



**Widener University**

**Annual Report**

**December 20, 2024**

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## WIDENER UNIVERSITY

### I. History

Founded in 1821, Widener University is a private, metropolitan university that connects curricula to societal issues through civic engagement. The University provides a unique combination of liberal arts and professional education, offering powerhouse programs, faculty mentorship, and hands-on experiences that put students on the inside track to success. Dynamic teaching, active scholarship, personal attention, applied leadership, extensive career preparation, and experiential learning are key components of the Widener experience.

Approximately 5,700 undergraduate and graduate students study in the College of Arts and Sciences, School of Business Administration, School of Engineering, College of Health and Human Services, School of Nursing, Delaware School of Law, Commonwealth School of Law, and the Center for Graduate and Continuing Studies. Widener offers more than 100 programs of study leading to associate's, bachelor's, master's, and doctoral degrees as well as specialized certificates online and at its three campuses in Chester and Harrisburg, Pennsylvania, and Wilmington, Delaware. Widener is accredited university-wide by the Middle States Commission on Higher Education (MSCHE). The individual colleges and schools hold additional specialized accreditations for their various programs.

### II. Widener Points of Pride

Widener University is nationally ranked by *U.S. News and World Report*.

Widener was named a National College of Distinction, recognized for top-quality teaching, student engagement, and successful outcomes.

Widener was ranked #13 on *Intelligent.com*'s list of the best 21 colleges in Pennsylvania out of more than 100 PA schools.

Widener was named a best value college in Greater Philadelphia by *The Philadelphia Business Journal*.

Widener received the 2022 Higher Education Excellence in Diversity Award from *INSIGHT Into Diversity* magazine, which honors colleges and universities that demonstrate an outstanding commitment to diversity and inclusion.

96% of Widener's 2023 graduates achieved their intended career goals of employment, graduate school, or military and other service within six months of graduating, according to the National Association of Colleges and Employers.

Widener ranked highly amongst colleges nationally in PayScale's 2023 College Salary Report for mid-career alumni who completed a bachelor's degree, with median earnings of \$113,800.

*The Chronicle of Higher Education* named Widener University a 2024 Great College to Work For, with recognition in four categories: Faculty and Staff Well-Being; Diversity, Inclusion and Belonging; Faculty Experience; and Shared Governance. Widener was one of just two Pennsylvania institutions to make the list and one of just 35 nationally to be recognized in four

categories. The University has been honored through the program seven times, including in five of the last seven years.

The ALL IN Campus Democracy Challenge has recognized Widener for having a strong action plan to increase nonpartisan democratic engagement by promoting civic learning, political engagement and student voter participation. ALL IN awarded Widener its 2024 Highly Established Action Plan seal, which went to just 192 colleges nationally. ALL IN works to encourage active and informed participation in American democracy and does not support or oppose candidates for public office.

Widener University is home to the east coast's first undergraduate green chemistry major, and the Philadelphia region's first and only undergraduate robotics engineering major.

Widener's School of Nursing was named a Center of Excellence in Nursing Education by the National League for Nursing, the premier organization for nurse faculty and leaders in nursing education. Widener nursing was one of 13 institutions to receive honor for its evidence-based and innovative efforts to enhance student learning and professional development. To date, only 95 institutions hold the Center of Excellence in Nursing Education designation. This is nursing's second Center of Excellence honor for student learning and professional development category. The school has also earned a designation for its work to advance the science of nursing education in 2013, 2018, and 2023 and is just one of seven schools nationwide to hold that designation, which runs through 2027.

*U.S. News and World Report* has ranked Widener:

- In the top 26% of nearly 700 undergraduate nursing programs around the country
- A top school for Social Work in Pennsylvania
- A top Health Healthcare Management program in Pennsylvania

Widener's School of Nursing was again recognized by *Nursing Schools Almanac* as one of the country's top 100 nursing schools out of 3,000 institutions reviewed. Widener improved in every category in which it was ranked over last year:

- 7th on the list of the 75 Best Nursing Schools in Pennsylvania, up from 8th
- 16th on the list of 100 Best Nursing Schools in the Mid-Atlantic, up from 24th
- 46th on the list of 100 Best Private Nursing Schools in the United States, up from 58th

Widener's Community Nursing Clinic earned a Gold Rating from the National Association of Free and Charitable Clinics Quality Standards Program for its delivery of high-quality care to underinsured and uninsured members of the community.

Widener's undergraduate elementary education program has received an A+ rating from the National Council on Teacher Quality for preparing future educators to teach elementary mathematics. Widener was one of just 79 programs to receive the rating, after the council analyzed more than 1,100 programs nationally.

*Online MBA Today* named Widener's MBA program one of the best in Pennsylvania.

*Intelligent.com* has surveyed the national higher education landscape for best programs and recognized Widener on multiple published lists. They include:

- 2nd in the top 50 Doctorate in psychology programs and named the "Best PsyD Degree."

- 7th in the top 50 MBA in healthcare management degrees and named “Best PsyD/MBA Dual Degree.”
- 13<sup>th</sup> in the best online MSW programs
- 18<sup>th</sup> in the best online Paralegal Certificate Programs
- 20th in the top 50 best Master of Science in nursing programs, and named “Best Hybrid Program.”
- 25th in the best Master of Business Law programs and named “Best MJ degree.”
- 34th in the best Master of Legal Studies programs and named “Most Affordable Program.”
- 39th in the best master’s in taxation degree programs and named “Best for Financial Planning.”
- 45<sup>th</sup> in the best Master’s in Social Work programs
- One of the nation’s best trauma-focused MSW programs

Widener University Commonwealth Law and Widener University Delaware Law School have both been named to the 2023 Princeton Review List of Best Law Schools. Delaware Law also ranked seventh on the Princeton Review’s list of the nation’s 10 Best Law Schools for State and Local Clerkships.

Delaware Law School’s Environmental and Natural Resources Law Clinic received the 2024 Governor’s Volunteer Service Award in Delaware. The award recognizes the clinic's dedication to providing outstanding environmental legal assistance to underserved communities and nonprofit organizations.

Delaware Law School has been recognized as one of the nation’s best law schools for foreign attorneys pursuing an LLM degree. *National Jurist* magazine included the school on its honor roll of just 23 schools worthy of honor roll recognition.

*Intelligent.com* recently ranked the Master of Jurisprudence in Corporate and Business Law at Delaware Law School in the top 4 in the nation for the Best Online Master's in Business Law Programs.

Commonwealth Law School was ranked number one by *preLaw magazine* on its employment honor roll. Widener was also featured on the magazine cover for outperforming “all expectations when it comes to placing graduates into legal jobs.”

*National Jurist* magazine recognized Commonwealth Law School in its Employment Honor Roll: Top Performers article series. The magazine devoted a story to the law school’s success with job placement, noting it topped an analysis of law school employment data.

### **III. Management’s Discussion & Analysis**

Due to lingering effects of the pandemic, the University realized an (\$8.0) million operating loss during fiscal year 2024, primarily as a result of declines in undergraduate enrollment experienced in fiscal years 2021 through 2023. This loss was additionally driven by decreased net tuition revenue and increased compensation, and partially offset with favorable investment returns. The loss included planned strategic investments in enrollment and retention initiatives, efforts to foster a sense of community and belonging, and development of Widener’s workforce. Additionally contributing to the loss was a planned increase in financial aid to support the larger volume of

undergraduate students from the last two cohorts, and more institutional need-based financial aid for students from Pell-eligible backgrounds. The strategic rationale and outcomes of these investments are detailed in the later sections of this discussion.

Widener maintains a diverse program portfolio that has proven beneficial as the University adjusts to post pandemic norms. Throughout fiscal years 2021 to 2023, pandemic-related decreases in undergraduate enrollment were offset to some degree by growth in the health sciences programs, with new cohorts added in occupational therapy and speech language pathology. During fiscal year 2024, the University welcomed a record-breaking undergraduate class, welcoming 892 new undergraduate students. The fall 2024 class exceeded this record, enrolling 916 first-year students. Additionally, the newly launched physician's assistant program exceeded expectations, delivering a founding cohort of 48 students, the maximum cohort size for the program. These gains have helped offset larger than anticipated declines in other graduate programs. A Graduate Task Force has been created and charged with conducting review, consultation, analysis and deliberation of post-baccalaureate and graduate education at Widener.

The academic profile of the first-year undergraduate class remained stable. The average GPA of 3.52 for fall 2024 represented a slight increase from the average GPA of the fall 2023 class (3.50). Average SAT scores were 1160 for both fall 2023 and fall 2024 classes. Consistent with national trends, male students composed a smaller proportion of incoming first-year students, and the median incomes of students' families slightly decreased. Notably, two indicators of social mobility, Widener's share of first-generation students and students of color, again rose in this year's cohort.

Delaware Law School's fall 2024 incoming class increased to 254 students, up from 240 in the prior year. The median LSAT score held steady at 150 for both fall 2024 and fall 2023 first-year students. The fall 2024 class was comprised of 35% students of color, which represents the most diverse entering class in recent history. Additionally, the entering class is 87% first generation law school students.

Commonwealth Law School's fall 2024 incoming class increased to 169 students, up from 148 in the fall of 2023 and achieving the largest incoming class in over a decade. Average GPA of the incoming class increased to 3.36, up from 3.29 in the prior year. Median LSAT scores of 148 remained consistent with prior year. The diversity of the incoming class was also strong, with 37% students of color (slightly down from the high point of 38% in fall 2021 but represents an increase in diversity up from 36% in prior year). Additionally, 90% of the class are first generation law school students (up from 87% in prior year) and 32% of the class are first generation college students.

While the prolonged effects of the pandemic continue to influence net tuition revenue, the strategic investments made throughout the last several years have played a pivotal role in strengthening undergraduate enrollment and counteracting the pandemic's downward trend. Though fiscal year 2024 was not without challenges, the collective efforts of the University's community showcased its resilience and adaptability. As the University approaches the future with cautious optimism, it is evident that through unity and strategic collaboration, Widener is well-equipped to navigate whatever lies ahead.



## A. Faculty and Employees

The University has 271 full-time faculty, of whom 42% have tenure. Additionally, 89% of the full-time faculty (including administrators who hold faculty rank) hold a terminal degree or its equivalent. The University also employs 404 part-time faculty members. As of fall 2024, the University's 675 (271 full-time and 404 part-time) faculty members were employed in the following capacities:

	<b>Fall 2024</b>
Professors	58
Associate Professors	82
Assistant Professors	115
Instructors/Lecturers	16
<b>Sub-total Full-Time Faculty</b>	<b>271</b>
Part-Time Faculty	404
<b>Total Faculty</b>	<b>675</b>

The University boasts a student/faculty ratio of 11:1.

In fall 2024, excluding faculty, the University had 535 full-time and 127 part-time employees. The University is not party to any collective bargaining agreements.

## B. Student Enrollment

The following table shows the University's total fall full-time equivalent ("FTE") enrollment for the indicated five years.

	<b>Academic Year</b>				
	<b>2020-21</b>	<b>2021-22</b>	<b>2022-23</b>	<b>2023-24</b>	<b>2024-25</b>
Undergraduate	2,726	2,620	2,411	2,663	2,846
Graduate	1,174	1,135	1,061	1,030	993
School of Law	1,076	1,071	1,054	1,098	1,128
<b>Total Student FTE</b>	<b>4,976</b>	<b>4,826</b>	<b>4,526</b>	<b>4,791</b>	<b>4,967</b>

Building on last year's success and strategy, Widener's fall 2024 first-year undergraduate cohort handsomely outperformed expectations and budget goals. In total, 916 new members of the Pride enrolled in fall, besting last year's historical record by 3% and exceeding projections by nearly 10%. Finally, net tuition revenue per matriculant increased by 7.7% over last year.

Two opposing forces cut against one another in delivering this success. On the negative side, the challenges associated with the new FAFSA resulted in substantial declines in FAFSA-filing among admitted students. FAFSA-filing fell from 75% to 71%, and a larger share of FAFSAs received had errors that prevented financial aid packages from being issued. The share of admitted students who were able to be provided a full financial aid offer based on Widener's receipt of a valid FAFSA fell

from 75% of domestic admitted students to 66%. On the other side of the ledger, the robust funnel development that started three years ago gave Widener a stronger “top of the funnel.” In the end, the University delivered full financial aid offers to 4,182 domestic admitted students (versus 4,146 last year).

Undergraduate transfer student capacity was constrained; last year’s large nursing cohort limited the number of transfer seats available for the current year. Knowing this, the University projected a modest reduction in fall 2024 (100 students). As of census, 80 transfer students were enrolled, underperforming expectations driven largely by a decline in completed applications, offers of admission, and nursing capacity.

Continuing Studies undergraduate performance was stable compared to last year, despite a decline in qualified applicants. Widener enrolled 99 students compared to 97 last year.

Graduate performance waned over the prior year. Doctoral matriculations fell by 38 students (22%), driven by declines in education (6 versus 20 students), human sexuality (14 versus 27 students), and nursing (3 versus 15 students). Last year’s human sexuality high enrollment was an aberration. The program made a policy change that expanded capacity and capitalized on pent-up demand; typical enrollments are between 5 and 13 students. A similar trend is observed with education with last year’s strong performance (20 matriculants) up well past the prior three-year average of 8. Nursing declines are a function of a substantial decline in applications (fell by 75% over the prior three-year average).

Declines in master’s student enrollments were partially buttressed by stronger-than-normal engineering enrollments (driven heavily through 4+1 offerings) and the new physician assistant studies program which overperformed relative to goal (48 vs. a goal of 25 students). Education enrollments fell by 26 students (34 versus 60; 43% decline). Social work declined in both seated (15 versus 38 students; 61% decline) and online (99 versus 140; 29% decline) matriculants.

While graduate declines are consistent with national and regional norms, the University has initiated a comprehensive, university-wide review of its graduate programs to identify opportunities for renewal, expansion, or winddown. A task force report due imminently is expected to provide recommendations.

Full-time equivalent student enrollment grew by 3.7% over the prior year – the second consecutive year of growth, building back from four cycles of enrollment declines.



### C. Applications, Acceptances and Matriculations

The following tables indicate applications, acceptances, and matriculations for full and part-time undergraduate, graduate, and law school students for the fall semesters for the indicated five years.

	Academic Year				
	<u>2020-21</u>	<u>2021-22</u>	<u>2022-23</u>	<u>2023-24</u>	<u>2024-25</u>
<b><u>Undergraduate First-Year</u></b>					
Applications	5,739	5,702	5,958	7,167	9,350
Admissions	4,280	4,817	5,224	6,022	6,632
Matriculations	598	591	533	892	916

Applications among first-year undergraduate students grew by another 30% as funnel development improvements begun in January 2022 come to full fruition. Applications set a historical record with over 9,000 students seeking consideration from Widener; applications are expected to stabilize around 9,000 in the outyears. The admission rate fell from 84% to 71%, largely driven by two factors: a surge of unqualified international applicants and the elimination of nursing/engineering pathway programs for marginally qualified applicants.

As noted above, enrollments among doctoral students fell relative to last year's record high performance. Master's enrollments were stable relative to the four-year average.

Law school enrollments grew by 9% over last year and remain healthy. In addition, modest growth in enrollments was accompanied by an increase in net tuition revenue per capita.

<b>Doctoral</b>	<b>Fall 2020</b>	<b>Fall 2021</b>	<b>Fall 2022</b>	<b>Fall 2023</b>	<b>Fall 2024</b>
Applications	753	929	938	919	825
Admissions	313	352	334	346	281
Matriculations	163	168	146	176	138
<i>Yield Rate</i>	<i>52%</i>	<i>48%</i>	<i>44%</i>	<i>51%</i>	<i>49%</i>

<b>Master's</b>	<b>Fall 2020</b>	<b>Fall 2021</b>	<b>Fall 2022</b>	<b>Fall 2023</b>	<b>Fall 2024</b>
Applications	694	1,044	1,037	1,096	1,339
Admissions	491	718	667	728	669
Matriculations	304	425	429	443	428
<i>Yield Rate</i>	<i>62%</i>	<i>59%</i>	<i>64%</i>	<i>61%</i>	<i>64%</i>

<b>Law Students</b>	<b>Fall 2020</b>	<b>Fall 2021</b>	<b>Fall 2022</b>	<b>Fall 2023</b>	<b>Fall 2024</b>
Applications	1,743	1,968	1,733	1,816	1,924
Admissions	1,056	1,200	1,106	1,214	1,268
Matriculations	366	398	380	388	423
<i>Yield Rate</i>	<i>35%</i>	<i>33%</i>	<i>34%</i>	<i>32%</i>	<i>33%</i>

## D. Academic Quality

The indication of academic quality of the first-year students at the University (enrolled students in the fall semester) is shown in the following table for the indicated five years.

	Fall of				
<u>Undergraduate</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>	<u>2023</u>	<u>2024</u>
Average SAT	1130	1170	1170	1160	1160
Average High School GPA	3.50	3.46	3.48	3.50	3.52
<u>Law School</u>					
Average LSAT - Delaware	149	150	150	150	150
Average LSAT - Commonwealth	148	148	148	148	148

The average high school GPA, which correlates best for retention and graduation of students at Widener, has been stable over the last five years, ranging from 3.46 to 3.52. The share of students seeking test-optional consideration fell from 85% in 2023 to 77% in 2024. Among students who requested test scores be considered, the average SAT was 1160.

Both the Delaware and Commonwealth Law Schools have maintained the academic quality of their first-year cohorts.

	Cohort Entering in Fall				
<u>Undergraduate</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>	<u>2023</u>
First-to-Second Year Retention	81%	85%	75%	78%	78%

Retention fell to 75% among the fall 2021 cohort due in large part to issues related to the pandemic. The University's Provost convened a retention task force to carefully monitor retention and implement a series of strategic initiatives to support student retention, with noticeable rebounds in their first year of implementation. First-to-second year retention grew from 75% to 78% for the fall 2022 cohort and that rate was sustained among the 2023 cohort. The University is exploring strategies to further improve retention, including partnering with the National Institute for Student Success (NISS) for a comprehensive review of university practices. The mission of National Institute of Student Success (NISS) at Georgia State University is to improve graduation rates and reduce equity gaps by identifying institutionally created obstacles to degree completion. Through a data-informed approach, NISS will provide proven and scalable solutions that will allow students from all backgrounds to succeed.

## E. Student Fees

The following table shows the University's tuition, fee, and room and board charges for the indicated five academic years.

	Academic Year				
	2020-21	2021-22	2022-23	2023-24	2024-25
<b>Undergraduate</b>					
Tuition & Fees	\$ 48,575	\$ 49,706	\$ 51,640	\$ 53,638	\$ 55,730
Room & Board	14,164	15,308	15,800	16,130	16,530
Total	\$ 62,739	\$ 65,014	\$ 67,440	\$ 69,768	\$ 72,260
<b>Graduate (per credit hour)</b>	\$750- 1,222	\$765- 1,250	\$787- 1,286	\$815- 1,331	\$855- 1,160
<b>School of Law</b>					
Delaware	\$ 50,250	\$ 51,750	\$ 53,790	\$ 55,410	\$ 56,940
Commonwealth	\$ 48,540	\$ 49,980	\$ 51,480	\$ 53,550	\$ 54,600

*NOTE: Widener normalized graduate tuition rates into four pricing tiers in 2024-25, replacing 14 discrete pricing models (including one historically high outlier priced at \$1,331 per credit).*

## F. Student Financial Aid

During the 2024 fiscal year, approximately 99% of the University's full-time undergraduate students received some form of financial aid. Sources of financial aid include University, state and federal grants, loans and work-study programs.

The following table shows the University's undergraduate student financial aid dollars for the five most recent fiscal years (000's omitted).

	Fiscal year ended June 30,				
	2020	2021	2022	2023	2024
Federal and State <sup>(1)</sup>	\$ 4,547	\$ 4,408	\$ 4,157	\$ 5,200	\$ 8,317
Non-Institutional <sup>(2)</sup>	2,137	2,729	2,417	3,641	3,671
Campus Based <sup>(3)</sup>	3,306	2,699	3,029	3,059	2,297
Institutional Aid <sup>(4)</sup>	73,087	71,565	69,979	68,385	84,355
Loan Programs <sup>(5)</sup>	43,522	39,317	43,208	39,640	41,436
Total Student Aid	\$ 126,599	\$ 120,718	\$ 122,790	\$ 119,925	\$ 140,076

*(1) Includes Federal Pell Grants and State Grants*

*(2) Includes all other non-institutional scholarships*

*(3) Includes Federal SEOG, Federal Perkins Loan, and Federal Work Study*

*(4) Includes all forms of institutional scholarships, grants, and work programs*

*(5) Includes Federal Direct Stafford Loans, Federal Direct PLUS Loans, Widener undergraduate Loans, and private alternative loans*

In accordance with generally accepted accounting principles, financial aid awarded to a student directly by a third-party source, including certain federal and state grants, certain loan programs including federal Direct Stafford and PLUS Loans, and third-party scholarships, is considered to be a pass-through from the University's perspective and is not included in the statement of activities. Aid awarded by the University, including institutional aid and campus-based federal aid, is reflected in the University's Statement of Activities as a reduction to tuition revenue.

### **Accounting Matters**

Widener University's financial statements are prepared on the accrual basis of accounting and in accordance with U.S. Generally Accepted Accounting Principles (GAAP) for not-for-profit organizations. GAAP requires that resources be classified for accounting and reporting purposes into separate classes of net assets based on the existence or absence of donor-imposed restrictions.

The report of CliftonLarsonAllen LLP, the University's independent auditors, together with the University's financial statements as of and for the years ended June 30, 2024 and 2023, and the related notes to financial statements are included as an attachment with this disclosure.

## G. Statements of Financial Position

The following Statements of Financial Position for the last five fiscal years as of June 30<sup>th</sup>, have been derived from the University's audited financial statements for the years indicated.

### Statement of Financial Position

As of June 30, (\$000's)

	2020	2021	2022	2023	2024
<b>Assets</b>					
Cash and cash equivalents	\$ 40,345	\$ 56,046	\$ 66,607	\$ 61,191	\$ 48,447
Accounts receivable	14,399	13,273	7,550	7,436	10,531
Prepaid expenses and other assets	989	2,073	2,242	1,979	1,536
Contributions receivable (net of allowance for doubtful accounts)	1,112	235	827	878	753
Assets whose use is limited	-	-	21,456	11,802	6,097
Long-term investments	94,131	118,299	117,662	116,839	121,894
Loans to students (net of allowance for doubtful accounts)	6,255	5,863	5,414	6,445	7,520
Net property, plant and equipment	216,081	205,546	203,738	210,488	209,388
<b>Total assets</b>	<u>\$ 373,312</u>	<u>\$ 401,335</u>	<u>\$ 425,496</u>	<u>\$ 417,058</u>	<u>\$ 406,166</u>
<b>Liabilities and Net Assets</b>					
Accounts payable and accrued expenses	20,117	22,892	27,967	24,963	27,560
Deferred revenue and deposits	12,108	13,091	7,173	6,930	8,572
Accrued postretirement benefit obligation	65,808	65,812	52,173	24,585	25,028
Bonds, Mortgages and other debt obligations	76,250	74,695	108,951	105,676	101,910
U.S. government grants refundable	5,826	4,638	4,070	5,003	5,081
<b>Total liabilities</b>	<u>180,109</u>	<u>181,128</u>	<u>200,334</u>	<u>167,157</u>	<u>168,151</u>
<b>Net assets</b>					
Without donor restriction	134,739	149,196	157,978	178,208	162,418
With donor restriction	58,464	71,011	67,184	71,693	75,597
<b>Total net assets</b>	<u>193,203</u>	<u>220,207</u>	<u>225,162</u>	<u>249,901</u>	<u>238,015</u>
<b>Total net assets and liabilities</b>	<u>\$ 373,312</u>	<u>\$ 401,335</u>	<u>\$ 425,496</u>	<u>\$ 417,058</u>	<u>\$ 406,166</u>

## H. Statements of Activities

The following Statements of Activities for the last five fiscal years ended June 30<sup>th</sup>, have been derived from the University's audited financial statements for the years indicated.

Statement of Activities					
Years ended June 30, (\$000's)					
	2020	2021	2022	2023	2024
<b>Changes in net assets without donor restriction:</b>					
Operating activities:					
Revenue, gains and other support:					
Net tuition and fees	\$ 121,289	\$ 123,291	\$ 119,177	\$ 112,150	\$ 114,884
Federal and state grants and contracts	2,044	2,952	2,447	2,482	2,982
Contributions	1,418	978	1,247	1,152	883
Investment income	3,556	4,524	4,666	6,900	8,018
Miscellaneous income	1,920	991	2,011	1,479	1,681
Auxiliary enterprises	18,390	5,761	18,239	19,285	22,844
Revenues and gains - without donor restrictions	148,617	138,497	147,787	143,448	151,292
Net assets released from restrictions	8,537	7,898	16,371	9,813	8,061
Total revenue and gains - without donor restrictions	157,154	146,395	164,158	153,261	159,353
<b>Expenses:</b>					
Educational and general expenses:					
Instructional	70,188	72,276	73,227	71,244	75,734
Research	588	417	600	804	752
Public service	583	558	618	664	737
Academic support	13,711	13,228	13,882	14,238	16,277
Student services	19,453	18,047	21,371	22,456	23,942
Institutional support	24,198	16,136	22,392	24,100	25,926
Auxiliary enterprises	21,579	16,762	21,438	21,971	24,015
CARES ACT Grants To Students	1,136	1,603	4,056	33	-
Total expenses	151,436	139,027	157,584	155,510	167,383
Total operating income (loss)	5,718	7,368	6,574	(2,249)	(8,030)
<b>Non operating activities:</b>					
Net (depreciation) appreciation in fair value of investments	(2,256)	10,193	(5,492)	(4,255)	287
Loss on extinguishment of debt	-	-	(5,288)	-	-
Net change in postretirement benefit obligation	(8,173)	(501)	13,067	26,809	(929)
Voluntary Retirement & Severance	(1,420)	(90)	-	-	(6,877)
Other	(128)	(2,431)	(155)	(75)	(49)
(Loss) gain on disposition of property	-	(82)	76	-	(192)
Total (loss) gain from non operating activities	(11,977)	7,089	2,208	22,479	(7,760)
<b>Total change in net assets - without donor restrictions</b>	<b>(6,259)</b>	<b>14,457</b>	<b>8,782</b>	<b>20,230</b>	<b>(15,790)</b>
<b>Change in net assets - with donor restrictions</b>	<b>(2,274)</b>	<b>12,547</b>	<b>(3,827)</b>	<b>4,509</b>	<b>3,904</b>
<b>Change in net assets</b>	<b>(8,533)</b>	<b>27,004</b>	<b>4,955</b>	<b>24,739</b>	<b>(11,886)</b>
Net assets at beginning of year	201,736	193,203	220,207	225,162	249,901
<b>Net assets at end of period</b>	<b>\$ 193,203</b>	<b>\$ 220,207</b>	<b>\$ 225,162</b>	<b>\$ 249,901</b>	<b>\$ 238,015</b>

## I. Historic Operating Results

The following table provides a summary of the University's unrestricted operating surplus available for debt service for the University's fiscal years ended June 30, 2020 through 2024.

**Summary of Operating Results - FY 2020-2024 (\$000's)**

	2020	2021	2022	2023	2024
Unrestricted operating revenue	\$ 157,154	\$ 146,395	\$ 164,158	\$ 153,261	\$ 159,353
Unrestricted operating expenditures	151,436	139,027	157,584	155,510	167,383
Net Revenues	5,718	7,368	6,574	(2,249)	(8,030)
Depreciation	12,636	14,298	14,425	14,878	15,563
Interest	3,814	3,718	2,822	3,017	3,128
Unrestricted operating surplus available for debt service	<u>\$ 22,168</u>	<u>\$ 25,384</u>	<u>\$ 23,821</u>	<u>\$ 15,646</u>	<u>\$ 10,661</u>
Maximum Annual Debt Service on Bonds Outstanding	\$ 6,421	\$ 6,421	\$ 7,205	\$ 7,205	\$ 7,205
MADS Debt Service Coverage Ratio	3.45	3.95	3.31	2.17	1.48
Certain operating metrics:					
FTE Students	5,133	4,976	4,826	4,526	4,791
Net Tuition & Fees per FTE Students	\$ 23,630	\$ 24,777	\$ 24,695	\$ 24,779	\$ 23,979

The University's balance sheet and demand data has been strengthened over the last five years despite weathering the effects of the COVID-19 pandemic, and key items are as follows:

- Cash and investments increased from \$134.5 million in 2020 to \$170.3 million in 2024
- Total net assets increased from \$193.2 million in 2020 to \$238.0 million in 2024
- Investment income increased from \$3.6 million in 2020 to \$8.0 million in 2024
- Auxiliary enterprise revenue increased from \$18.3 million in 2020 to \$22.8 million in 2024

Expenses increased as strategic investments were made to bolster lagging enrollment as a result of the pandemic, which paid off with record-breaking first-year classes in fall 2023 and fall 2024. In the coming years, the University will return to positive operating income by working to align expenditures with revenue, and continuing to build on the enrollment successes realized with the two most recent first-year classes.



## J. Expendable Net Assets

The University's assets less its liabilities are recorded as the University's net assets in its financial statements. By the nature of restrictions placed on some of the funds by donors, certain net assets are expendable while others cannot be expended. The following table reflects the University's total net assets and expendable net assets as of June 30 for fiscal years 2020 to 2024 in thousands.

	Fiscal Year ended June 30,				
	2020	2021	2022	2023	2024
Total Net Assets	\$ 193,203	\$ 220,207	\$ 225,162	\$ 249,901	\$ 238,015
Less: Permanently Restricted Net Assets	(40,042)	(40,487)	(41,459)	(41,930)	(42,457)
Less: Net Investment in Plant	(139,832)	(130,851)	(116,243)	(116,614)	(113,575)
Expendable Net Assets	<u>\$ 13,329</u>	<u>\$ 48,869</u>	<u>\$ 67,460</u>	<u>\$ 91,357</u>	<u>\$ 81,983</u>

Expendable net assets as calculated above includes temporarily restricted net assets and unrestricted net assets less property, plant and equipment net of allocable depreciation and net of allocable debt. Pennsylvania law provides that a portion of the investment return (up to 7%) on endowment assets that is otherwise not restricted may be added to unrestricted net assets each year. To the extent that the actual investment return allocable to such permanent endowment assets exceeds the amount allocated to unrestricted net assets in any year, such excess investment return is allocated to temporarily restricted net assets in such year and held until a future fiscal year when such funds can be allocated to unrestricted net assets in accordance with Pennsylvania law.

## K. Cash and Investments

As of June 30th, (\$000's)	2020	2021	2022	2023	2024
Cash and cash equivalents	\$ 40,345	\$ 56,046	\$ 66,607	\$ 61,191	\$ 48,447
Other Investments	3,959	3,668	3,809	3,935	4,638
Endowment Investments	<u>90,172</u>	<u>114,631</u>	<u>113,853</u>	<u>112,904</u>	<u>117,256</u>
Total Cash and Investments	<u>134,476</u>	<u>174,345</u>	<u>184,269</u>	<u>178,030</u>	<u>170,341</u>
Total Donor Restricted Net Assets	<u>58,464</u>	<u>71,011</u>	<u>67,184</u>	<u>71,693</u>	<u>75,597</u>
Total Cash & Investments, net of restricted net assets	<u>\$ 76,012</u>	<u>\$ 103,334</u>	<u>\$ 117,085</u>	<u>\$ 106,337</u>	<u>\$ 94,744</u>

## L. Endowment

Included in the University's net assets, the market value of the University's endowment for the fiscal years ended June 30, 2020 through June 30, 2024 is summarized in the table below (000's omitted). While the University can utilize unrestricted endowment assets, if necessary, for operating expenditures at the discretion of the Board of Trustees, the assets contributed to the University as permanently restricted endowment cannot be so utilized.

	<b>Fiscal Year ended June 30,</b>				
	<b>2020</b>	<b>2021</b>	<b>2022</b>	<b>2023</b>	<b>2024</b>
Without donor restriction	\$ 40,900	\$ 50,233	\$ 53,096	\$ 51,432	\$ 52,409
With donor restriction	50,194	64,716	60,944	61,682	65,131
Total Endowment Funds	<u>\$ 91,094</u>	<u>\$ 114,949</u>	<u>\$ 114,040</u>	<u>\$ 113,114</u>	<u>\$ 117,540</u>

The University's endowment investment asset allocation as of June 30, 2024 was as follows:

<b>Endowment Fund Asset Classes:</b>	<b>Allocation</b>	
	<b>Actual</b>	<b>Target</b>
Fixed Income	18.4%	20%
Equity	55.6%	55%
Real Assets	15.2%	15%
Diversifying Strategies	10.8%	10%

The University rebalances its portfolio on a monthly basis to achieve these allocation targets.

**Endowment Spending Policy.** It is the University's policy to distribute annually between 2 and 7 percent of a three-year moving average of the true endowment's market value for restricted assets and an approved percentage of the board designated funds, with the understanding that this spending rate plus inflation will not normally exceed total real return (net of inflation) from investments. The historical spending rate has been 5.0%. It was increased to 6.0% in 2019, 5.5% in 2020, and 7.0% in 2021 through 2024 to fund the marketing/branding campaign and fund strategic initiatives to increase yield, retention, and belonging. The approved budget for fiscal year 2025 includes a 6.75% spending rate.

**Endowment Investment Policy.** The University has established a balanced investment policy for its endowment. The objective is to produce an average total annual return that exceeds the spending rate plus inflation. The intent of this objective is to preserve over time the principal value of the assets as measured in real, inflation adjusted terms. The policy establishes appropriate risk and return objectives considering the University's risk tolerance and investment time horizon.

The Finance & Administration Committee of the Board of Trustees, with the assistance of Commonfund, oversees the endowment fund. The Committee meets periodically to discuss performance with the investment manager and to assess risk levels considering the University's stated investment policies and objectives. The Committee has established asset allocation targets and ranges for the investment manager to ensure diversification both by asset class and within asset classes.

## **M. Pension and Other Post-Employment Benefit Plans**

The University has a 403(b) tax-deferred savings plan for faculty, administrative staff and other employees. The plan is funded by the purchase of individual annuity contracts and mutual funds and is administered through Teachers Insurance and Annuity Association (TIAA). Effective July 1, 2021 the plan was amended to allow for discretionary contributions once an employee has met the age and service requirement. During the most recent fiscal year, the University made discretionary contributions totaling 5% of eligible participants' annual salary. Employees may also make additional before-tax salary reduction contributions to a tax-deferred account or post-tax deductions to a ROTH account. Employees vest immediately in all contributions made by the University. The maximum amount that an employee can defer into the retirement plan is determined by the IRS each year.

The University established a non-funded defined benefit retirement plan for Pennsylvania Military College (PMC) and Widener College employees who were hired before the implementation of the savings plan to provide and/or supplement the individual's retirement income. The plan currently has one participant; there are no other employees who are eligible to participate in this plan. The payments for the 2024 fiscal year totaled \$2,935.

Total expenses relating to the above savings plan and pension payments were \$2.9 million in 2024 and \$2.7 million in 2023.

In addition, the University provides retiree health benefits to eligible retired faculty, administrative staff and other employees who meet the service requirement and retire from Widener at or after the age of 65. In September 2008, the University changed the plan from a defined benefit plan for full-time employees retiring at the age of 65 or older to a revised defined benefit plan for employees 40 or older and to a defined contribution plan for all employees under the age of 40 and employees hired after that date. The defined benefit plan had 394 participants as of June 30, 2024 and 403 participants as of June 30, 2023. As of June 30, 2024, the total post-retirement medical benefit obligation stood at \$25.0 million, compared to \$24.6 million on June 30, 2023. The net periodic benefit cost reported as an expense in the Statement of Activities was (\$4.4) million and (\$1.2) million for the years ended June 30, 2024 and 2023, respectively. The defined contribution plan had 198 participants at June 30, 2024 and 206 participants at June 30, 2023. Contributions to the defined contribution plan were \$0.6 million in fiscal year 2024 and \$0.5 million in fiscal year 2023. The plan is funded on a pay-as-you-go basis. As of September 15, 2016, the defined contribution plan was terminated for all new employees who joined the University after that date.

See Note 10 in the Notes to Financial Statements for further information concerning retirement plans and post-employment benefits.

## **N. Fundraising**

Widener University is in the quiet phase of a \$75 million comprehensive campaign. The campaign, a ten-year effort, remains on track. As of November 30, 2024, total commitments stand at \$41.2 million, over \$7 million more than the same time last year, with 55% of the goal achieved with 54% of the time elapsed. Of the \$41.2 million committed, \$33.4 million has already been received.

Roar4Widener, the University's third day of giving, took place in April 2024, breaking the record for the total number of gifts (1,106) and total distinct donors (851) in a single day. Donors supported more than 90 areas of the University across three campuses, resulting in gifts totaling \$156,037. Alumni Engagement expanded the number and scope of events to engage alumni in 2024, hosting well-attended receptions in three cities in Florida to correspond with Phillies spring training, and a series of summer receptions for alumni to welcome incoming students and their families into the Pride. The University continues to experience an increase in alumni participation. 30 Minutes a Month, a curated series of discrete, monthly volunteer actions that can fit into most schedules, was also recently launched by the University. This program offers rewarding micro-volunteering opportunities to increase alumni engagement and benefit fellow graduates and current students.