

**CALIFORNIA BAPTIST UNIVERSITY
RIVERSIDE, CALIFORNIA**

CONSOLIDATED FINANCIAL STATEMENTS

SIX MONTHS ENDED DECEMBER 31, 2024



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**CALIFORNIA BAPTIST UNIVERSITY
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ACCOUNTANTS' COMPILATION REPORT

Board of Trustees
California Baptist University
Riverside, California

Management is responsible for the accompanying consolidated financial statements of California Baptist University (a California nonprofit corporation), which comprise the consolidated statement of financial position as of December 31, 2024, and the related consolidated statements of activities, functional expenses, and cash flows for the six months then ended in accordance with accounting principles generally accepted in the United States of America. We have performed a compilation engagement in accordance with Statements on Standards for Accounting and Review Services promulgated by the Accounting and Review Services Committee of the American Institute of Certified Public Accountants. We did not audit or review the consolidated financial statements nor were we required to perform any procedures to verify the accuracy or completeness of the information provided by management. Accordingly, we do not express an opinion, a conclusion, nor provide any form of assurance on these consolidated financial statements.

Management has elected to omit substantially all the disclosures required by accounting principles generally accepted in the United States of America. If the omitted disclosures were included in the consolidated financial statements, they might influence the user's conclusions about California Baptist University's financial position, activities, and cash flows. Accordingly, the consolidated financial statements are not designed for those who are not informed about such matters.

CliftonLarsonAllen LLP

CliftonLarsonAllen LLP

Glendora, California
February 13, 2025

CALIFORNIA BAPTIST UNIVERSITY
CONSOLIDATED STATEMENT OF FINANCIAL POSITION
DECEMBER 31, 2024
(SEE ACCOUNTANTS' COMPILATION REPORT)

CURRENT ASSETS

Cash and Cash Equivalents	\$ 34,655,274
Investments	50,750,691
Accounts Receivable - Students	5,432,663
Less: Allowance for Doubtful Accounts	(2,077,075)
Accounts Receivable - Other, Net	875,612
Accounts Receivable - Related Party	19,055,031
Pledges Receivable, Current Portion	511,315
Inventories	1,147,846
Prepaid Expenses and Other Assets	973,701
Total Current Assets	<u>111,325,058</u>

LONG-TERM ASSETS

Cash Restricted for Bond Debt Service Reserves	28,609,474
Pledges Receivable, Net of Current Portion	175,550
Notes Receivable	2,801,320
Right of Use Asset - Operating	47,982,509
Right of Use Asset - Financing	491,750
Total Long-Term Assets	<u>80,060,603</u>

LONG-TERM INVESTMENTS

Debt, Equity, and Alternative Investments	116,266,914
Real Estate	7,926,295
Total Long-Term Investments	<u>124,193,209</u>

PROPERTY, PLANT, AND EQUIPMENT, at Cost

Land	35,583,645
Land Improvements	42,758,619
Buildings	313,225,915
Building Improvements	82,852,424
Leasehold Improvements	47,776,476
Equipment and Furniture	84,948,901
Vehicles	11,081,227
Construction-in-Progress	22,671,039
Less: Accumulated Depreciation	(249,394,030)
Total Property, Plant, and Equipment	<u>391,504,216</u>

Total Assets	<u><u>\$ 707,083,086</u></u>
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CALIFORNIA BAPTIST UNIVERSITY
CONSOLIDATED STATEMENT OF FINANCIAL POSITION (CONTINUED)
DECEMBER 31, 2024
(SEE ACCOUNTANTS' COMPILATION REPORT)

CURRENT LIABILITIES

Accounts Payable	\$ 1,186,463
Accounts Payable - Related Party	4,370,024
Accrued Liabilities	8,122,739
Accrued Interest Payable	2,234,235
Funds Held in Custody for Others	731,888
Deposits and Deferred Revenue	7,588,434
Notes Payable	1,599,797
Operating Lease Liability	3,234,591
Financing Lease Liability	82,359
Bonds Payable	7,422,744
Total Current Liabilities	<u>36,573,274</u>

LONG-TERM LIABILITIES

Notes Payable	15,250,429
Operating Lease Liability	44,986,521
Financing Lease Liability	436,210
Bonds Payable	286,377,596
Federal Student Loan Funds	2,610,457
Total Long-Term Liabilities	<u>349,661,213</u>

NET ASSETS

Without Donor Restriction	190,636,845
With Donor Restriction	130,211,754
Total Net Assets	<u>320,848,599</u>

Total Liabilities and Net Assets	<u><u>\$ 707,083,086</u></u>
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CALIFORNIA BAPTIST UNIVERSITY
CONSOLIDATED STATEMENT OF ACTIVITIES
SIX MONTHS ENDED DECEMBER 31, 2024
(SEE ACCOUNTANTS' COMPILATION REPORT)

	Net Assets Without Donor Restriction	Net Assets With Donor Restriction	Total Net Assets
OPERATING REVENUE			
Student Tuition and Fees (Net of Tuition Discounts of \$66,935,733)	\$ 123,803,090	\$ -	\$ 123,803,090
Sales and Service	14,018,403	-	14,018,403
Private Gifts	2,772,889	1,351,347	4,124,236
Grants and Contracts	-	1,104,295	1,104,295
Cooperative Program	47,388	-	47,388
Investment Return	-	9,133	9,133
Net Unrealized Loss on Investments	-	14,685	14,685
Interest Income	744,209	50,543	794,752
Other	3,912,130	7,500	3,919,630
Total Operating Revenue	145,298,109	2,537,503	147,835,612
NET ASSETS RELEASED FROM RESTRICTIONS	6,633,927	(6,633,927)	-
TOTAL OPERATING REVENUE AND NET ASSETS RELEASED FROM RESTRICTIONS	151,932,036	(4,096,424)	147,835,612
OPERATING EXPENSES			
Program Activities			
Instruction	59,404,852	-	59,404,852
Academic Support	5,840,939	-	5,840,939
Research	2,046,661	-	2,046,661
Student Services	37,024,342	-	37,024,342
Scholarships and Fellowships	620,000	-	620,000
Auxiliary Expenditures	12,990,168	-	12,990,168
Management and Support Activities			
Institutional Support	28,182,627	-	28,182,627
Development and Fundraising Expenses	2,499,121	-	2,499,121
Total Operating Expenses	148,608,710	-	148,608,710
INCREASE (DECREASE) IN OPERATING NET ASSETS	3,323,326	(4,096,424)	(773,098)
NONOPERATING ACTIVITIES			
Long-term investment activities			
Investment income on endowments	-	2,699,487	2,699,487
Net (depreciation) appreciation on endowments	1,410,091	3,385,497	4,795,588
Total Long-term investment activities	1,410,091	6,084,984	7,495,075
Contributions - capital giving and endowments	-	3,109,827	3,109,827
Endowment matching reclassifications	(2,719,264)	2,719,264	-
INCREASE (DECREASE) IN NONOPERATING NET ASSETS	(1,309,173)	11,914,075	10,604,902
INCREASE IN TOTAL NET ASSETS	2,014,153	7,817,651	9,831,804
Net Assets - Beginning of Period	188,622,692	122,394,103	311,016,795
NET ASSETS - END OF PERIOD	<u>\$ 190,636,845</u>	<u>\$ 130,211,754</u>	<u>\$ 320,848,599</u>

CALIFORNIA BAPTIST UNIVERSITY
CONSOLIDATED STATEMENT OF FUNCTIONAL EXPENSES
SIX MONTHS ENDED DECEMBER 31, 2024
(SEE ACCOUNTANTS' COMPILATION REPORT)

	Program Services					Management and Support			
		Academic		Student	Scholarships	Auxiliary	Institutional	Development	
	Instruction	Support	Research	Services	and Fellowships	Services	Support	and Fundraising	Total
Compensation and Benefits	\$ 40,567,622	\$ 3,492,213	\$ 985,009	\$ 19,478,990	\$ -	\$ 1,411,477	\$ 11,034,007	\$ 1,473,564	\$ 78,442,882
Advertising and Promotion	107,295	76	18,689	397,438	-	6,961	2,528,586	47,455	3,106,500
Bad Debt	-	-	-	-	-	-	427,631	-	427,631
Depreciation	4,330,376	430,828	-	2,730,920	-	921,395	2,140,766	172,653	10,726,938
Equipment Rent and Maintenance	1,788,707	26,523	183,010	1,382,969	-	160,040	100,644	68,025	3,709,918
Hospitality	36,231	5,209	3,258	538,580	-	82,673	84,167	53,713	803,831
Information Technology	831,912	268,741	171,616	1,098,480	-	44,942	4,302,437	90,772	6,808,900
Insurance	778,316	23,281	8,446	425,384	-	52,358	114,345	9,600	1,411,730
Interest	3,468,335	341,022	110,347	2,161,655	-	666,369	1,438,354	125,433	8,311,515
Occupancy	4,096,297	374,826	298,546	3,463,048	-	1,487,259	2,509,474	188,522	12,417,972
Office Expenses	860,521	767,361	41,666	1,476,451	-	193,546	895,135	85,148	4,319,828
Professional Services	1,151,945	74,344	143,398	1,852,283	-	6,734,017	1,907,151	48,254	11,911,392
Scholarships and Fellowships	-	-	-	-	620,000	-	-	-	620,000
Travel Expense	860,157	17,434	19,707	1,366,298	-	4,108	239,762	38,620	2,546,086
Other Expenses, Costs, Losses	527,138	19,081	62,969	651,846	-	1,225,023	460,168	97,362	3,043,587
Total Functional Expenses	<u>\$ 59,404,852</u>	<u>\$ 5,840,939</u>	<u>\$ 2,046,661</u>	<u>\$ 37,024,342</u>	<u>\$ 620,000</u>	<u>\$ 12,990,168</u>	<u>\$ 28,182,627</u>	<u>\$ 2,499,121</u>	<u>\$ 148,608,710</u>

CALIFORNIA BAPTIST UNIVERSITY
CONSOLIDATED STATEMENT OF CASH FLOWS
SIX MONTHS ENDED DECEMBER 31, 2024
(SEE ACCOUNTANTS' COMPILATION REPORT)

CASH FLOWS FROM OPERATING ACTIVITIES

Change in Net Assets	\$ 9,831,804
Adjustments to Reconcile Change in Net Assets to Net Cash	
Provided by Operating Activities:	
Depreciation	10,726,938
Amortization	1,813,562
Net Realized (Gain) Loss on Investments	(419,172)
Net Unrealized Loss on Investments	(4,810,273)
Donated Nonfinancial Assets	(2,535,000)
Contributions Restricted for Long-Term Purposes	(3,109,812)
(Increase) Decrease in Operating Assets:	
Accounts Receivable - Students, Net	4,186,406
Accounts Receivable - Other	44,051
Accounts Receivable - Related Party	(7,739,659)
Pledges Receivable - Non-Endowment	407,819
Notes Receivable	(69,826)
Inventories	(221,568)
Prepaid Expenses and Other Assets	2,840,143
Increase (Decrease) in Operating Liabilities:	
Accounts Payable	(7,151,543)
Accounts Payable - Related Party	943,647
Accrued Liabilities	(1,535,483)
Deferred Revenue and Deposits	(10,897,926)
Operating Lease Liability	(1,691,329)
Funds Held for Others	(4,894)
Net Cash Flows Used by Operating Activities	<u>(9,392,115)</u>

CASH FLOWS FROM INVESTING ACTIVITIES

Proceeds from Sales of Investments	8,039,405
Purchases of Investments	(12,092,842)
Purchase of Property, Plant, and Equipment	<u>(1,014,676)</u>
Net Cash Flows Used by Investing Activities	(5,068,113)

CASH FLOWS FROM FINANCING ACTIVITIES

Repayments of Financing Lease Obligations	(40,041)
Repayments of Notes Payable	(770,870)
Repayments of Bonds Payable	(7,176,478)
Collections of Contributions Restricted for Long-Term Purposes	3,388,562
Change in Federal Student Loan Funds	4,776
Net Cash Flows Used by Financing Activities	<u>(4,594,051)</u>

NET CHANGE IN CASH AND CASH EQUIVALENTS

(19,054,279)

Cash and Cash Equivalents - Beginning of Period

82,319,027

CASH AND CASH EQUIVALENTS - END OF PERIOD

\$ 63,264,748

CALIFORNIA BAPTIST UNIVERSITY
CONSOLIDATED STATEMENT OF CASH FLOWS (CONTINUED)
SIX MONTHS ENDED DECEMBER 31, 2024
(SEE ACCOUNTANTS' COMPILATION REPORT)

SUPPLEMENTAL CASH FLOW DISCLOSURES

Cash Paid for Interest, Net of Capitalized Interest:

California Baptist University	\$ 7,776,750
Lancer Plaza LLC	<u>767,831</u>
Consolidated	<u><u>\$ 8,544,581</u></u>

Depreciation Expense:

California Baptist University	\$ 10,408,418
Lancer Plaza LLC	<u>318,520</u>
Consolidated	<u><u>\$ 10,726,938</u></u>

RECONCILIATION OF CASH AND CASH EQUIVALENTS

Cash and Cash Equivalents	\$ 34,655,274
Cash Restricted for Bond Debt Service Reserves	<u>28,609,474</u>
Total Cash and Cash Equivalents	<u><u>\$ 63,264,748</u></u>

