedures 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.

Grant Thornton LLP

Philadelphia, Pennsylvania
February 9, 2024

Introduction

This Management's Discussion and Analysis section provides an analytical overview of the financial position and activities of New Jersey Institute of Technology (NJIT), Foundation at New Jersey Institute of Technology (the Foundation), New Jersey Innovation Institute, Inc. (NJII), and ten urban renewal limited liability companies (the UREs) (collectively, the University) at and for the years ended June 30, 2023 and 2022. This discussion and analysis has been prepared by management and should be read in conjunction with the financial statements and the notes thereto which follow this section.

As New Jersey's public polytechnic university, NJIT has earned a solid reputation as one of the nation's preeminent STEM-based educational and research institutions. NJIT is a student-centered, urban research university, committed to the pursuit of excellence in undergraduate, graduate, and executive education and professional development programs, in the conduct of research, in contributing to the economic development of the State of New Jersey (the State), and in service to both its local communities and the broader society of the State and the nation. With enrollment of over 12,300 undergraduate and graduate students, NJIT offers small-campus intimacy with the resources of a major public research university. NJIT offers more than 125 undergraduate and graduate degree programs in six specialized schools. The University also operates a small business incubator whose mission is to accelerate the successful development of entrepreneurial companies through an array of business support resources and services.

Since its founding in 1881, NJIT has been transformed from a local technical school to one of America's top tier national research universities. One of only 38 polytechnic universities in the United States, NJIT prepares students to become leaders in the technology-dependent economy of the 21st century. NJIT's multidisciplinary curriculum and computing-intensive approach to education provide technological proficiency, business acumen, and leadership skills. While moving steadily to increasingly higher levels of excellence in educational performance, NJIT has become a research and development hub, participating in entrepreneurial development and building business partnerships through research and development initiatives. NJIT's designation as an R1 research university by the Carnegie Classification places the University among the 146 most prolific research universities in the nation. NJIT has evolved into an international presence, both in the scope of its educational programs, including on-site and distance learning offerings, attraction of international students to its programs, and through the reach of its educational, scientific, and technological influence at international forums and in international research projects.

NJIT was formally recognized as a body corporate and politic by The New Jersey Institute of Technology Act of 1995. The Foundation is a separately incorporated 501(c)(3) tax-exempt resource development organization that encourages private philanthropy on behalf of NJIT. NJII is a separately incorporated 501(c)(3) tax-exempt charitable organization that applies the intellectual and technological resources of NJIT to challenges identified by industry partners. NJII, the sole shareholder, established Healthcare Innovation Solutions, Inc. (HCIS), a New Jersey for-profit corporation, on July 25, 2017. HCIS commenced operations on July 1, 2018. In September of 2020, HCIS changed its name to Highlander Factory, Inc. (HF). In May 2022, in connection with the sale of HF to Green Cross Corporation, HF changed its name to BioCentriq, Inc., one of the two operating divisions of HF. After the sale of HF (dba BioCentriq, Inc.) in May 2022, NJII established a New Jersey for-profit corporation using the same original name of Healthcare Innovation Solutions (HCIS) for the remaining operating division. The UREs operate residential buildings for NJIT student Greek organizations.

CHF-Newark, LLC (CHF-Newark), an Alabama limited liability company, whose sole member is Collegiate Housing Foundation, was formed in January 2021 for the purpose of funding the development of a residence hall, on land leased to it by NJIT, with proceeds from bonds issued through the Essex County Improvement Authority. At the end of a fifty-year ground lease or full repayment of the bonds (which have a final maturity as of August 1, 2060), ownership of the residence hall will transfer to NJIT. Because of the nature and significance of its relationship with NJIT, CHF-Newark is reported under the Governmental Accounting Standards Board (GASB) requirements as a discretely presented component unit of NJIT. This

Management's Discussion and Analysis discusses the University's financial statements and not that of its discrete component unit.

The Financial Statements

The University's financial statements include statement of net position at June 30, 2023 and 2022, and statement of revenues, expenses, and changes in net position and of cash flows for the years then ended. The financial statements are prepared in accordance with accounting principles generally accepted in the United States of America as promulgated by the GASB.

GASB Statement No. 96, *Subscription-Based Information Technology Arrangements* (GASB 96) became effective in fiscal year 2023. This Statement provides guidance on the accounting and financial reporting for subscription-based information technology arrangements (SBITAs). Under this Statement, the University is required to recognize a right-to-use subscription asset and a corresponding subscription liability. The University adopted the new standard effective July 1, 2022.

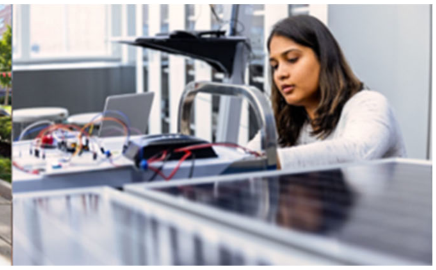
Financial Highlights

The University's financial position at June 30, 2023 and 2022 was sound, with total assets of $1,027,326 and $924,755, deferred outflows of resources of $18,554 and $19,330, total liabilities of $627,677 and $555,736, and deferred inflows of resources of $33,850 and $38,348, respectively. Net position, which represents the excess of the University's assets and deferred outflows of resources over its liabilities and deferred inflows of resources, totaled $384,353 and $350,001 at June 30, 2023 and 2022, respectively.

During fiscal year 2023, NJIT utilized $6,904 of Higher Education Emergency Relief Fund (HEERF) funds, which is reflected in other non-operating revenues, net in the statement of revenues, expenses, and changes in net position. These funds provided emergency grants to students as well as covered pandemic related institutional expenses and lost revenue related to the disruption of campus operations caused by the pandemic.

(Dollars in thousands)





Statements of Net Position

The statement of net position presents the University's financial position at June 30, 2023 and 2022 and is summarized as follows. The summarized statement of net position at June 30, 2021, is also presented for comparative purposes.

	June 30,		
	2023	2022	2021
Current assets	$ 276,486	$ 272,377	$ 204,581
Endowment investments	157,546	145,484	166,087
Capital assets, net	574,806	491,616	505,260
Other assets	18,488	15,278	19,149
Total assets	$ 1,027,326	$ 924,755	$ 895,077
Deferred outflows of resources	18,554	19,330	23,871
Current liabilities	85,059	94,091	83,261
Long-term debt, noncurrent portion	310,691	318,946	331,479
Other long-term liabilities	231,927	142,699	153,853
Total liabilities	$ 627,677	$ 555,736	$ 568,593
Deferred inflows of resources	33,850	38,348	36,715
Net investment in capital assets	150,561	158,410	163,548
Restricted nonexpendable	105,819	98,770	95,353
Restricted expendable	51,970	43,361	63,468
Unrestricted	76,003	49,460	(8,729)
Total net position	$ 384,353	$ 350,001	$ 313,640

Current assets consist principally of cash and cash equivalents, grants and accounts receivable, net of allowances, deposits held with trustees, and short-term investments. The increase in current assets at June 30, 2023 as compared to June 30, 2022 of $4,109 is primarily due to increases in short-term investments and grants and accounts receivable, net, partially offset by a decrease in cash and cash equivalents and deposits held with trustees. The decrease in cash and cash equivalents and increase in short-term investments is primarily the result of investing the proceeds of the fiscal year 2022 HF sale. The increase in current assets at June 30, 2022 as compared to June 30, 2021 of $67,796 is primarily due to increases in short-term investments and grants and accounts receivable, net, partially offset by a decrease in cash and cash equivalents. The net increase in cash and cash equivalents and short-term investments at June 30, 2022 of $63,720 results primarily from the sale of HF to Green Cross Corporation and an increase in unearned advance payments, partially offset by a decrease in unrestricted investment income due to unfavorable market conditions.

Current liabilities are comprised of accounts payable and accrued liabilities, the current portion of long-term debt, the current portion of lease and subscription liability, unearned advance payments, and amounts due to affiliates. The decrease in current liabilities at June 30, 2023 as compared to June 30, 2022 of $9,032 is primarily due to decreases in unearned advance payments, primarily relating to grant-related payments, and current portion of long-term debt, partially offset by an increase in lease and subscription liability, resulting from new lease agreements as well as the implementation of GASB 96. The increase in current liabilities at June 30, 2022 as compared to June 30, 2021 of $10,830 is due to an increase in the current portion of long-term debt, primarily due to entering into master lease purchase agreements to finance upgrades to the University's information technology infrastructure, the first principal payment due on the 2020 Series Direct Placement issue, and an increase in unearned advance payments, primarily due to grant-related payments, partially offset by a decrease in salary and fringe benefit accruals.

Excluding deposits held with trustees, which can only be used for debt service payments, and the current portions of long-term debt and lease and subscription liability, current assets exceeded current liabilities by $199,380 and $180,912 at June 30, 2023 and 2022, respectively. The University had $219,222 and $216,029 in cash and cash equivalents and short-term investments to fund current operations, facilities rehabilitation projects, and other activities at June 30, 2023 and 2022, respectively.

Endowment investments include gifts from donors, the corpus of which is to be invested in perpetuity, annuity funds, unrestricted funds established by NJIT as quasi-endowment, and the related investment income. Endowment investments increased 8.3% during fiscal year 2023, reflecting growth from new gifts and investment income, partially offset by endowment distributions. Endowment investments decreased 12.4% in fiscal year 2022 reflecting growth from new gifts more than offset by investment losses and endowment distributions.

At June 30, 2023 and 2022, the University had $574,806 and $491,616 of capital assets, net of accumulated depreciation of $559,885 and $525,486, respectively, including right-to-use assets, net of $102,634 and $4,567, respectively. The fiscal year 2023 increase primarily results from: increases in right-to-use lease assets, principally related to a 50 year facility lease agreement entered into with CHF-Newark for the use of Maple Hall (see Note 14); the recording of right-to-use subscription assets due to the implementation of GASB 96; a strategic property purchase; commencement of energy efficiency program projects; continued work on Medical Devices Innovation Cluster; lab, instruction, and other capital equipment purchases; and rehabilitation and renovation of various campus facilities; partially offset by the sale of Lock Street properties and the write-off of equipment and other assets no longer in service. The fiscal year 2022 increase primarily results from: the implementation of GASB 87, *Leases*; completion of the Green at University Park and the Cullimore Hall Lecture Hall renovation; continued work on Medical Devices Innovation Cluster; the return of possession and ownership of a Greek House to the University; and rehabilitation and renovation of various campus facilities; partially offset by the write-off of equipment and other assets no longer in service.

Other assets are comprised of investments, beneficial interest trusts, noncurrent portion of deposits held with trustees, and other noncurrent assets as of June 30, 2023. The increase in other assets of $3,210 at June 30, 2023 was primarily due to increases in pledges receivable and beneficial interest trusts. The decrease in other assets of $3,871 at June 30, 2022 was principally due to decreases in investments and beneficial interest trusts, partially offset by an increase in deposits held with trustees relating to the master lease purchase agreements and the recording of a noncurrent lease receivable due to the implementation of GASB 87, *Leases*.

Deferred outflows of resources consist of loss on defeasance of debt and certain changes in the net pension liability. Deferred outflows of resources decreased $776 and $4,541 at June 30, 2023 and 2022, respectively. The fiscal year 2022 decrease principally relates to changes in contributions made on behalf of the University subsequent to the measurement date and certain changes in the net pension liability.

Total long-term debt at June 30, 2023 and 2022 was $320,610 and $330,433, respectively. During fiscal year 2023 the University entered into master lease purchase agreements to finance upgrades to the University's information technology infrastructure.

At June 30, 2023, the University's bond ratings by Moody's Investors Service and Standard & Poor's were A1 and A, respectively. In October 2022, Standard & Poor's affirmed its A rating, while raising its financial outlook to stable. In January 2023, Moody's Investors Service affirmed its A1 rating and stable outlook.

Other long-term liabilities consist of net pension liability, other noncurrent liabilities, noncurrent portion of lease and subscription liability, and U.S. government grants refundable. The increase of other long-term liabilities of $89,228 at June 30, 2023 principally relates to an increase in lease and subscription liability relating to the facility lease agreement with CHF-Newark for Maple Hall as well as the recording of subscription liability due to the implementation of GASB 96. The decrease in other long-term liabilities of

$11,154 at June 30, 2022 principally relates to reductions in the pension liability, partially offset by an increase in the pollution remediation liability and the recording of a lease payable due to the implementation of GASB 87, *Leases.*

Deferred inflows of resources consist of gain on defeasance of debt, certain changes in the net pension liability, certain changes in annuity funds liability, and lessor leases. The decrease in deferred inflows of $4,498 at June 30, 2023 principally relates to certain changes in the net pension liability, partially offset by increases in lessor leases and certain changes in annuity funds liability. The increase in deferred inflows of resources of $1,633 at June 30, 2022, principally relates to the implementation of GASB 87, *Leases.*

Net investment in capital assets represents the University's interests in land and land improvements, buildings and building improvements, equipment and other assets, and construction in progress, less related depreciation and amortization, and the debt incurred to finance their acquisition. Net investment in capital assets decreased $7,849 and $5,138 during fiscal years 2023 and 2022, respectively, principally due to the increase in capital assets discussed above and a net decrease in long-term debt related to capital assets, more than offset by depreciation expense.

Restricted nonexpendable net position represents the original value of additions to the University's donor-restricted endowments and the fair value of beneficial interest in perpetual trusts. Restricted expendable net position includes gifts that are donor restricted, capital grants and gifts, endowment income, and other restricted resources. As discussed above, donor-restricted endowment funds represent gifts from donors that are to be invested in perpetuity.

Restricted net position increased $15,658 during fiscal year 2023, primarily due to additions to permanent endowments, investment income, and unexpended restricted gifts. Restricted net position decreased $16,690 during fiscal year 2022, primarily due to a decrease in expendable scholarships and fellowships, principally resulting from endowment related investment losses.

Unrestricted net position is all other net position that is available for general operations in support of the University's mission. The fiscal year 2023 increase is principally due to a decrease in the pension related net position deficit, unrestricted and quasi-endowment related investment income, year-end cost containment initiatives, favorable auxiliary enterprise operations results, utilization of HEERF funds, and the sale of Lock Street properties. The fiscal year 2022 increase is principally due to the sale of HF to Green Cross Corporation and a decrease in the pension related net position deficit, partially offset by unrestricted and quasi-endowment related investment losses due to unfavorable market conditions. The June 30, 2021 unrestricted net position is also presented for comparative purposes.

(Dollars in thousands)

	June 30, 2023	June 30, 2022	June 30, 2021
Designated unrestricted net position:			
University strategic reserve	$ 36,373	$ 33,870	$ -
Quasi-endowments	27,081	26,100	30,713
Instructional and other	23,151	15,835	8,995
Construction and capital programs	23,831	22,512	39,392
Debt service	-	-	19,066
Outstanding purchase orders	6,079	4,833	5,267
	116,515	103,150	103,433
Undesignated unrestricted net position:			
Pension related	(128,169)	(138,341)	(148,748)
Operations	87,657	84,651	36,586
	$ 76,003	$ 49,460	$ (8,729)

Statements of Revenues, Expenses, and Changes in Net Position

The statement of revenues, expenses, and changes in net position presents the operating results and the non-operating and other revenues and expenses of the University.

The components of revenues for the fiscal years ended June 30, 2023 and 2022 are as follows. The components of revenues for the fiscal year ended June 30, 2021 are also presented for comparative purposes:

	Fiscal Years Ended June 30, 2023	2022	2021
Operating revenues:			
Student tuition and fees, net	$ 156,003	$ 147,487	$ 134,536
Federal, State, and other grants and contracts	142,592	137,780	142,531
Auxiliary enterprises, net	19,868	18,242	9,729
Other operating revenues	10,528	16,951	10,215
Total operating revenues	328,991	320,460	297,011
Non-operating and other revenues:			
State appropriations	138,593	127,585	109,409
Gifts and bequests, capital grants and gifts, and additions to permanent endowments	12,552	9,127	12,325
Investment income (loss)	22,265	(33,630)	42,526
Other non-operating revenues, net	12,524	83,660	34,803
Total non-operating revenues	185,934	186,742	199,063
Total revenues	$ 514,925	$ 507,202	$ 496,074

(Dollars in thousands)

The components of expenses for the fiscal years ended June 30, 2023 and 2022 are as follows. The components of expenses for the fiscal year ended June 30, 2021 are also presented for comparative purposes:

	Fiscal Years Ended June 30,		
	2023	2022	2021
Operating expenses:			
Instruction	$ 135,476	$ 129,135	$ 123,005
Research and programs	83,358	89,455	93,659
Public service	2,873	2,494	4,803
Academic support	48,014	38,809	33,817
Student services	34,547	33,973	29,580
Institutional support	61,006	62,209	56,179
Operation and maintenance of plant	27,975	30,063	25,048
Scholarships and fellowships	17,236	22,679	18,830
Depreciation and amortization	41,966	38,937	37,719
Auxiliary enterprises	12,481	9,910	9,090
Total operating expenses	464,932	457,664	431,730
Non-operating expenses - interest expense	15,641	13,177	12,901
Total expenses	$ 480,573	$ 470,841	$ 444,631

Student tuition and fees; Federal, State, and other grants and contracts; and State appropriations are the primary sources of funding for the University's operating expenses.

Student tuition and fees totaled $156,003, $147,487, and $134,536, net of scholarship allowances of $87,395, $72,854, and $73,177 in fiscal years 2023, 2022, and 2021, respectively. The fiscal year 2023 and 2022 increases were primarily due to growth in student enrollment and tuition and mandatory fees increases, partially offset by increases in scholarship allowance in both fiscal years.

Auxiliary enterprises revenues, net of scholarship allowances of $8,379, $5,740, and $4,247 in fiscal years 2023, 2022, and 2021, respectively, increased 8.9% to $19,868 in fiscal year 2023 and increased 87.5% to $18,242 in fiscal year 2022. The fiscal year 2023 and 2022 increases are primarily due to increases in residence halls occupancy, including the opening of Maple Hall in fiscal year 2023, and residence hall charges, food service and catering commissions, and parking fees, partially offset by increases in scholarship allowance in both fiscal years.

In accordance with GASB requirements, State appropriations are reported as non-operating revenues despite the fact that their purpose is to fund operating activities.

(Dollars in thousands)

The components of State appropriations are as follows:

	Fiscal Years Ended June 30,		
	2023	2022	2021
Direct appropriation for general operating purposes	$ 43,689	$ 39,164	$ 36,676
Public Polytechnic Adjustment Aid	9,500	-	-
Direct appropriation for Medical Devices Innovation Cluster	-	3,700	3,700
FICA and fringe benefits paid by the State for University employees	42,815	40,137	40,268
Other postemployment benefits	(6,545)	2,999	5,227
Fringe benefit equalization adjustment	49,134	41,585	23,538
	$ 138,593	$ 127,585	$ 109,409

The fiscal year 2023 State appropriations increase primarily results from the equalization adjustment to the State's fringe benefit rate, the public polytechnic adjustment aid, and an increase in direct appropriation for general operating purposes resulting from an increase in the outcomes-based allocation, partially offset by reductions in Medical Devices Innovation Cluster and other postemployment benefits appropriations. The fiscal year 2022 State appropriations increase was the result of the equalization adjustment to the State's fringe benefit rate, an increase in the direct appropriation for general operating purposes resulting from an increase in the outcomes-based allocation, partially offset by a decrease in other postemployment benefits (OPEB).

Federal, State, and other grants and contracts revenues, which include facilities and administrative costs recovery, primarily fund the University's research and development activities and student financial assistance programs, and are comprised of the following:

	Fiscal Years Ended June 30,		
	2023	2022	2021
Federal grants and contracts	$ 96,973	$ 88,558	$ 96,797
State grants and contracts	42,678	45,242	42,231
Other grants and contracts	2,941	3,980	3,503
	$ 142,592	$ 137,780	$ 142,531

Federal grants and contracts revenues increased 9.5% in fiscal year 2023 due to increases in research and non-research grants and contracts as well as student financial assistance grants. Federal grants and contracts decreased 8.5% in fiscal 2022 primarily due to a decrease in both research and non-research related grants, partially offset by an increase in student financial assistance grants. State grants and contracts revenues decreased 5.7% in fiscal year 2023 resulting from a decrease in non-research grants and contracts, partially offset by increases in student financial assistance grants and research grants and contracts and increased 7.1% in fiscal year 2022 primarily due to an increase in non-research grants. Other grants and contracts revenues decreased 26.1% in fiscal year 2023 and increased 13.6% in fiscal year 2022.

Private support from corporations, foundations, alumni, and other donors is an important factor in the University's growth and development. In fiscal years 2023 and 2022, respectively, the University received gifts and bequests totaling $5,772 and $4,738, capital grants and gifts of $50 and $62, and additions to permanent endowments of $6,730 and $4,327.

Investment income (loss) includes interest and dividends, as well as realized and unrealized gains and losses. During fiscal years 2023 and 2022, the performance of the investment portfolio yielded a net return of $22,213 and ($33,717), respectively.

Other non-operating revenues, net totaled $12,524 and $83,660 in fiscal years 2023 and 2022, respectively. The fiscal year 2023 decrease is primarily the result of the fiscal year 2022 sale of HF and a decrease in CARES Act and CRRSAA funds. The fiscal year 2022 increase is primarily the result of the sale of HF to Green Cross Corporation, partially offset by a decrease in CARES Act and CRRSAA funds.

Instruction, academic support, student services, and scholarships and fellowships expenses totaled $235,273, $224,596, and $205,232 in fiscal years 2023, 2022, and 2021, respectively. The increase of 4.8% in fiscal year 2023 is primarily due to increases in payroll and fringe benefit expense, travel expense, and advertising expense, partially offset by decreases in pension expense, OPEB expense, and University funded scholarships and fellowships expense. The increase of 9.4% in fiscal year 2022 is primarily due to increases in University funded scholarships and fellowships expense, payroll and fringe benefit expense, and purchase of non-capital equipment, partially offset by decreases in pension expense and OPEB expense.

Research and programs expense decreased 6.8% to $83,358 in fiscal year 2023 primarily due to the sale by NJII of HF in 2022 and a decrease in OPEB expense. Research and programs expense decreased 4.5% to $89,455 in fiscal year 2022, primarily due to decreases in expenditures for federal and state related grants and contracts and pension expense, partially offset by an increase in unrestricted salaries and benefits expense.

Public service expense increased 15.2% to $2,873 in fiscal year 2023 primarily due to an increase in pre-college program expenses. Public service expense decreased 48.1% to $2,494 in fiscal year 2022 primarily due to a decrease in noncredit course program expenditures.

Institutional support expense decreased 1.9% to $61,006 in fiscal year 2023 primarily due to a decrease in OPEB expense, pandemic related expenses, and non-capital equipment purchases, partially offset by increases in consulting and travel related expenses. Institutional support increased 10.7% to $62,209 in fiscal year 2022 primarily due to increases in fringe benefit expense, travel related expenses, insurance expense, NJII's strategic investment in HF, and investment fees, partially offset by decreases in pension expense and OPEB expense.

Operation and maintenance of plant expense decreased 6.9% to $27,975 in fiscal year 2023 primarily due to decreases in environmental obligation expense, repairs and maintenance expense, pension expense, and OPEB expense, partially offset by increases in salaries and fringe benefit expense and utility expense. Operation and maintenance of plant expense increased 20.0% to $30,063 in fiscal year 2022. The increase in fiscal year 2022 is primarily due to increases in environmental obligation expense as well as repairs and maintenance expense, partially offset by decreases in pension expense, OPEB expense, and pandemic related testing services.

Auxiliary enterprises expense increased 25.9% to $12,481 in fiscal year 2023 due to costs associated with the operation of Maple Hall and increases in repair and maintenance costs for residence halls. Auxiliary enterprises expense increased 9.0% to $9,910 in fiscal year 2022, primarily due to increases in repair and maintenance costs for residence halls, partially offset by a decrease in consulting and other professional services and pandemic related expenses.

During fiscal years 2023 and 2022, the University incurred interest costs of $15,641 and $13,177, respectively.

Summary and Outlook

The University is in a sound financial position at June 30, 2023. The University saw an increase in enrollment for the fiscal 2024 academic year. The University continues to pursue its strategy of enhancing its research and development activities. The University's fundraising activities are successful and have generated a considerable endowment.

As part of the approved State budget for fiscal year 2024, the University will receive $57,018 of State appropriations funding including $9,933 for outcomes-based allocation, $9,500 for public polytechnic adjustment aid, and $3,000 for capital improvements.

As part of the State's annual budget development process, the University's management actively engages in dialogue with the State in order to ensure that its voice is heard, and the University's needs are properly presented and considered in the State's financial deliberations.

Union contracts with UCAN for Adjunct and Graduate Student & Research Employees expired on June 30, 2022. The remaining six bargaining unit contracts expired on June 30, 2023. The University negotiated and partnered with all eight labor unions on successor agreements. The OPEIU bargaining unit and both the UCAN Adjunct and UCAN GSRE agreements were ratified in January 2024, and the PSA agreement was ratified in early February 2024.

As part of its long-range plan, the University expects that its activities will continue to increase the total operating budget. The University's strategic plan includes a greater emphasis on expanded outreach programs, increased scholarships, the establishment of new programs and extension sites in order to generate increases in enrollment, and the hiring of new faculty members who have a stronger inclination to become involved in research activities in addition to their teaching responsibilities in order to expand the University's research and development program. The University's efforts in these resource generating and expense management initiatives have been and are anticipated to continue to be successful.

All in all, the University's management is of the opinion that the University's financial condition is strong.

Statements of Net Position

At June 30, 2023 and 2022

(Dollars in thousands)

	2023	2022
Assets		
Current assets:		
Cash and cash equivalents	$ 52,546	$ 107,555
Short-term investments	166,676	108,474
Grants and accounts receivable, net	47,223	44,404
Deposits held with trustees	6,964	9,621
Other current assets	3,077	2,323
Total current assets	276,486	272,377
Noncurrent assets:		
Endowment investments	157,546	145,484
Investments	2,165	2,034
Beneficial interest trusts	6,629	5,429
Deposits held with trustees, noncurrent	2,571	2,439
Other assets	7,123	5,376
Capital assets, net	574,806	491,616
Total noncurrent assets	750,840	652,378
Total assets	1,027,326	924,755
Deferred outflows of resources	18,554	19,330
Liabilities		
Current liabilities:		
Accounts payable and accrued liabilities	48,972	48,768
Long-term debt, current portion	9,919	11,487
Unearned advance payments	20,138	31,427
Lease and subscription liability, current portion	4,998	760
Due to affiliates	1,032	1,649
Total current liabilities	85,059	94,091
Noncurrent liabilities:		
Long-term debt	310,691	318,946
Lease and subscription liability, noncurrent portion	99,920	3,921
Other noncurrent liabilities	10,924	17,650
Net pension liability	121,070	121,039
U.S. government grants refundable	13	89
Total noncurrent liabilities	542,618	461,645
Total liabilities	627,677	555,736
Deferred inflows of resources	33,850	38,348
Net position		
Net investment in capital assets	150,561	158,410
Restricted for:		
Nonexpendable:		
Scholarships and fellowships	86,816	81,220
Instructional and other	19,003	17,550
Expendable:		
Scholarships and fellowships	29,290	25,339
Instructional and other	18,276	11,846
Research and programs	2,900	2,082
Debt service	1,450	4,040
Loans	54	54
Unrestricted (see Note 12)	76,003	49,460
Total net position	$ 384,353	$ 350,001

The accompanying notes are an integral part of these financial statements.

Statements of Revenues, Expenses, and Changes in Net Position

For the years ended June 30, 2023 and 2022
(Dollars in thousands)

	2023	2022
Operating revenues		
Student tuition and fees, net of scholarship allowances of $87,395 and $72,854, respectively	$ 156,003	$ 147,487
Federal grants and contracts	96,973	88,558
State grants and contracts	42,678	45,242
Other grants and contracts	2,941	3,980
Auxiliary enterprises, net of scholarship allowances of $8,379 and $5,740, respectively	19,868	18,242
Other operating revenues	10,528	16,951
Total operating revenues	328,991	320,460
Operating expenses		
Instruction	135,476	129,135
Research and programs	83,358	89,455
Public service	2,873	2,494
Academic support	48,014	38,809
Student services	34,547	33,973
Institutional support	61,006	62,209
Operation and maintenance of plant	27,975	30,063
Scholarships and fellowships	17,236	22,679
Depreciation and amortization	41,966	38,937
Auxiliary enterprises	12,481	9,910
Total operating expenses	464,932	457,664
Operating loss	(135,941)	(137,204)
Non-operating revenues (expenses)		
State appropriations	138,593	127,585
Gifts and bequests	5,772	4,738
Interest expense	(15,641)	(13,177)
Investment income (loss)	22,265	(33,630)
Other non-operating revenues, net	12,524	83,660
Net non-operating revenues	163,513	169,176
Income before other revenues	27,572	31,972
Other revenues		
Capital grants and gifts	50	62
Additions to permanent endowments	6,730	4,327
Total other revenues	6,780	4,389
Increase in net position	34,352	36,361
Net position, beginning of year	350,001	313,640
Net position, end of year	$ 384,353	$ 350,001

The accompanying notes are an integral part of these financial statements.

Statements of Cash Flows

For the years ended June 30, 2023 and 2022
(Dollars in thousands)

	2023	2022
Cash flows from operating activities:		
Student tuition and fees	$ 153,941	$ 146,130
Grants and contracts	137,229	138,970
Payments for salaries and benefits	(235,697)	(227,240)
Payments for goods and services	(133,837)	(114,627)
Payments for scholarships and fellowships	(17,236)	(22,679)
Loans collected from students	65	66
Auxiliary enterprises	20,041	16,150
University programs	(2,231)	3,451
Affiliates	(607)	92
Other receipts	12,476	17,446
Net cash and cash equivalents used by operating activities	(65,856)	(42,241)
Cash flows from noncapital financing activities:		
State appropriations	81,661	60,504
Gifts and bequests for other than capital purposes	4,227	3,704
Additions to permanent endowments	5,731	4,132
Proceeds from sale of Highlander Factory (HF)	-	67,770
Other receipts	6,347	21,221
Net cash and cash equivalents provided by noncapital financing activities	97,966	157,331
Cash flows from capital financing activities:		
Proceeds from capital debt	-	10,420
Mortgage payments received	71	1,649
Purchase of capital assets	(17,400)	(21,412)
Principal paid on long-term debt	(11,298)	(11,314)
Refunding of bonds	-	(10,420)
Interest paid on long-term debt	(13,772)	(13,221)
Purchase of investments - capital construction	-	(2)
Sale of investments - capital construction	-	7,513
Deposits with trustees	(12,478)	(24,368)
Withdrawals from trustees	15,134	23,285
Net cash and cash equivalents used by capital financing activities	(39,743)	(37,870)
Cash flows from investing activities:		
Proceeds from sales and maturities of investments	259,721	270,517
Interest and dividends on investments	10,946	6,803
Purchase of investments	(318,043)	(360,314)
Net cash and cash equivalents used by investing activities	(47,376)	(82,994)
NET DECREASE IN CASH AND CASH EQUIVALENTS	(55,009)	(5,774)
Cash and cash equivalents, beginning of year	107,555	113,329
Cash and cash equivalents, end of year	$ 52,546	$ 107,555
Reconciliation of operating loss to net cash used by operating activities:		
Operating loss	$ (135,941)	$ (137,204)
Adjustments to reconcile operating loss to net cash and cash equivalents used by operating activities:		
Depreciation andamortization	41,966	38,937
Noncash operating expenses, net	43,443	65,438
Changes in assets and liabilities:		
Accounts receivable	(2,819)	(3,017)
Other assets, current and noncurrent	(2,501)	(1,245)
Accounts payable and accrued liabilities	668	2,518
Unearned advance payments	(11,289)	(7,567)
Due to affiliates	617	(101)
Net cash and cash equivalents used by operating activities	(65,856)	(42,241)
Noncash transactions:		
State appropriations for fringe benefits	$ 57,481	$ 66,064
Gifts and bequests for other than capital purposes	14	220
Additions to permanent endowments	999	195
Capital assets	(599)	(709)
Master lease purchase agreements	2,497	4,608

The accompanying notes are an integral part of these financial statements.

Discrete Component Unit Statements of Financial Position - CHF-Newark, LLC
at June 30, 2023 and 2022
(Dollars in thousands)

	2023	2022
Assets		
Bond reserves	$ 3,132	$ 28,647
Prepaid ground lease	5,324	5,467
Facility lease receivable	97,041	-
Construction in progress	-	81,207
Total assets	$ 105,497	$ 115,321
Liabilities and Net Position		
Current liabilities:		
Accounts payable and accrued liabilities	$ 1,449	$ 11,319
Facility lease - unearned additional rent	117	-
Bonds payable	510	406
Total current liabilities	2,076	11,725
Noncurrent liabilities:		
Bonds payable, net	103,111	103,621
Total liabilities	105,187	115,346
Net position (deficit)	310	(25)
	$ 105,497	$ 115,321

The accompanying notes are an integral part of these financial statements.

Discrete Component Unit Statements of Revenues, Expenses, and Changes in Net Position - CHF-Newark, LLC
For the years ended June 30, 2023 and 2022
(Dollars in thousands)

	2023	2022
Revenues		
Facility lease - interest & rental income	$ 2,890	$ -
Facility lease - additional rent	201	-
Investment income	194	-
Total revenue	3,285	-
Expenses		
Program expenses		
Amortization of prepaid ground lease	120	-
Insurance	2	-
Interest	2,560	-
Total program expenses	2,682	-
Management and general expenses		
Membership fees	100	-
Preopening expenses	65	25
Professional fees	103	-
Total management and general expenses	268	25
Total expenses	2,950	25
Change in net position	335	(25)
Net position (deficit)		
Beginning of year	(25)	-
End of year	$ 310	$ (25)

The accompanying notes are an integral part of these financial statements.

NOTE 1 - ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

New Jersey Institute of Technology (NJIT), a public research university, includes six collegiate units: Newark College of Engineering, Ying Wu College of Computing, Hillier College of Architecture and Design, College of Science and Liberal Arts, Martin Tuchman School of Management, and Albert Dorman Honors College; a graduate division; an executive education and professional development program; and a number of research centers. Fields of study include engineering, computer science, architecture, applied sciences, management, and statistics. NJIT offers programs and courses leading to bachelors, masters, and doctoral degrees, and also conducts an extensive research program.

The New Jersey Institute of Technology Act of 1995 established NJIT as a body corporate and politic and determined that the exercise of NJIT's powers was a public and essential government function. NJIT has its origins in an 1881 New Jersey statute.

Foundation at New Jersey Institute of Technology (the Foundation) is a component unit of NJIT. The Foundation raises and manages funds to support the further development and growth of programs at NJIT. Because of the significance of its operational and financial relationships with NJIT and because it exclusively benefits NJIT, the Foundation's financial statements are combined and reported on a blended basis with those of NJIT. Copies of the Foundation's financial statements can be obtained by writing to Foundation at New Jersey Institute of Technology, University Heights, Newark, New Jersey 07102, Attention: Development and Alumni Relations.

New Jersey Innovation Institute, Inc. (NJII) is a component unit of NJIT. NJII applies the intellectual and technological resources of NJIT to challenges identified by industry partners in order to spur product creation and enhancement, develop solutions for sector-wide and/or company-focused challenges, and serve as a catalyst for regional economic growth. NJII, the sole shareholder, established Healthcare Innovation Solutions, Inc. (HCIS), a New Jersey for-profit corporation, on July 25, 2017. HCIS commenced operations on July 1, 2018. In September of 2020, HCIS changed its name to Highlander Factory, Inc. (HF). In May 2022, in connection with the sale of HF to Green Cross Corporation, HF changed its name to BioCentriq, Inc., one of the two operating divisions of HF. After the sale of HF (dba BioCentriq, Inc.) in May 2022, NJII established a New Jersey for-profit corporation using the same original name of Healthcare Innovation Solutions (HCIS) for the remaining operating division. Because of the significance of its operational and financial relationship with NJII, HCIS financial statements are combined and reported on a blended basis with those of NJII and are referred to collectively as NJII. Because of the significance of its operational and financial relationships with NJIT, NJII's financial statements are combined and reported on a blended basis with those of NJIT. Copies of NJII's financial statements can be obtained by writing to New Jersey Innovation Institute, Inc., c/o New Jersey Institute of Technology, University Heights, Newark, New Jersey 07102.

Ten urban renewal limited liability companies (the UREs) are component units of NJIT. The UREs operate residential buildings for NJIT student Greek organizations. Because of the significance of their operational and financial relationships with NJIT, the UREs' financial statements are combined and reported on a blended basis with those of NJIT.

Pursuant to the provisions of Governmental Accounting Standards Board (GASB) Statement No. 14, as amended, NJIT, which is financially dependent on the State of New Jersey (the State), is considered to be a component unit of the State for its financial reporting purposes. Accordingly, the financial statements of NJIT, the Foundation, NJII, and the UREs (collectively, the University) are included in the State's Annual Comprehensive Financial Report.

The University's financial statements also include the financial information of the University's discretely presented component unit, CHF-Newark, LLC (CHF-Newark), an Alabama limited liability company, whose sole member is Collegiate Housing Foundation. CHF-Newark was formed for the purpose of funding the development of a residence hall, on land leased to it by NJIT under a ground lease agreement, with proceeds from bonds issued through the Essex County Improvement Authority. At the end of a fifty-year ground lease or full repayment of the bonds (which have a final maturity as of August 1, 2060), ownership of the residence hall will transfer to NJIT. CHF-Newark is included in the financial statements due to the nature and significance of its financial relationship with the University and is separately presented as a discrete component unit on pages 17 and 18 of these financial statements.

Basis of Presentation

The University's financial statements have been prepared on the accrual basis of accounting using the economic resources measurement focus, in accordance with accounting principles generally accepted in the United States of America as promulgated by the GASB. All significant transactions between NJIT, the Foundation, NJII, and the UREs have been eliminated.

GASB Statement No. 96, *Subscription-Based Information Technology Arrangements* (GASB 96) became effective in fiscal year 2023. GASB 96 provides guidance on the accounting and financial reporting for subscription-based information technology arrangements (SBITAs). Under GASB 96, the University is required to recognize a right-to-use subscription asset and a corresponding subscription liability. The University adopted the new standard effective July 1, 2022, resulting in a $3,521 right-to-use subscription asset as well as a subscription liability of $3,348. The impact of the adoption of this standard did not have a material impact on the unrestricted net position at July 1, 2022, and therefore no restatement of opening net position balances is reflected within the financial statements.

Use of Estimates

The financial statements include estimates and assumptions that affect the reported amounts of assets and liabilities and disclosures of contingent assets and liabilities at the statement of net position dates, as well as the reported amounts of revenues and expenses for the fiscal years then ended. Actual results could differ from those estimates.

Cash and Cash Equivalents

The University considers money market assets, investments with original maturities of three months or less, and investments in sweep accounts with original maturities of twelve months or less to be cash equivalents, except for those included in endowment investments and deposits held with trustees.

Fair Value Measurement

The University's investments are measured at fair value using valuation techniques that maximize the use of observable inputs and minimize the use of unobservable inputs. Observable inputs reflect market data obtained from independent sources, while unobservable inputs are based on market assumptions. The fair value hierarchy is comprised of the following three levels of inputs, of which the first two are considered observable and the last unobservable:

Level 1 - Quoted prices in active markets for identical assets.

Level 2 - Inputs other than Level 1 that are observable either directly or indirectly, such as quoted prices in markets that are not as active, or other inputs that are observable or can be corroborated by observable market data.

Level 3 - Significant unobservable inputs that are supported by little or no market activity.

A financial instrument's categorization within the valuation hierarchy is based on the lowest level of input significant to the fair value measurement. The categorization of an investment is based upon its pricing transparency and liquidity and does not necessarily correspond to the University's perceived risk of that investment.

(Dollars in thousands)

Investments and Deposits Held with Trustees

Investments and deposits held with trustees include investments in marketable equity securities, debt instruments, and mutual funds and are carried at fair value, based on quoted market prices. Private and other investment funds are carried at estimated fair value based principally on the net asset values (NAV) reported by the fund managers, which are reviewed by management for reasonableness. Those estimated fair values may differ from the values that would have been used had a ready market for these securities existed.

Investment securities are exposed to various risks such as interest rate, market, and credit risks. Due to the level of risk associated with certain investment securities, changes in the values of investment securities could occur. Such changes could materially affect the amounts reported in the statement of net position.

Beneficial Interest Trusts

Beneficial interest trusts are donor-established and funded trusts, which are not in the possession of, nor under the control of the University. Under the terms of the trusts, the University has the irrevocable right to receive all or a portion of the income earned on the trust assets in perpetuity or for the life of the trust. Annual distributions from the trusts are reported as investment income in the statement of revenues, expenses, and changes in net position. The assets are carried at fair value ($4,919 and $4,600 at June 30, 2023 and 2022, respectively) based on the NAV reported by the trusts' managers. The University also has beneficial interest in charitable remainder annuity trusts, with a present value of $1,710 and $829 at June 30, 2023 and 2022, respectively.

Capital Assets

Capital assets are carried at cost or, in the case of gifts, fair value at date of donation. Expenditures for replacements are capitalized, and the replaced items are retired. Gains or losses resulting from disposal of property are included in other non-operating revenues, net.

Depreciation is calculated on the straight-line basis. The University's capital assets policy establishes the following capitalization thresholds and estimated useful lives:

	Capitalization Threshold	Estimated Useful Life
Land improvements	$ 50	20 years
Buildings and building improvements	50	20 to 40 years
Software	50	five to 10 years
Equipment and other assets	5	three to 10 years

Lease Receivables

Lease receivables are recorded by the University as the present value of lease payments expected to be received under all leases other than those that are short-term. Lease receivables are subsequently reduced over the life of the lease as cash is received in the applicable reporting period. Short-term leases, those with a maximum period of 12 months, are recognized as collected.

Right-to-Use Assets

Right-to-use assets are recognized at the lease or subscription agreement commencement date and represent the University's right to use an underlying asset for the lease or subscription term. Right-to-use assets are measured at the initial value of the lease or subscription liability plus any payments made by the

(Dollars in thousands)

University before commencement and initial direct costs and are included within capital assets, net in the statement of net position.

Lease and Subscription Liability

Lease and subscription liabilities represent the University's obligation to make lease and subscription payments arising from leases and subscriptions other than short-term leases and subscriptions. Lease and subscription liabilities are recognized at the lease and subscription commencement date based on the present value of future payments over the remaining term. Present value of lease and subscription payments are discounted based on a borrowing rate determined by the University. Short-term leases and subscriptions, those with a maximum period of 12 months, are expensed as incurred.

Due to Affiliates

Due to affiliates consists of amounts the University is holding as agent for the following entities:

	June 30,	
	2023	2022
Student organizations	$ 758	$ 1,403
Other organizations	274	246
	$ 1,032	$ 1,649

Deferred Outflows and Inflows of Resources

Deferred outflows of resources are defined as a consumption of net assets that are applicable to a future reporting period. Deferred inflows of resources are defined as an acquisition of net assets that are applicable to a future reporting period. Deferred inflows and deferred outflows of resources include differences between expected or projected results related to the University's proportionate share of net pension liability and contributions made to the pension systems subsequent to the measurement date and gains and losses resulting from refinancing of debt, which represents the difference between the reacquisition price and the net carrying amount of the old debt and are amortized over the life of the related debt. Deferred inflows also include amounts related to annuity funds as well as leases due to the adoption of GASB 87, *Leases*.

Net Pension and Other Postretirement Liabilities

The University is required to report its proportionate share of the pension and other postretirement plans' activities for the plans in which it participates. For the purposes of measuring the net pension and other postretirement liabilities, deferred outflows of resources and deferred inflows of resources related to pension and other postretirement liabilities, and pension and other postretirement expense, information about the fiduciary net position of the pension and other postretirement plans, and additions and deductions from the pension and other postretirement plans' fiduciary net position have been determined on the same basis as they are reported to the University by those plans.

Classification of Net Position

The University classifies its resources into the following net position categories:

- Net investment in capital assets is comprised of land and land improvements, buildings and building improvements, equipment and other assets, and construction in progress of the University, net of depreciation and amortization and the indebtedness incurred to finance their acquisition and construction. Title to capital assets acquired through research grants and contracts remains with the University at the conclusion of the grant or contract period with the permission of the grantor.

- Restricted nonexpendable net position is comprised of endowment and beneficial interest in perpetual trusts funds. Endowments are subject to restrictions of gift instruments requiring that the principal be invested in perpetuity. Beneficial interest in perpetual trusts represent funds for which the University is the beneficiary whose assets are not under its control.

  Restricted expendable net position includes gifts that are donor restricted, capital grants and gifts, endowment income and appreciation, and other restricted resources. Funds that are restricted are utilized only for the specified purposes.

- Unrestricted net position is derived principally from student tuition and fees, gifts and bequests, and investment income, and is expended to meet the objectives of the University. The University designates portions of its unrestricted net position for certain specific purposes (see Note 12).

The University's policy is to first utilize available restricted expendable, and then unrestricted, resources in the conduct of its operations.

Classification of Revenue and Expense

Operating revenues are those that result from the provision of services related to the University's principal purposes of instruction and research and are generally associated with exchange transactions. Non-operating revenues result from activities that are not directly related to the University's principal purposes, but that exist in order to support them, and generally consist of nonexchange transactions. Other revenues arise from nonexchange transactions, which provide funding for acquisitions of capital assets and additions to permanent endowments.

Interest expense is reported as a non-operating activity.

Revenue Recognition

Student tuition and fees revenues are recognized in the period earned. Student tuition and fees collected in advance of the fiscal year-end are recorded as unearned advance payments in the statement of net position.

Grants and contracts revenues are recognized when the related expenses are incurred. The unexpended portion of advance grant payments is recorded as unearned advance payments in the statement of net position.

Investment income, which includes interest, dividends, and realized and unrealized gains and losses, is recognized on the accrual basis. Gains and losses on investments are determined using specific identification, except for mutual funds, which are based on average cost.

Gifts and bequests are recorded upon receipt by the University. Pledges, other than endowment, are recognized as gift income and recorded at their present value. Additions to permanent endowments are recognized upon their receipt.

Facilities and Administrative Costs Recovery

Facilities and administrative costs are recovered at rates specified under the various grants and contracts or at a predetermined rate negotiated with the U.S. Department of Health and Human Services, the University's cognizant Federal agency, and are recorded as grants and contracts revenues as expenses are incurred.

Auxiliary Activities

Auxiliary activities consist primarily of residence hall, parking operations, and food service commissions.

Fringe Benefits Paid by the State

Certain fringe benefits for the University's employees are paid by the State. Such amounts ($85,404 and $84,721 in fiscal years 2023 and 2022, respectively) are included in State appropriations. The offsetting expenses are recorded within the appropriate operating expense categories.

Risk Management

The University carries commercial insurance covering its risks of loss related to real and personal property, personal injuries, torts, errors and omissions, environmental damage, and natural and other unforeseen disasters.

Tax Status

NJIT is a public research university that is exempt from income tax as a governmental organization under Section 115(a)(2) of the Internal Revenue Code. The Foundation and NJII are both recognized by the Internal Revenue Service as tax-exempt organizations under Section 501(c)(3) of the Internal Revenue Code (the Code). All three organizations are exempt from Federal income taxes under Section 501(a) of the Code on income generated from activities that are substantially related to their tax-exempt purposes. NJIT, the Foundation, and NJII have determined that they do not generate any material revenues from an unrelated trade or business. HCIS is a for-profit corporation subject to both federal and New Jersey state income taxes. For the year ended June 30, 2022, NJII recorded an income tax provision of $315 based on taxable income of HF prior to its sale in May 2022. The UREs are limited liability companies wholly-owned by NJIT that are treated as disregarded entities for Federal income tax purposes.

Pending Accounting Standard

The GASB issued Statement 101, *Compensated Absences,* in June 2022. The objective of this Statement is to better meet the information needs of financial statement users by updating the recognition and measurement guidance for compensated absences. That objective is achieved by aligning the recognition and measurement guidance under a unified model and by amending certain previously required disclosures. The requirements of this Statement are effective for periods beginning after December 15, 2023, and all reporting periods thereafter. Earlier application is encouraged. University management is in the process of determining what, if any, impact implementation of this standard may have on the University's financial statements.

NOTE 2 - CASH AND CASH EQUIVALENTS, INVESTMENTS, AND DEPOSITS HELD WITH TRUSTEES

Cash and cash equivalents, comprised of cash and money market assets, total $52,546 and $107,555 at June 30, 2023 and 2022, respectively.

(Dollars in thousands)

The investments and deposits held with trustees, and their fair value measurements within the fair value hierarchy, are as follows:

	June 30, 2023				
		Fair Value Measurements			
	Total	Level 1	Level 2	Level 3	NAV
Investments:					
Money market assets	$ 4,900	$ 4,817	$ 83	$ -	$ -
Corporate debt securities	80	-	80	-	-
Corporate equity securities	43,427	43,427	-	-	-
Public equity funds and accounts	91,707	77,668	14,039	-	-
Public bond funds and accounts	170,759	60,404	110,355	-	-
Private and other investment funds	15,514	-	-	76	15,438
	326,387	186,316	124,557	76	15,438
Deposits held with trustees:					
Money market assets	9,535	-	9,535	-	-
	$ 335,922	$ 186,316	$ 134,092	$ 76	$ 15,438

	June 30, 2022				
		Fair Value Measurements			
	Total	Level 1	Level 2	Level 3	NAV
Investments:					
Money market assets	$ 9,984	$ 9,935	$ 49	$ -	$ -
Corporate debt securities	113	-	113	-	-
Corporate equity securities	50,104	50,104	-	-	-
Public equity funds and accounts	107,072	75,824	31,248	-	-
Public bond funds and accounts	76,706	36,056	40,650	-	-
Private and other investment funds	12,013	-	-	66	11,947
	255,992	171,919	72,060	66	11,947
Deposits held with trustees:					
Money market assets	12,060	-	12,060	-	-
	$ 268,052	$ 171,919	$ 84,120	$ 66	$ 11,947

Private and other investment funds are comprised of private equity, real assets, and private debt. At June 30, 2023, the University is committed to invest an additional $11,086 in these funds over the next several fiscal years.

Deposits held with trustees represent restricted funds held by U.S. Bank under terms of the general obligation bond agreements as well as funds held by Bank of New York Mellon under terms of the master lease purchase agreements (see Note 6).

(Dollars in thousands)

The University invests its endowment funds in accordance with applicable limitations set forth in gift instruments or guidelines established by NJIT's Board of Trustees and the Foundation's Board of Directors. The University's investment strategy is to maintain purchasing power of pooled endowment fund assets, with an emphasis on total return, as well as provide diversification with regard to the concentration of holdings in individual issues, issuers, countries, governments or industries. The following are the University's allocation guidelines by asset class and specific investment categories within each asset class:

Asset Class	Range
Equity assets:	
Domestic equity	11% - 51%
International equity	0% - 37%
Other equity	0% - 20%
Income assets:	
Fixed income	2% - 42%
Other income	0% - 20%
Alternative assets:	
Private equity	0% - 30%
Private debt	0% - 30%
Real assets	0% - 30%
Hedge funds	0% - 20%
Cash equivalents	0% - 20%

Custodial credit risk - deposits is the risk that, in the event of the failure of a depository financial institution, the University will not be able to recover deposits that are in that institution's possession. The University's investment policy does not address custodial credit risk - deposits. Cash and cash equivalents have a bank balance of $54,636 and $109,528, including cash held by depositories of $4,457 and $30,416 at June 30, 2023 and 2022, respectively, of which $556 and $750 are insured by the Federal Deposit Insurance Corporation (FDIC).

Custodial credit risk - investments is the risk that, in the event of the failure of a counterparty, the University will not be able to recover the value of the investments that are in that counterparty's possession. The University's investment policy does not address custodial credit risk - investments. The University's investment securities are exposed to custodial credit risk if the securities are uninsured and unregistered and held by the counterparty, or by its trust department or agent, but not in the University's name. At June 30, 2023 and 2022, $335,922 and $268,052, respectively, of investments and deposits held with trustees are either insured or held by the University or its agent in the University's name.

Credit risk is the risk that an issuer or other counterparty to an investment will not fulfill its obligations. The University's investment policy places no limitation on the ratings for debt instruments. The money market assets and public bond funds and accounts included in the University's investment portfolio are not rated. The University's investments in corporate debt securities at June 30, 2023 and 2022 are convertible bonds and are not rated.

Concentration of credit risk is the risk of loss attributed to the magnitude of the University's investment in a single issuer. There is a limit on the amount the University may invest in any issuer. The University's investments are diversified.

(Dollars in thousands)

Interest rate risk is the risk that changes in interest rates will adversely affect the fair value of an investment. The University's investment policy does not limit investment maturities as a means of managing its exposure to fair value losses arising from increasing interest rates.

At June 30, 2023 and 2022, fixed income investments included in cash and cash equivalents, investments, and deposits held with trustees have the following maturities:

	June 30, 2023		June 30, 2022	
Maturing in Years	Money market assets	Corporate debt securities	Money market assets	Corporate debt securities
Less than one	$ 42,675	$ 13	$ 101,156	$ -
One to five	-	67	-	113
	$ 42,675	$ 80	$ 101,156	$ 113

A portion of the University's endowment investments are held in an endowment investment pool, as follows:

	June 30, 2023	June 30, 2022
Money market assets	$ 4,344	$ 9,719
Corporate debt securities	80	113
Public equity funds and accounts	90,137	85,458
Public bond funds and accounts	45,444	36,189
Private and other investment funds	15,438	11,947
	$ 155,443	$ 143,426

For the years ended June 30, 2023 and 2022, the average return for the endowment investment pool was 7.5% and (12.0%), respectively.

The spending policy for endowment funds requires an annual calculation based on a three year rolling average of the fair value per pool unit. The spending rate for the years ended June 30, 2023 and 2022 was 4.32% and 4.56%, respectively. The University complies with the State's Uniform Prudent Management of Institutional Funds Act, which governs the management and use of funds held by it.

(Dollars in thousands)

NOTE 3 - CAPITAL ASSETS

The activity in capital assets for the years ended June 30, 2023 and 2022 was as follows:

	June 30, 2022	Additions	Retirements	Placed Into Service	June 30, 2023
Depreciable assets:					
Land improvements	$ 24,627	$ -	$ -	$ -	$ 24,627
Buildings and building improvements	793,150	4,625	-	3,417	801,192
Equipment and other assets	156,138	5,577	(1,376)	982	161,321
Right-to-use asset - building	5,550	94,334	(21)	-	99,863
Right-to-use asset - equipment	323	3,798	(144)	-	3,977
Right-to-use asset - land	28	-	(28)	-	-
Right-to-use asset - vehicles	49	-	(15)	-	34
Right-to-use asset - subscriptions	-	6,161	-	-	6,161
Total depreciable assets	979,865	114,495	(1,584)	4,399	1,097,175
Less: accumulated depreciation/amortization:					
Land improvements	8,653	1,173	-	-	9,826
Buildings and building improvements	390,532	24,581	-	-	415,113
Equipment and other assets	126,301	9,986	(1,341)	-	134,946
Right-to-use asset - building	1,132	3,079	(21)	-	4,190
Right-to-use asset - equipment	189	496	(144)	-	541
Right-to-use asset - land	28	-	(28)	-	-
Right-to-use asset - vehicles	34	11	(15)	-	30
Right-to-use asset - subscriptions	-	2,640	-	-	2,640
Total accumulated depreciation/amortization	526,869	41,966	(1,549)	-	567,286
Net depreciable assets	452,996	72,529	(35)	4,399	529,889
Nondepreciable assets:					
Land	23,614	2,425	(300)	-	25,739
Construction in progress	15,006	8,571	-	(4,399)	19,178
Capital assets, net	$ 491,616	$ 83,525	$ (335)	$ -	$ 574,806

(Dollars in thousands)

	June 30, 2021	Additions	Retirements	Placed Into Service	June 30, 2022
Depreciable assets:					
Land improvements	$ 20,194	$ -	$ -	$ 4,433	$ 24,627
Buildings and building improvements	786,735	3,512	(339)	3,242	793,150
Equipment and other assets	159,049	5,365	(8,662)	386	156,138
Right-to-use asset - building	-	5,550	-	-	5,550
Right-to-use asset - equipment	-	323	-	-	323
Right-to-use asset - land	-	28	-	-	28
Right-to-use asset - vehicles	-	49	-	-	49
Total depreciable assets	965,978	14,827	(9,001)	8,061	979,865
Less: accumulated depreciation/amortization:					
Land improvements	7,555	1,098	-	-	8,653
Buildings and building improvements	366,067	24,779	(314)	-	390,532
Equipment and other assets	120,748	11,677	(6,124)	-	126,301
Right-to-use asset - building	-	1,132	-	-	1,132
Right-to-use asset - equipment	-	189	-	-	189
Right-to-use asset - land	-	28	-	-	28
Right-to-use asset - vehicles	-	34	-	-	34
Total accumulated depreciation/amortization	494,370	38,937	(6,438)	-	526,869
Net depreciable assets	471,608	(24,110)	(2,563)	8,061	452,996
Nondepreciable assets:					
Land	23,614	-	-	-	23,614
Construction in progress	10,038	13,029	-	(8,061)	15,006
Capital assets, net	$ 505,260	$ (11,081)	$ (2,563)	$ -	$ 491,616

NOTE 4 - SUPPLEMENTARY STATEMENTS OF NET POSITION DETAIL

	June 30, 2023	June 30, 2022
Grants and accounts receivable:		
Federal and state grants and accounts receivable	$ 36,774	$ 36,130
Student accounts receivable	9,909	7,711
Program services accounts receivable	1,864	1,836
Other grants and accounts receivable	1,479	2,174
Pledges receivable, current portion	1,407	1,821
Lease receivables, current portion	238	230
Student loans receivable, current portion	38	103
Mortgages receivable, current portion	55	42
Accrued interest receivable	747	7
	52,511	50,054
Less: allowance for doubtful accounts	(5,288)	(5,650)
	$ 47,223	$ 44,404

(Dollars in thousands)

	June 30, 2023	June 30, 2022
Other assets, noncurrent:		
Mortgage receivable	$ 867	$ 948
Pledges receivable, net	3,449	1,419
Lease receivables	2,222	2,460
Other	585	549
	$ 7,123	$ 5,376
Deferred outflows of resources:		
Loss on defeasance of debt	$ 2,350	$ 2,792
Pension related	16,204	16,538
	$ 18,554	$ 19,330
Accounts payable and accrued liabilities:		
Salaries and fringe benefits	$ 15,270	$ 12,768
Accrued interest expense	7,652	5,929
Accounts payable - construction	6,391	4,624
Accounts payable - other	19,044	24,407
Other noncurrent liabilities, current portion	615	1,040
	$ 48,972	$ 48,768
Deferred inflows of resources:		
Gain on defeasance of debt	$ 42	$ 108
Annuity funds related	2,816	1,980
Pension related	23,303	33,840
Lessor leases related	7,689	2,420
	$ 33,850	$ 38,348

(Dollars in thousands)

NOTE 5 - NONCURRENT LIABILITIES

The activity in noncurrent liabilities for the years ended June 30, 2023 and 2022 was as follows:

	June 30, 2022	Additions	Reductions	June 30, 2023	Current Portion
Long-term debt	$ 316,496	$ 2,347	$ (11,298)	$ 307,545	$ 8,838
Unamortized net premium	13,937	150	(1,022)	13,065	1,081
Total long-term debt	330,433	2,497	(12,320)	320,610	9,919
Retirement incentive programs	1,513	133	(468)	1,178	109
Annuity funds liability	475	164	(107)	532	98
Pollution remediation liability	5,312	-	(521)	4,791	-
Compensated absences	2,378	289	(286)	2,381	300
Other	9,012	88	(6,443)	2,657	108
Total other noncurrent liabilties	18,690	674	(7,825)	11,539	615
Lease liability	4,681	101,837	(4,948)	101,570	3,061
Subscription liability	-	7,950	(4,602)	3,348	1,937
Total lease and subscription liability	4,681	109,787	(9,550)	104,918	4,998
Net pension liability	121,039	608	(577)	121,070	-
U.S. government grants refundable	89	860	(936)	13	-
	$ 474,932	$ 114,426	$ (31,208)	$ 558,150	$ 15,532

	June 30, 2021	Additions	Reductions	June 30, 2022	Current Portion
Long-term debt	$ 323,481	$ 14,749	$ (21,734)	$ 316,496	$ 10,483
Unamortized net premium	14,565	286	(914)	13,937	1,004
Total long-term debt	338,046	15,035	(22,648)	330,433	11,487
Retirement incentive programs	2,846	132	(1,465)	1,513	333
Annuity funds liability	656	162	(343)	475	116
Insurance liability reserve	1,997	-	(1,997)	-	-
Pollution remediation liability	1,599	3,713	-	5,312	-
Compensated absences	2,502	40	(164)	2,378	460
Other	10,147	172	(1,307)	9,012	131
Total other noncurrent liabilities	19,747	4,219	(5,276)	18,690	1,040
Lease liability	-	5,999	(1,318)	4,681	760
Net pension liability	135,400	-	(14,361)	121,039	-
U.S. government grants refundable	160	752	(823)	89	-
	$ 493,353	$ 26,005	$ (44,426)	$ 474,932	$ 13,287

The current portion of other noncurrent liabilities is included in accounts payable and accrued liabilities.

(Dollars in thousands)

NOTE 6 - LONG-TERM DEBT

Long-term debt is comprised of:

	June 30, 2023	June 30, 2022
General Obligation Bonds:		
2022 Series Direct Placement issue:		
Term bonds (interest rate at 2.79%, final maturity in fiscal year 2036)	$ 10,420	$ 10,420
2020 Series Direct Placement issue:		
Serial bonds (interest rates from 3.75% to 4.00%, due on various dates through fiscal year 2026)	4,065	7,155
Term bonds (interest rate at 5.00%, final maturity in fiscal year 2032)	21,205	21,205
2020 Series A issue:		
Serial bonds (interest rate at 5.00%, due on various dates through fiscal year 2034)	16,385	16,385
2020 Series B issue:		
Serial bonds (interest rate at 3.064%, due on various dates through fiscal year 2036)	5,560	5,560
Term bonds (interest rates from 3.014% to 3.415%, final maturity in fiscal year 2043)	47,540	47,540
2017 Series A issue:		
Term bonds (interest rates from 3.887% to 4.357%, final maturity in fiscal year 2048)	77,995	77,995
2015 Series A issue:		
Serial bonds (interest rates from 3.00% to 5.00%, due on various dates through fiscal year 2032)	9,425	9,425
Term bonds (interest rate at 5.00%, final maturity in fiscal year 2046)	89,080	89,080
2012 Series B issue:		
Serial bonds (interest rates from 2.17% to 3.723%, due on various dates through fiscal year 2026)	4,300	8,340
Term bonds (interest rate at 3.323%, final maturity in fiscal year 2025)	2,905	2,905
Other Long-Term Debt:		
Higher Education Capital Improvement Fund	13,883	16,085
Equipment Leasing Fund	-	211
New Jersey Economic Development Authority note	701	841
Master Lease Purchase Agreements	4,081	3,349
	307,545	316,496
Unamortized net premium on obligations	13,065	13,937
	320,610	330,433
Less: current portion	(9,919)	(11,487)
	$ 310,691	$ 318,946

The interest rates on all of the University's long-term debt are fixed.

The 2022 Series Direct Placement Bonds were issued by the University for the purpose of currently refunding a portion of the 2015 Series A Step Coupon Bonds. The 2022 Series Direct Placement Bonds are subject to optional redemption prior to maturity, as defined in the bond documents.

The 2020 Series Direct Placement Bonds were issued by the University for the purpose of currently refunding various bonds. The 2020 Series Direct Placement Bonds are subject to optional redemption prior to maturity, as defined in the bond documents.

The 2020 Series A Bonds were issued by the University for the purpose of advance refunding various bonds. The 2020 Series A bonds were issued at a premium of $4,715, which is being amortized against interest expense over the life of the bonds. The 2020 Series A Bonds are subject to optional redemption prior to maturity on or after July 1, 2029 at a price of 100%.

The 2020 Series B Bonds were issued by the University for the purpose of advance refunding various bonds. The 2020 Series B Bonds are subject to optional redemption prior to maturity on any business day, in order of maturity and pro rata within a maturity, at the Make-Whole Redemption Price, as defined in the bond documents.

The 2017 Series A Bonds were issued by the University for the purpose of financing the acquisition of certain capital projects and advance refunding various bonds. The 2017 Series A Bonds are subject to optional redemption prior to maturity on or after July 1, 2027 at a price of 100%.

The 2015 Series A Bonds were issued by the University to provide funds to partially finance the costs of constructing a wellness and events center and a parking facility. The bonds were issued at a premium of $11,148 which is being amortized against interest expense over the life of the bonds. The 2015 Series A Serial Bonds and Term Bonds are subject to optional redemption prior to maturity on or after July 1, 2025.

The 2012 Series B Bonds were issued by the University for the purpose of advance refunding various bonds. The 2012 Series B Bonds are subject to optional redemption prior to maturity at any time at a price equal to the greater of 100% or the sum of the present value of the remaining scheduled payments of principal and interest.

The Higher Education Capital Improvement Fund (HECIF) debt was issued by New Jersey Educational Facilities Authority (NJEFA) to provide funds for certain construction and facilities improvements at the State's public institutions of higher education. The University is responsible for one-third of its allocated debt service payments and related program service expenses. The HECIF debt bears interest rates from 3.0% to 5.5% and matures at various dates through fiscal year 2037.

The Equipment Leasing Fund (ELF) debt was issued by NJEFA to provide funds to finance certain equipment at the State's public institutions of higher education. The University is responsible for twenty-five percent of the debt service payments and related program expenses. The ELF debt matured in fiscal year 2023.

The New Jersey Economic Development Authority note, which matures in fiscal year 2028, is noninterest bearing and payable monthly. Imputed interest expense totaled $38 and $49 in fiscal years 2023 and 2022, respectively.

The Master Lease Purchase Agreements were entered into with Key Government Finance, Inc. for the purpose of financing upgrades to the University's information technology infrastructure. The debt is noninterest bearing with final maturity in fiscal year 2026.

All long-term debt agreements contain acceleration repayment clauses related to events of default whereby outstanding principal and related accrued interest may be immediately due and payable.

(Dollars in thousands)

At June 30, 2023, deposits held with trustees included $1,450 for principal payments on bonds due on July 1, 2023. Payments due on long-term debt, including mandatory sinking fund payments on the bonds, are as follows for the fiscal years ending June 30:

	Principal	Interest	Total
2024	$ 8,843	$ 12,766	$ 21,609
2025	8,789	12,463	21,252
2026	7,696	12,151	19,847
2027	8,588	11,879	20,467
2028	9,033	11,561	20,594
2029 to 2033	52,599	52,346	104,945
2034 to 2038	64,992	40,773	105,765
2039 to 2043	73,425	27,154	100,579
2044 to 2047	72,130	8,362	80,492
	$ 306,095	$ 189,455	$ 495,550

Through December 9, 2022, the University had a line of credit agreement with a bank permitting it to borrow up to $8,000 at the Secured Overnight Financing Rate (SOFR) as administered by the New York Federal Reserve Bank (NYFRB) plus the applicable margin (1.65%) at the time of utilization. There were no borrowings against the agreement in fiscal year 2022 nor in fiscal year 2023 through December 9, 2022.

Deferred loss on refunding associated with the University's long-term debt totaled $2,350 and $2,792, net of accumulated amortization of $3,290 and $2,848, at June 30, 2023 and 2022, respectively.

Deferred gain on refunding associated with the University's long-term debt totaled $42 and $108, net of accumulated amortization of $864 and $798, at June 30, 2023 and 2022, respectively.

Debt related interest charges incurred in fiscal years 2023 and 2022 totaled $12,287 and $12,916, respectively.

The University has defeased various bonds with the proceeds of new debt. The funds are deposited to an irrevocable escrow trust account for the payment of the principal and interest on the refunded bonds. The defeased bonds and the related trusts are not reflected in the accompanying financial statements. As of June 30, 2023, the University's defeased debt is as follows:

	Amount Defeased	Final Maturity	Amount Outstanding
2015 Series A General Obligation Bonds	$ 3,095	7/1/2025	$ 1,945

NOTE 7 - LEASES AND SUBSCRIPTION-BASED IT ARRANGEMENTS (SBITA)

The University is a lessee for non-cancellable leases of building and equipment assets and a subscriber for non-cancellable contracts of another party's information technology (IT). A lease or subscription liability and an intangible right-to-use asset with initial, individual undiscounted payments of the term of the lease or subscription value is recognized. At the commencement of a lease or subscription, the liability is measured at the present value of payments expected to be made during the lease or subscription term. Subsequently, the lease or subscription liability is reduced by the principal portion of lease or subscription payments made. The intangible right-to-use asset is initially measured as the initial amount of the lease or subscription liability, adjusted for payments made at or before the lease or subscription commencement date, plus certain initial direct costs. Subsequently, the intangible right-to-use asset is amortized on a straight-line basis over its useful life. The University uses an estimated incremental borrowing rate as the discount rate for leases and subscriptions. The borrowing rate varies from 1.57% to 5.40% depending on the length of the lease or subscription as of June 30, 2023 and 2022.

(Dollars in thousands)

The principal and interest expense for lease and subscription obligations as of the year ended June 30, are as follows:

	Cash	Interest Expense	Liability Reduction
2024	$ 9,075	$ 4,077	$ 4,998
2025	8,125	3,9156	4,210
2026	6,372	3,759	2,613
2027	6,255	3,662	2,593
2028	5,901	3,570	2,331
2029 to 2033	25,190	16,835	8,355
2034 to 2038	24,002	15,207	8,795
2039 to 2043	24,007	13,280	10,727
2044 to 2048	24,058	10,926	13,132
2049 to 2053	24,113	8,048	16,065
2054 to 2058	24,185	4,515	19,670
2059 to 2061	12,123	694	11,429
	$ 193,406	$ 88,488	$ 104,918

Lease and subscription related interest charges incurred in fiscal year 2023 and 2022 totaled $3,354 and $261, respectively.

Refer to Note 14 for details related to the University's ground lease and facility lease agreement with CHF-Newark, LLC for Maple Hall.

Leases Where the University is the Lessor

Lease receivables are recorded by the University as the present value of lease payments expected to be received under all leases other than short-term. Lease receivables are subsequently reduced over the life of the lease as cash is received in the applicable reporting period. Short-term leases, those with a maximum period of 12 months, are recognized as collected.

For the years ended June 30, 2023 and 2022, the University earned $366 and $207 in lease revenue and $52 and $87 in lease interest revenue, respectively.

(Dollars in thousands)

Future building lease receipts as of the year ended June 30, are as follows:

	Lease Receivable	Interest	Total
2024	$ 238	$ 47	$ 285
2025	224	41	265
2026	67	38	105
2027	71	36	107
2028	76	35	111
2029 to 2033	457	150	607
2034 to 2038	606	98	704
2039 to 2043	625	33	658
2044 to 2048	96	1	97
	$ 2,460	$ 479	$ 2,939

NOTE 8 - COMPENSATED ABSENCES

Eligible employees accrue vacation leave based upon time employed with a maximum accumulation at June 30 of 10 to 50 days. In addition, eligible employees who retire are paid 50% of their unused sick time up to a maximum of $15 per employee.

At June 30, 2023 and 2022, accounts payable and accrued liabilities include accrued vacation and related fringe benefits of $4,828 and $4,369, respectively, and unused sick time of $300 and $460, respectively. At June 30, 2023 and 2022, other noncurrent liabilities include $2,081 and $1,918, respectively, of unused sick time. In fiscal years 2023 and 2022, payments for unused sick time totaled $286 and $164, respectively.

NOTE 9 - RETIREMENT PROGRAMS

General Information about Pension Plans

The University participates in several retirement plans covering its employees - the Public Employees' Retirement System (PERS), the Police and Firemen's Retirement System (PFRS), the Teachers' Pension and Annuity Fund (TPAF), and the Alternate Benefit Program (ABP), which are administered by the State of New Jersey, Division of Pensions and Benefits (the Division); New Jersey Institute of Technology Supplemental Benefit Program and Trust (the Supplemental Program) administered by the Teachers Insurance and Annuity Association (TIAA) governed by NJIT's Board of Trustees; and the NJII 401(k) Plan (the NJII Plan) administered by Principal Life Insurance Company. PERS, PFRS, and TPAF are defined benefit pension plans; ABP, the Supplemental Program, and the NJII Plan are defined contribution pension plans. Generally, all employees, except certain part-time employees, are eligible to participate in one of these plans.

The State issues 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 fiduciary net position. These reports can be obtained by writing to the State of New Jersey, Department of the Treasury, Division of Pensions and Benefits, P.O. Box 295, Trenton, New Jersey 08625-0295, or obtained at www.state.nj.us/treasury/pensions/financial-reports.shtml.

Defined Benefit Plans

Public Employees' Retirement System

PERS is a cost sharing multi-employer defined benefit pension plan, which provides coverage to substantially all full-time employees and certain part-time employees of the State or public agencies who generally are not members of another State-administered retirement system.

Membership is mandatory for eligible employees. The vesting and benefit provisions are set by N.J.S.A. 43:15A. PERS provides retirement, life insurance, and disability benefits, including post-retirement health care benefits. All benefits vest after ten years of service, except for health care benefits, which vest after 25 years of service, or under the disability provisions of PERS. Pension benefits are determined by a member's tier (based on date of enrollment), as defined in the PERS plan documents, member's age, years of service, and final average salary.

The contribution policy is set by N.J.S.A. 43:15A and requires contributions by active members and contributing employers. The current employee contribution rate is 7.50% of base salary. Employer contributions are based on an actuarially determined rate. The annual employer contributions include funding for basic retirement allowances and noncontributory death benefits. The State's contribution on behalf of NJIT (State Contribution) to PERS was $7,258 and $7,568 for the fiscal years ended June 30, 2023 and 2022, respectively, which is recognized as deferred outflows of resources in the statement of net position.

NJIT participated in the State's early retirement incentive programs and is responsible for retirement incentive program contributions to PERS, which were $87 and $85 for the years ended June 30, 2023 and 2022, respectively.

Police and Firemen's Retirement System

PFRS is a cost sharing multiple employer defined benefit pension plan, which provides coverage for substantially all permanent, full-time police officers and firefighters in the State.

Membership is mandatory for eligible employees. The vesting and benefit provisions are set by N.J.S.A. 43:16A. PFRS provides retirement, death, and disability benefits, including post-retirement health care benefits. All benefits vest after ten years of service, except disability benefits, which vest after four years of service. Pension benefits are determined by member's tier (based on date of enrollment), as defined in the PFRS plan documents, member's age, years of service, and final compensation.

The contribution policy is set by N.J.S.A. 43:16A and requires contributions by active members and contributing employers. The current employee contribution rate is 10% of base salary. Employer contributions are based on an actuarially determined rate. The annual employer contributions include funding for basic retirement allowances and noncontributory death benefits. The State's Contribution to PFRS was $2,453 and $2,896 for the fiscal years ended June 30, 2023 and 2022, respectively, which is recognized as deferred outflows of resources in the statement of net position.

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 is responsible to fund 100% of NJIT's contributions, excluding any of NJIT's early retirement incentive contributions. NJIT does not have any active members in TPAF.

Membership is mandatory for eligible employees. The vesting and benefit provisions are set by N.J.S.A. 18A:66. TPAF provides retirement, death, and disability benefits, including post-retirement health care benefits. All benefits vest after ten years of service, except medical benefits, which vest after 25 years of service or under the disability provision of TPAF. Members are always fully vested in 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. Pension benefits are based on member's tier (based on date of enrollment), as defined in the TPAF plan documents, member's age, years of service, and final average salary.

(Dollars in thousands)

The contribution policy is set by N.J.S.A. 18A:66 and requires contributions by active members and contributing employers. The State contribution is based on an actuarially determined rate and includes funding for basic retirement allowances and noncontributory death benefits for all participating employers. For the fiscal years ended June 30, 2023 and 2022, NJIT recognized both state appropriation revenue and pension expense of $28 and $23, respectively, for contributions by the State.

NJIT participated in the State's early retirement incentive programs and is responsible for retirement incentive program contributions to TPAF, which were $39 and $38 for the years ended June 30, 2023 and 2022, respectively.

Net pension liabilities, pension expense, deferred outflows of resources, and deferred inflows of resources related to pensions

Net pension liabilities, pension expense, deferred outflows of resources, and deferred inflows of resources amounts are reflective of the respective plan's published financial statements and actuarial valuations as of June 30, 2021 and 2020.

NJIT's respective net pension liability, deferred outflows of resources, deferred inflows of resources, and net pension expense related to PERS and PFRS, at and for the fiscal years ended June 30, 2023 and 2022, are as follows:

	PERS	PFRS	Total
Proportionate share of the net pension liability ($)			
2023	$ 101,197	$ 19,873	$ 121,070
2022	$ 100,589	$ 20,450	$ 121,039
Proportionate share of the net pension liability (%)			
2023	0.452%	0.459%	
2022	0.465%	0.503%	

	PERS	PFRS	Total
Deferred outflows of resources			
2023	$ 11,954	$ 4,250	$ 16,204
2022	$ 12,178	$ 4,360	$ 16,538
Deferred inflows of resources			
2023	$ 18,855	$ 4,448	$ 23,303
2022	$ 29,128	$ 4,712	$ 33,840
Net pension expense			
2023	$ (9,441)	$ (731)	$ (10,172)
2022	$ (8,840)	$ (1,566)	$ (10,406)

NJIT's proportionate share of each respective plan's 2023 and 2022 net pension liability was based on the State Contribution to the respective plans from July 1, 2021 to June 30, 2022 and July 1, 2020 to June 30, 2021, respectively, relative to the total contributions from all participating employers.

(Dollars in thousands)

The components of pension related deferred outflows of resources and deferred inflows of resources as of June 30, 2023 and June 30, 2022 are as follows:

Deferred outflows of resources

	June 30, 2023		
	PERS	PFRS	Total
Differences between expected and actual experience	$ 1,632	$ 148	$ 1,780
Net difference between projected and actual earnings on pension plan investments	2,445	704	3,149
Changes in assumptions	151	20	171
Changes in proportion	468	925	1,393
Contributions paid subsequent to June 30, 2022	7,258	2,453	9,711
	$ 11,954	$ 4,250	$ 16,204

	June 30, 2022		
	PERS	PFRS	Total
Differences between expected and actual experience	$ 2,445	$ -	$ 2,445
Changes in assumptions	205	27	232
Changes in proportion	1,960	1,437	3,397
Contributions paid subsequent to June 30, 2021	7,568	2,896	10,464
	$ 12,178	$ 4,360	$ 16,538

Deferred inflows of resources

	June 30, 2023		
	PERS	PFRS	Total
Differences between expected and actual experience	$ 533	$ 492	$ 1,025
Changes in assumptions	7,408	955	8,363
Changes in proportion	10,914	3,001	13,915
	$ 18,855	$ 4,448	$ 23,303

	June 30, 2022		
	PERS	PFRS	Total
Differences between expected and actual experience	$ 348	$ 737	$ 1,085
Net difference between projected and actual earnings on pension plan investments	3,164	531	3,695
Changes in assumptions	14,256	1,622	15,878
Changes in proportion	11,360	1,822	13,182
	$ 29,128	$ 4,712	$ 33,840

(Dollars in thousands)

The State is legally obligated to fund TPAF on behalf of NJIT. NJIT's proportionate share of deferred outflows of resources, deferred inflows of resources, and the collective net pension liability of $1,054 and $997 as of June 30, 2023 and 2022, respectively, are reported by the State.

The $9,711 and $10,464 reported as deferred outflows of resources related to pensions resulting from State Contributions paid subsequent to June 30, 2022 and 2021, respectively, are recorded as deferred outflows of resources as of June 30, 2023 and 2022, respectively, and will be recognized as a reduction of the net pension liability in the fiscal year ending June 30, 2023 and fiscal year ended June 30, 2022. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be reflected in pension expense in the fiscal years as follows:

	PERS	PFRS	Total
2024	$ (7,573)	$ (904)	$ (8,477)
2025	(4,811)	(790)	(5,601)
2026	(1,996)	(327)	(2,323)
2027	221	(464)	(243)
2028	-	(148)	(148)
Thereafter	-	(18)	(18)
	(14,159)	(2,651)	(16,810)
Contributions paid subsequent to June 30, 2022	7,258	2,453	9,711
	$ (6,901)	$ (198)	$ (7,099)

Defined Benefit Actuarial Assumptions

NJIT's net pension liability as of June 30, 2023 for each plan was determined by an actuarial valuation as of July 1, 2021, which was rolled forward to June 30, 2022. NJIT's net pension liability as of June 30, 2022 for each plan was determined by an actuarial valuation as of July 1, 2020, which was rolled forward to June 30, 2021. The total pension liability for each plan was determined using the following actuarial assumptions:

	2023		
	PERS	PFRS	TPAF
Valuation date	7/1/2021	7/1/2021	7/1/2021
Measurement date	6/30/2022	6/30/2022	6/30/2022
Inflation rate:			
Price	2.75%	2.75%	2.75%
Wage	3.25 %	3.25 %	3.25 %
Salary increases:			
Through 2026 and thereafter	2.75% - 6.55% based on years of service	3.25% - 16.25% based on years of service	2.75% - 5.65% based on years of service
Investment rate of return	7.00%	7.00%	7.00%
Municipal bond rate - 2022	3.54%	3.54%	3.54%
Discount rate - 2022	7.00%	7.00%	7.00%
Experience study dates	7/1/2018-6/30/2021	7/1/2018-6/30/2021	7/1/2018-6/30/2021

(Dollars in thousands)

	2022		
	PERS	PFRS	TPAF
Valuation date	7/1/2020	7/1/2020	7/1/2020
Measurement date	6/30/2021	6/30/2021	6/30/2021
Inflation rate:			
Price	2.75%	2.75%	2.75%
Wage	3.25%	3.25%	3.25%
Salary increases:			
Through 2026	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	3.25% - 15.25% based on years of service	2.75% - 5.65% based on years of service
Investment rate of return	7.00%	7.00%	7.00%
Municipal bond rate - 2021	2.16%	2.16%	2.16%
Discount rate - 2021	7.00%	7.00%	7.00%
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, 2022 and 2021 measurement dates, 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 a 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-2021 for the June 30, 2022 and 2021 measurement dates.

For the June 30, 2022 and 2021 measurement dates, PFRS pre-retirement mortality rates were based on the Pub-2010 amount-weighted mortality table with no adjustments (a 105.6% adjustment for males and 102.5% adjustment for females for 2021), and with future improvement from the base year of 2010 on a generational basis. Post-retirement mortality rates were based on the Pub-2010 amount-weighted mortality table with no adjustments (a 96.7% adjustment for males and 96.0% adjustment for females for 2021), and with future improvement from the base year of 2010 on a generational basis. For beneficiaries, 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 amount-weighted mortality table with a 144.0% adjustment for males and no adjustment for females (152.0% and 109.3% for males and females, respectively for 2021), and with future improvement from the base year of 2010 on a generational basis. Mortality improvement is based on Scale MP-2021 for the June 30, 2022 and 2021 measurement dates.

For the June 30, 2022 and 2021 measurement dates, 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-2021 and Scale MP-2020 for June 30, 2022 and 2021 measurement dates, respectively.

(Dollars in thousands)

Discount Rate

The discount rates in the above tables used to measure the total pension liabilities for PERS, PFRS, and TPAF, respectively, are single blended discount rates based on the long-term expected rate of return on pension plan investments and the municipal bond rates specified in the tables. The municipal bond rate is based on the Bond Buyer GO 20-Bond Municipal Bond Index, which includes tax-exempt general obligation municipal bonds with an average rate of AA/Aa or higher.

For the June 30, 2022 measurement date, 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 100% of the actuarially determined contributions for the State for PERS, PFRS, and TPAF. Based upon 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, PFRS, and TPAF. Therefore, the long-term expected rate of return on plan investments was applied to all projected benefit payments to determine the total pension liability for PERS and PFRS, and TPAF.

For the June 30, 2021 measurement date, 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 100% of the actuarially determined contributions for the State for PERS, PFRS, and TPAF. Based upon 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, PFRS, and TPAF. Therefore, the long-term expected rate of return on plan investments was applied to all projected benefit payments to determine the total pension liability for PERS and PFRS, and TPAF.

Long-Term Expected Rate of Return

The long-term expected rate of return on plan investments is determined by the State Treasurer, after consultation with the Directors of the Division of Investments and the Division of Pensions and Benefits, each pension plan's board of trustees, and the actuaries. Best estimates of real rates of return for each major asset class included in each of PERS, PFRS, and TPAF's target asset allocations as of June 30, 2023 and 2022 are as follows:

	June 30, 2023		June 30, 2022	
Asset Class	Target Allocation	Long-Term Expected Real Rate of Return	Target Allocation	Long-Term Expected Real Rate of Return
U.S. equity	27.00%	8.12%	27.00%	8.09%
Non-U.S. developed markets equity	13.50%	8.38%	13.50%	8.71%
Emerging markets equity	5.50%	10.33%	5.50%	10.96%
Private equity	13.00%	11.80%	13.00%	11.30%
Real assets	8.00%	11.19%	3.00%	9.15%
Real estate	3.00%	7.60%	8.00%	7.40%
High yield	4.00%	4.95%	2.00%	3.75%
Private credit	8.00%	8.10%	8.00%	7.60%
Investment grade credit	7.00%	3.38%	8.00%	1.68%
Cash equivalents	4.00%	1.75%	4.00%	0.50%
U.S. treasuries	4.00%	1.75%	5.00%	0.95%
Risk mitigation strategies	3.00%	4.91%	3.00%	3.35%

(Dollars in thousands)

Discount Rate Sensitivity

NJIT's proportionate share of the net pension liability as of June 30, 2023 and 2022, calculated using the respective discount rate, as well as what NJIT's proportionate share of the net pension liability would be if it were calculated using a discount rate that is 1% lower or 1% higher than the current rate are as follows:

	June 30, 2023			
	PERS		PFRS	
	Rate	Amount	Rate	Amount
1% decrease	6.0%	$ 115,474	6.0%	$ 23,127
Current discount rate	7.0%	101,197	7.0%	19,873
1% increase	8.0%	89,079	8.0%	17,164

	June 30, 2022			
	PERS		PFRS	
	Rate	Amount	Rate	Amount
1% decrease	6.0%	$ 115,449	6.0%	$ 23,935
Current discount rate	7.0%	100,589	7.0%	20,450
1% increase	8.0%	88,017	8.0%	17,548

Defined Contribution Pension Plans

Alternate Benefits Program

The Alternate Benefit Program (ABP) is a defined contribution retirement program administered by the Division for eligible full-time employees in accordance with N.J.S.A. 52:18A.

Membership is mandatory for eligible employees. ABP provides retirement benefits, life insurance, and long-term disability coverage. Employee contributions are immediately vested and non-forfeitable. Employer contributions vest after one year of service and become non-forfeitable. Disability benefits vest after one year of service, life insurance benefits vest after ten years of service, and health care benefits vest after 25 years of service. Benefits are determined by the amount of individuals' account accumulations and the retirement income option selected.

The current employee contribution rate is 5% of base salary. Employees may contribute a voluntary additional contribution up to the maximum Federal statutory limit, on a pre-tax basis. Employer contributions are 8% of base salary up to $175. For the fiscal years ended June 30, 2023 and 2022, NJIT's contributions to ABP were $9,751 and $9,326, respectively.

New Jersey Institute of Technology Supplemental Benefit Program and Trust

The Supplemental Program is a defined contribution plan administered by TIAA and governed by NJIT's Board of Trustees for ABP participants whose base salary is in excess of $175, but not in excess of the Federal limit. All plan assets are held in trust. Employer contributions vest after one year of service and become non-forfeitable.

Employer contributions are at the discretion of NJIT, while employees may not contribute. NJIT's contributions were $480 and $452 for the fiscal years ended June 30, 2023 and 2022, respectively.

NJII 401(k) Plan

Employees eligible to participate in the NJII 401(k) Plan are able to contribute up to 5% of base salary, with an employer safe harbor matching contribution equal to 160% of the elective deferral that does not exceed the 5% of base compensation. The NJII 401(k) Plan is administered by Security Benefits. Employee contributions and employer safe harbor contributions and earnings are immediately 100% vested. NJII's contributions to the NJII 401(k) Plan were $660 and $759 for the fiscal years ended June 30, 2023 and 2022, respectively.

NOTE 10 - OTHER POSTEMPLOYMENT BENEFITS

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

The Plan is a single employer defined benefit other postemployment benefits (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 with 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, ABP, or PFRS. In addition, N.J.S.A. 52-14-17.26 provides that for purposes of the Plan, an employee of NJIT shall be deemed to be an employee of the State. As such, the State is legally obligated for the benefit payments on behalf of the retirees of NJIT; therefore, the Plan meets the definition of a special funding situation as defined in GASB Statement No. 75, *Accounting and Financial Reporting for 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

At June 30, 2023 and 2022, the State recorded a liability for NJIT, which represents the portion of the State's total proportionate share of the collective total OPEB liability that is associated with NJIT (NJIT's share). NJIT's share was based on the ratio of its members to the total members of the Plan. As the State is legally obligated for benefit payments on behalf of NJIT, NJIT recognized revenue related to the support provided by the State as well as OPEB expense.

NJIT's share of the State liability, special funding situation, and the Plan as well as NJIT's OPEB revenue and expense as of June 30, 2023 and 2022 are as follows:

(Dollars in thousands)

	2023	2022
NJIT's share of State liability	$ 225,798	$ 261,198
NJIT's share of special funding situation	4.059%	3.844%
NJIT's share of the Plan	1.081%	1.047%
NJIT's OPEB (benefit) and expense	$ (6,545)	$ 2,999

Actuarial assumptions and other inputs

The State's liability associated with NJIT at June 30, 2023 was determined by an actuarial valuation as of June 30, 2021, which was rolled forward to the measurement date of June 30, 2022. The State's liability associated with NJIT at June 30, 2022 was determined by an actuarial valuation as of June 30, 2020, which was rolled forward to the measurement date of June 30, 2021. The following actuarial assumptions were utilized:

	2023	2022
Price inflation	2.75%	2.75%
Wage inflation	3.25%	3.25%
Salary increases:		
Through 2026	N/A	1.55% - 15.25%
Thereafter	2.75% - 16.25%	2.75% - 15.25%
Discount rate	3.54%	2.16%

The discount rate was 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.

Mortality Rate Assumptions

Certain actuarial assumptions used in both the June 30, 2021 and June 30, 2020 valuations were based on the results of actuarial experience studies of the State's defined benefit plans, as follows: For the June 30, 2021 valuations this included ABP (using the experience of TPAF), PERS, and PRFS (July 1, 2018 through June 30, 2021). For the June 30, 2020 valuations this included: ABP (using the experience of TPAF - July 1, 2015 through June 30, 2018), PERS (July 1, 2014 through June 30, 2018), and PFRS (July 1, 2013 through June 30, 2018).

For the June 30, 2022 measurement date, preretirement mortality rates were based on the Pub-2010 Healthy "Teachers" (ABP), "General" (PERS), and "Safety" (PFRS) classification headcount-weighted mortality table with fully generational mortality improvement projections from the central year using Scale MP-2021. 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-2021. Disability mortality was based on the Pub-2010 "Safety" (PFRS), "Teachers" (ABP), and "General" (PERS) classification headcount-weighted disabled mortality table with fully generational mortality improvement projections from the central year using Scale MP-2021.

For the June 30, 2021 measurement date, preretirement mortality rates were based on the Pub-2010 Healthy "Teachers" (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" (ABP), and "General" (PERS) classification headcount-weighted disabled mortality table with fully generational mortality improvement projections from the central year using Scale MP-2021.

(Dollars in thousands)

Health Care Trend Assumptions

For the June 30, 2022 measurement date, the trend rate for pre-Medicare medical benefits is initially 6.25% and decreases to a 4.5% long-term trend rate after seven years. The actual fully insured Medicare Advantage trend rates for fiscal years 2023 through 2025 are reflected. For PPO the trend is initially 14.35% in fiscal year 2026 and decreases to 4.5% after seven years. For HMO the trend is initially 15.47% in fiscal year 2026 and decreases to 4.5% after seven years. For prescription drug benefits, the initial trend rate is 8.0% and decreases to a 4.5% long-term trend rate after seven years. For the Medicare Part B reimbursement, the trend rate is 5.0%.

For the June 30, 2021 measurement date, the trend rate for pre-Medicare medical benefits is initially 5.65% and decreases to a 4.5% long-term trend rate after seven years. For post-65 medical benefits, the actual fully insured Medicare Advantage trend rates for fiscal years 2022 through 2024 are reflected. For PPO the trend is initially 5.79% in fiscal year 2025, increasing to 13.79% in fiscal year 2026, and decreasing to 4.5% after seven years. For HMO the trend is initially 5.98% in fiscal year 2025, increasing to 15.49% in fiscal year 2026, and decreasing to 4.5% after seven years. For prescription drug benefits, the initial trend rate is 6.75% and decreases to a 4.5% long-term trend rate after seven years. For the Medicare Part B reimbursement, the trend rate is 5.0%.

NOTE 11 - CONDENSED COMBINING FINANCIAL STATEMENTS INFORMATION

The condensed combining statements of net position, of revenues, expenses, and changes in net position, and of cash flows for NJIT, the Foundation, NJII, and the UREs at June 30, 2023 and for the year then ended are as follows:

	At June 30, 2023					
	NJIT	Foundation	NJII	UREs	Reclassifications/ Eliminations	Combined
Cash and cash equivalents	$ 29,532	$ 2,929	$ 23,014	$ 2	$ (2,931)	$ 52,546
Other current assets	177,432	1,303	45,176	29	-	223,940
Due from NJIT	-	-	3,974	-	(3,974)	-
Capital assets, net	552,888	-	895	19,675	1,348	574,806
Right-to-use assets, net	-	-	1,348	-	(1,348)	-
Other noncurrent assets	19,172	167,640	122	-	(10,900)	176,034
Investment in UREs	19,688	-	-	-	(19,688)	-
Total assets	798,712	171,872	74,529	19,706	(37,493)	1,027,326
Deferred outflows of resources	18,554	-	-	-	-	18,554
Due to NJII	3,974	-	-	-	(3,974)	-
Due to Foundation/NJIT	2,833	98	-	-	(2,931)	-
Other current liabilities	79,830	109	5,102	18	-	85,059
Noncurrent liabilities	541,327	434	11,757	-	(10,900)	542,618
Total liabilities	627,964	641	16,859	18	(17,805)	627,677
Deferred inflows of resources	31,034	2,816	-	-	-	33,850
Net investment in capital assets	129,991	-	895	19,675	-	150,561
Restricted nonexpendable	-	105,819	-	-	-	105,819
Restricted expendable	19,212	32,758	-	-	-	51,970
Unrestricted	9,065	29,838	56,775	13	(19,688)	76,003
Total net position	$ 158,268	$ 168,415	$ 57,670	$ 19,688	$ (19,688)	$ 384,353

(Dollars in thousands)

	For the Year Ended June 30, 2023					
	NJIT	Foundation	NJII	UREs	Reclassifications/ Eliminations	Combined
Gifts and bequests	$ -	$ 6,061	$ -	$ -	$ (6,061)	$ -
Other operating revenues	320,081	2,970	33,061	1,048	(28,169)	328,991
Total operating revenues	320,081	9,031	33,061	1,048	(34,230)	328,991
Depreciation and amortization	40,496	-	683	787	-	41,966
Grants to NJIT	-	9,142	-	-	(9,142)	-
Grants to NJIT student fraternities	-	18	-	-	(18)	-
Other operating expenses	417,047	4,028	35,108	1,865	(35,082)	422,966
Total operating expenses	457,543	13,188	35,791	2,652	(44,242)	464,932
Operating (loss) income	(137,462)	(4,157)	(2,730)	(1,604)	10,012	(135,941)
Gifts and bequests	9,118	-	-	-	(3,346)	5,772
Investment income	8,727	11,306	2,232	-	-	22,265
Other non-operating revenues, net	140,570	18	-	-	(5,112)	135,476
Capital grants and gifts	-	-	-	799	(749)	50
Additions to permanent endowments	-	6,730	-	-	-	6,730
Increase (decrease) in net position	20,953	13,897	(498)	(805)	805	34,352
Net position, beginning of year	137,315	154,518	58,168	20,493	(20,493)	350,001
Net position, end of year	$ 158,268	$ 168,415	$ 57,670	$ 19,688	$ (19,688)	$ 384,353

	For the Year Ended June 30, 2023					
	NJIT	Foundation	NJII	UREs	Reclassifications/ Eliminations	Combined
Net cash and cash equivalents (used) provided by:						
Operating activities	$ (29,025)	$ (4,961)	$ (3,774)	$ (873)	$ (27,223)	$ (65,856)
Noncapital financing activities	63,955	5,749	-	799	27,463	97,966
Capital financing activities	(38,966)	-	(777)	-		(39,743)
Investing activities	(4,505)	(954)	(41,917)	-	-	(47,376)
Net (decrease) increase in cash and cash equivalents	(8,541)	(166)	(46,468)	(74)	240	(55,009)
Cash and cash equivalents, beginning of year	38,073	3,095	69,482	76	(3,171)	107,555
Cash and cash equivalents, end of year	$ 29,532	$ 2,929	$ 23,014	$ 2	$ (2,931)	$ 52,546

(Dollars in thousands)

The condensed combining statements of net position, of revenues, expenses, and changes in net position, and of cash flows for NJIT, the Foundation, NJII, and the UREs at June 30, 2022 and for the year then ended are as follows:

	At June 30, 2022					
	NJIT	Foundation	NJII	UREs	Reclassifications/ Eliminations	Combined
Cash and cash equivalents	$ 38,073	$ 3,095	$ 69,482	$ 76	$ (3,171)	$ 107,555
Other current assets	161,365	1,707	1,728	28	(6)	164,822
Due from NJIT	-	-	124	-	(124)	-
Capital assets, net	465,785	-	802	20,462	4,567	491,616
Right-to-use lease assets, net	3,734	-	833	-	(4,567)	-
Other noncurrent assets	8,368	152,348	46	-	-	160,762
Investment in UREs	20,493	-	-	-	(20,493)	-
Total assets	697,818	157,150	73,015	20,566	(23,794)	924,755
Deferred outflows of resources	19,330	-	-	-	-	19,330
Due to NJII	124	-	-	-	(124)	-
Due to Foundation	3,017	77	-	-	(3,094)	-
Other current liabilities	79,724	217	14,160	73	(83)	94,091
Noncurrent liabilities	460,599	359	687	-	-	461,645
Total liabilities	543,464	653	14,847	73	(3,301)	555,736
Deferred inflows of resources	36,369	1,979	-	-	-	38,348
Net investment in capital assets	137,146	-	802	20,462	-	158,410
Restricted nonexpendable	-	98,770	-	-	-	98,770
Restricted expendable	16,598	26,763	-	-	-	43,361
Unrestricted	(16,429)	28,985	57,366	31	(20,493)	49,460
Total net position	$ 137,315	$ 154,518	$ 58,168	$ 20,493	$ (20,493)	$ 350,001

(Dollars in thousands)

	For the Year Ended June 30, 2022					
	NJIT	Foundation	NJII	UREs	Reclassifications/ Eliminations	Combined
Gifts and bequests	$ -	$ 5,006	$ -	$ -	$ (5,006)	$ -
Other operating revenues	301,881	2,998	31,178	3,957	(19,554)	320,460
Total operating revenues	301,881	8,004	31,178	3,957	(24,560)	320,460
Depreciation and amortization	37,403	-	696	838	-	38,937
Grants to NJIT	-	8,456	-	-	(8,456)	-
Grants to NJIT student fraternities	-	16	-	-	(16)	-
Other operating expenses	400,022	3,878	33,159	1,761	(20,093)	418,727
Total operating expenses	437,425	12,350	33,855	2,599	(28,565)	457,664
Operating income (loss)	(135,544)	(4,346)	(2,677)	1,358	4,005	(137,204)
Gifts and bequests	8,456	-	-	-	(3,718)	4,738
Investment loss	(13,702)	(19,928)	-	-	-	(33,630)
Other non-operating revenues, net	136,973	18	62,784	-	(1,707)	198,068
Capital grants and gifts	-	-	-	12	50	62
Additions to permanent endowments	-	4,327	-	-	-	4,327
Increase (decrease) in net position	(3,817)	(19,929)	60,107	1,370	(1,370)	36,361
Net position, beginning of year	141,132	174,447	(1,939)	19,123	(19,123)	313,640
Net position, end of year	$ 137,315	$ 154,518	$ 58,168	$ 20,493	$ (20,493)	$ 350,001

	For the Year Ended June 30, 2022					
	NJIT	Foundation	NJII	UREs	Reclassifications/ Eliminations	Combined
Net cash and cash equivalents (used) provided by:						
Operating activities	$ (27,296)	$ (5,320)	$ 3,670	$ 62	$ (13,357)	$ (42,241)
Noncapital financing activities	73,346	4,150	67,563	12	12,260	157,331
Capital financing activities	(35,886)	-	(2,803)	-	819	(37,870)
Investing activities	(84,368)	1,374	-	-	-	(82,994)
Net (decrease) increase in cash and cash equivalents	(74,204)	204	68,430	74	(278)	(5,774)
Cash and cash equivalents, beginning of year	112,277	2,891	1,052	2	(2,893)	113,329
Cash and cash equivalents, end of year	$ 38,073	$ 3,095	$ 69,482	$ 76	$ (3,171)	$ 107,555

(Dollars in thousands)

NOTE 12 - NET POSITION

The components of unrestricted net position are as follows:

	June 30, 2023	June 30, 2022
Designated unrestricted net position:		
University strategic reserve	$ 36,373	$ 33,870
Quasi-endowments	27,081	26,100
Instructional and other	23,151	15,835
Construction and capital programs	23,831	22,512
Outstanding purchase orders	6,079	4,833
	116,515	103,150
Undesignated unrestricted net position		
Pension related	(128,169)	(138,341)
Operations	87,657	84,651
	$ 76,003	$ 49,460

NOTE 13 - COMMITMENTS AND CONTINGENCIES

At June 30, 2023, open purchase orders totaled $61,443, primarily for research and construction and capital program expenditures.

In the normal course of business, the University is subject to various lawsuits and claims. Management believes that the ultimate resolution of these matters will not have a significant effect on the University's financial position.

The University administers Federal and State grants and contracts, reimbursements from which are subject to review and audit by the respective sponsoring agencies. Such audits could result in disallowances and other adjustments. The University believes disallowances, if any, would not significantly affect the accompanying financial statements.

NOTE 14 - DISCRETELY PRESENTED COMPONENT UNIT

Tax Status

CHF-Newark is an Alabama limited liability company, whose sole member is Collegiate Housing Foundation, an Alabama non-profit corporation. CHF-Newark is treated as a disregarded entity for Federal income tax purposes.

Bond Reserves

Bond reserves consist of money market funds held on deposit with Wilmington Trust (the Trustee) in accordance with the Trust Indenture. Under the terms of the Trust Indenture and other documents executed in connection with the issuance of the bonds, various funds must be established and maintained by the Trustee. These or associated documents govern the types of investments and requirements for collateralization.

(Dollars in thousands)

Prepaid Ground Lease

In August 2021, NJIT entered into a ground lease with CHF-Newark, a legally separate entity that will develop and own a residence hall on land leased to it by NJIT. CHF-Newark made an initial payment to NJIT in the amount of $5,635. This payment is being amortized over the 39-year life of the bonds. Amortization expense was $120, net of the capitalized portion of $24.

Facility Lease Agreement

On April 29, 2021, the CHF-Newark entered into a Facility Lease Agreement with NJIT. A Facility lease receivable was recorded when the Project was placed in service on August 26, 2022. Pursuant to the terms of the Facility Lease Agreement, NJIT is required to pay base rent and additional rent to the CHF-Newark through the 50th anniversary of the Ground Lease Agreement (April 29, 2071). Base rents are due January 20 and July 20 of each year, commencing January 20, 2023 pursuant to the schedule of base rents provided in the Facility Lease Agreement. Additional rent is due in four equal quarterly installments (July 20, October 20, January 20, and April 20) each year to cover certain expenses of the CHF-Newark as defined in the Facility Lease Agreement, including but not limited to, issuer fees, trustee fees, membership fees, and professional fees. Base rents paid for the year ended June 30, 2023 were $545. Additional rent paid during the year ended June 30, 2023 was $318, of which $201 was earned for the year ended June 30, 2023 and $117 was applied as credit for the additional rent payment due on July 20, 2023.

CHF-Newark reported a lease receivable in the amount of $97,041 as of June 30, 2023, including accrued interest income of $2,345.

At June 30, 2023, future lease receipts are as follows:

Year ending June 30:		
2024	$	4,052
2025		4,181
2026		4,314
2027		4,456
2028		4,603
2029 and thereafter		156,459
Total undiscounted lease receipts		178,065
Less: present value of lease receipts		(97,041)
Difference between undiscounted lease receipts and lease receivable	$	81,024

Bonds payable

CHF-Newark, through the Essex County Improvement Authority, issued Series 2021A and Series 2021B General Obligation Lease Revenue Bonds to finance the construction of the residence hall. CHF-Newark manages the premises. All costs associated with the ownership, operation, and management of the improvements are the obligation of CHF-Newark. Student rental rates provide for operating expenses and maintain the required debt service coverage ratios. The bonds have annual principal and semiannual interest payments, serial and term maturities, certain sinking fund requirements and optional redemption provisions. They are not collateralized by any encumbrance, mortgage, or other pledge of property, except pledged revenues of the student housing project, and do not constitute general obligations of NJIT.

(Dollars in thousands)

Bonds payable consist of the following at June 30, 2023:

Series 2021 B Taxable Bonds		
Interest rate of 1.92%, final maturity in fiscal year 2033	$	10,970
Series 2021 A Tax-exempt Bonds		
Interest rate of 3.04%, final maturity in fiscal year 2061		80,035
Total long-term debt		91,005
Unamortized net premium on obligations		14,156
Unamortized debt issuance costs		(1,540)
Bonds payable, net	$	103,621

NOTE 15 - SUBSEQUENT EVENTS

The University evaluated its June 30, 2023 financial statements for subsequent events through February 9, 2024, the date the financial statements were issued, and determined that no significant subsequent events or disclosures occurred that would be necessary to include in the accompanying financial statements.

REQUIRED SUPPLEMENTARY INFORMATION
(UNAUDITED)

Schedules of Proportionate Share of the
Net Pension Liability

Schedules of Employer
Contributions

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

Schedules of Proportionate Share of The Net Pension Liability (Unaudited)*
June 30
(Dollars in thousands)

	2023		
	PERS	PFRS	TPAF
NJIT's proportion of the net pension liability	0.45%	0.46%	0.00%
NJIT's proportionate share of the net pension liability	$ 101,197	$ 19,873	$ -
NJIT's covered payroll (for the year ended as of the measurement date)	$ 22,518	$ 2,517	$ -
State's proportionate share of the net pension liability attributable to NJIT	N/A	N/A	$ 1,054
NJIT's proportionate share of the net pension liability as a percentage of its covered payroll	449.40%	789.55%	0.00%
Plan fiduciary net position as a percentage of the total pension liability	23.19%	27.20%	32.29%

	2022		
	PERS	PFRS	TPAF
NJIT's proportion of the net pension liability	0.47%	0.50%	0.00%
NJIT's proportionate share of the net pension liability	$ 100,589	$ 20,450	$ -
NJIT's covered payroll (for the year ended as of the measurement date)	$ 21,121	$ 2,599	$ -
State's proportionate share of the net pension liability attributable to NJIT	N/A	N/A	$ 997
NJIT's proportionate share of the net pension liability as a percentage of its covered payroll	476.25%	786.84%	0.00%
Plan fiduciary net position as a percentage of the total pension liability	25.29%	29.72%	35.52%

	2021		
	PERS	PFRS	TPAF
NJIT's proportion of the net pension liability	0.51%	0.52%	0.00%
NJIT's proportionate share of the net pension liability	$ 113,053	$ 22,347	$ -
NJIT's covered payroll (for the year ended as of the measurement date)	$ 22,390	$ 2,809	$ -
State's proportionate share of the net pension liability attributable to NJIT	N/A	N/A	$ 1,557
NJIT's proportionate share of the net pension liability as a percentage of its covered payroll	504.93%	795.55%	0.00%
Plan fiduciary net position as a percentage of the total pension liability	21.39%	24.81%	24.60%

Schedules of Proportionate Share of The Net Pension Liability (Unaudited)*
June 30
(Dollars in thousands)

	2020		
	PERS	PFRS	TPAF
NJIT's proportion of the net pension liability	0.52%	0.49%	0.00%
NJIT's proportionate share of the net pension liability	$ 118,803	$ 20,383	$ -
NJIT's covered payroll (for the year ended as of the measurement date)	$ 22,517	$ 2,502	$ -
State's proportionate share of the net pension liability attributable to NJIT	N/A	N/A	$ 1,054
NJIT's proportionate share of the net pension liability as a percentage of its covered payroll	527.62%	814.67%	0.00%
Plan fiduciary net position as a percentage of the total pension liability	22.03%	26.06%	26.95%

	2019		
	PERS	PFRS	TPAF
NJIT's proportion of the net pension liability	0.53%	0.54%	0.00%
NJIT's proportionate share of the net pension liability	$ 124,450	$ 23,166	$ -
NJIT's covered payroll (for the year ended as of the measurement date)	$ 23,093	$ 2,249	$ -
State's proportionate share of the net pension liability attributable to NJIT	N/A	N/A	$ 1,553
NJIT's proportionate share of the net pension liability as a percentage of its covered payroll	538.91%	1030.06%	0.00%
Plan fiduciary net position as a percentage of the total pension liability	22.11%	25.84%	26.50%

	2018		
	PERS	PFRS	TPAF
NJIT's proportion of the net pension liability	0.51%	0.52%	0.00%
NJIT's proportionate share of the net pension liability	$ 130,378	$ 22,679	$ -
NJIT's covered payroll (for the year ended as of the measurement date)	$ 24,911	$ 2,625	$ -
State's proportionate share of the net pension liability attributable to NJIT	N/A	N/A	$ 1,553
NJIT's proportionate share of the net pension liability as a percentage of its covered payroll	538.91%	863.96%	0.00%
Plan fiduciary net position as a percentage of the total pension liability	21.18%	25.99%	25.41%

Schedules of Proportionate Share of The Net Pension Liability (Unaudited)*
June 30
(Dollars in thousands)

	2017		
	PERS	PFRS	TPAF
NJIT's proportion of the net pension liability	0.47%	0.50%	0.00%
NJIT's proportionate share of the net pension liability	$ 138,898	$ 23,455	$ -
NJIT's covered payroll (for the year ended as of the measurement date)	$ 24,111	$ 2,654	$ -
State's proportionate share of the net pension liability attributable to NJIT	N/A	N/A	$ 2,068
NJIT's proportionate share of the net pension liability as a percentage of its covered payroll	576.08%	883.76%	0.00%
Plan fiduciary net position as a percentage of the total pension liability	19.02%	24.70%	22.33%

	2016		
	PERS	PFRS	TPAF
NJIT's proportion of the net pension liability	0.48%	0.54%	0.00%
NJIT's proportionate share of the net pension liability	$ 113,033	$ 22,966	$ -
NJIT's covered payroll (for the year ended as of the measurement date)	$ 24,038	$ 2,391	$ -
State's proportionate share of the net pension liability attributable to NJIT	N/A	N/A	$ 1,553
NJIT's proportionate share of the net pension liability as a percentage of its covered payroll	470.23%	960.52%	0.00%
Plan fiduciary net position as a percentage of the total pension liability	24.96%	29.07%	28.71%

	2015		
	PERS	PFRS	TPAF
NJIT's proportion of the net pension liability	0.455%	0.509%	0.00%
NJIT's proportionate share of the net pension liability	$ 91,665	$ 18,071	$ -
NJIT's covered payroll (for the year ended as of the measurement date)	$ 23,781	$ 2,249	$ -
State's proportionate share of the net pension liability attributable to NJIT	N/A	N/A	$ 8,415
NJIT's proportionate share of the net pension liability as a percentage of its covered payroll	385.45%	803.51%	0.00%
Plan fiduciary net position as a percentage of the total pension liability	30.06%	34.70%	33.64%

* This schedule is intended to show information for 10 years. Additional years will be displayed as they become available.

Schedules of Employer Contributions (Unaudited)*
June 30
(Dollars in thousands)

	2023	
	PERS	PFRS
Contractually required contribution	$ 7,258	$ 2,453
Contributions in relation to the contractually required contribution	$ 7,258	$ 2,453
Contribution deficiency (excess)	$ -	$ -
NJIT's covered payroll (as of fiscal year end)	$ 21,088	$ 2,417
Contributions as a percentage of covered payroll	34.42%	101.48%

	2022	
	PERS	PFRS
Contractually required contribution	$ 7,568	$ 2,896
Contributions in relation to the contractually required contribution	$ 7,568	$ 2,896
Contribution deficiency (excess)	$ -	$ -
NJIT's covered payroll (as of fiscal year end)	$ 22,518	$ 2,517
Contributions as a percentage of covered payroll	33.61%	115.07%

	2021	
	PERS	PFRS
Contractually required contribution	$ 5,414	$ 2,156
Contributions in relation to the contractually required contribution	$ 5,414	$ 2,156
Contribution deficiency (excess)	$ -	$ -
NJIT's covered payroll (as of fiscal year end)	$ 21,121	$ 2,599
Contributions as a percentage of covered payroll	25.63%	82.93%

	2020	
	PERS	PFRS
Contractually required contribution	$ 4,535	$ 1,885
Contributions in relation to the contractually required contribution	$ 4,535	$ 1,885
Contribution deficiency (excess)	$ -	$ -
NJIT's covered payroll (as of fiscal year end)	$ 22,390	$ 2,809
Contributions as a percentage of covered payroll	20.25%	67.11%

Schedules of Employer Contributions (Unaudited)*
June 30
(Dollars in thousands)

	2019	
	PERS	PFRS
Contractually required contribution	$ 4,025	$ 1,460
Contributions in relation to the contractually required contribution	$ 4,025	$ 1,460
Contribution deficiency (excess)	$ -	$ -
NJIT's covered payroll (as of fiscal year end)	$ 22,517	$ 2,502
Contributions as a percentage of covered payroll	17.88%	58.35%

	2018	
	PERS	PFRS
Contractually required contribution	$ 3,280	$ 1,266
Contributions in relation to the contractually required contribution	$ 3,280	$ 1,266
Contribution deficiency (excess)	$ -	$ -
NJIT's covered payroll (as of fiscal year end)	$ 23,093	$ 2,249
Contributions as a percentage of covered payroll	14.20%	56.29%

	2017	
	PERS	PFRS
Contractually required contribution	$ 4,327	$ 881
Contributions in relation to the contractually required contribution	$ 4,327	$ 881
Contribution deficiency (excess)	$ -	$ -
NJIT's covered payroll (as of fiscal year end)	$ 24,911	$ 2,625
Contributions as a percentage of covered payroll	17.37%	33.56%

	2016	
	PERS	PFRS
Contractually required contribution	$ 2,836	$ 551
Contributions in relation to the contractually required contribution	$ 2,836	$ 551
Contribution deficiency (excess)	$ -	$ -
NJIT's covered payroll (as of fiscal year end)	$ 24,111	$ 2,654
Contributions as a percentage of covered payroll	11.76%	20.76%

Schedules of Employer Contributions (Unaudited)*
June 30
(Dollars in thousands)

	2015			
	PERS		PFRS	
Contractually required contribution	$	736	$	545
Contributions in relation to the contractually required contribution	$	736	$	545
Contribution deficiency (excess)	$	-	$	-
NJIT's covered payroll (as of fiscal year end)	$	24,038	$	2,391
Contributions as a percentage of covered payroll		3.06%		22.79%

* This schedule is intended to show information for 10 years. Additional years will be displayed as they become available.

Schedules of Proportionate Share of The Total Other Postemployment Benefits (OPEB) Liability (Unaudited)*
June 30

(Dollars in thousands)

		2023
NJIT's proportion of the total OPEB liability		0.00%
NJIT's proportionate share of the total OPEB liability	$	-
State of New Jersey's proportionate share of the total OPEB liability attributable to NJIT		225,798
Total OPEB liability	$	225,798
NJIT's covered payroll (for the year ended as of the measurement date)	$	124,831
NJIT's proportionate share of the collective total OPEB liability as a percentage of its covered payroll		0.00%

		2022
NJIT's proportion of the total OPEB liability		0.00%
NJIT's proportionate share of the total OPEB liability	$	-
State of New Jersey's proportionate share of the total OPEB liability attributable to NJIT		261,198
Total OPEB liability	$	261,198
NJIT's covered payroll (for the year ended as of the measurement date)	$	115,890
NJIT's proportionate share of the collective total OPEB liability as a percentage of its covered payroll		0.00%

		2021
NJIT's proportion of the total OPEB liability		0.00%
NJIT's proportionate share of the total OPEB liability	$	-
State of New Jersey's proportionate share of the total OPEB liability attributable to NJIT		298,235
Total OPEB liability	$	298,235
NJIT's covered payroll (for the year ended as of the measurement date)	$	119,874
NJIT's proportionate share of the collective total OPEB liability as a percentage of its covered payroll		0.00%

Schedules of Proportionate Share of The Total Other Postemployment Benefits (OPEB) Liability (Unaudited)*
June 30
(Dollars in thousands)

	2020
NJIT's proportion of the total OPEB liability	0.00%
NJIT's proportionate share of the total OPEB liability	$ -
State of New Jersey's proportionate share of the total OPEB liability attributable to NJIT	188,943
Total OPEB liability	$ 188,943
NJIT's covered payroll (for the year ended as of the measurement date)	$ 124,107
NJIT's proportionate share of the collective total OPEB liability as a percentage of its covered payroll	0.00%

	2019
NJIT's proportion of the total OPEB liability	0.00%
NJIT's proportionate share of the total OPEB liability	$ -
State of New Jersey's proportionate share of the total OPEB liability attributable to NJIT	248,332
Total OPEB liability	$ 248,332
NJIT's covered payroll (for the year ended as of the measurement date)	$ 125,094
NJIT's proportionate share of the collective total OPEB liability as a percentage of its covered payroll	0.00%

	2018
NJIT's proportion of the total OPEB liability	0.00%
NJIT's proportionate share of the total OPEB liability	$ -
State of New Jersey's proportionate share of the total OPEB liability attributable to NJIT	296,057
Total OPEB liability	$ 296,057
NJIT's covered payroll (for the year ended as of the measurement date)	$ 121,298
NJIT's proportionate share of the collective total OPEB liability as a percentage of its covered payroll	0.00%

* This schedule is intended to show information for 10 years. Additional years will be displayed as they become available.