

**CALIFORNIA BAPTIST UNIVERSITY  
RIVERSIDE, CALIFORNIA**

**CONSOLIDATED FINANCIAL STATEMENTS**

**NINE MONTHS ENDED MARCH 31, 2024**



**CALIFORNIA BAPTIST UNIVERSITY  
TABLE OF CONTENTS  
NINE MONTHS ENDED MARCH 31, 2024**

<b>ACCOUNTANTS' COMPILATION REPORT</b>	<b>1</b>
<b>CONSOLIDATED FINANCIAL STATEMENTS</b>	
<b>CONSOLIDATED STATEMENT OF FINANCIAL POSITION</b>	<b>2</b>
<b>CONSOLIDATED STATEMENT OF ACTIVITIES</b>	<b>4</b>
<b>CONSOLIDATED STATEMENT OF FUNCTIONAL EXPENSES</b>	<b>5</b>
<b>CONSOLIDATED STATEMENT OF CASH FLOWS</b>	<b>6</b>



## 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 March 31, 2024, and the related consolidated statements of activities, functional expenses, and cash flows for the nine 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  
May 14, 2024

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

**CURRENT ASSETS**

Cash and Cash Equivalents	\$ 84,046,790
Investments	49,455,172
Accounts Receivable - Students	11,126,108
Less: Allowance for Doubtful Accounts	(2,117,471)
Accounts Receivable - Other, Net	383,415
Accounts Receivable - Related Party	15,938,876
Pledges Receivable, Current Portion	602,102
Inventories	1,281,595
Prepaid Expenses and Other Assets	2,260,999
Total Current Assets	<u>162,977,586</u>

**LONG-TERM ASSETS**

Cash Restricted for Bond Debt Service Reserves	28,609,474
Pledges Receivable, Net of Current Portion	377,912
Notes Receivable	2,714,508
Right of Use Asset - Operating	48,854,532
Right of Use Asset - Financing	597,803
Total Long-Term Assets	<u>81,154,229</u>

**LONG-TERM INVESTMENTS**

Debt, Equity, and Alternative Investments	103,538,360
Real Estate	5,391,295
Total Long-Term Investments	<u>108,929,655</u>

**PROPERTY, PLANT, AND EQUIPMENT, AT COST**

Land	35,583,645
Land Improvements	42,535,277
Buildings	306,839,173
Building Improvements	80,100,695
Leasehold Improvements	42,837,201
Equipment and Furniture	76,103,978
Vehicles	9,381,955
Construction-in-Progress	11,618,397
Less: Accumulated Depreciation	(230,174,812)
Total Property, Plant, and Equipment	<u>374,825,509</u>

Total Assets	<u><u>\$ 727,886,979</u></u>
--------------	------------------------------

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

**CURRENT LIABILITIES**

Accounts Payable	\$ 1,640,404
Accounts Payable - Related Party	58,722
Accrued Liabilities	6,494,881
Accrued Interest Payable	6,272,396
Funds Held in Custody for Others	1,338,120
Deposits and Deferred Revenue	28,535,466
Notes Payable	1,543,648
Operating Lease Liability	3,072,391
Financing Lease Liability	80,078
Bonds Payable	7,100,050
Total Current Liabilities	<u>56,136,156</u>

**LONG-TERM LIABILITIES**

Notes Payable	16,460,288
Operating Lease Liability	45,977,325
Financing Lease Liability	498,269
Bonds Payable	293,688,299
Federal Student Loan Funds	2,605,681
Total Long-Term Liabilities	<u>359,229,862</u>

**NET ASSETS**

Without Donor Restriction	195,873,803
With Donor Restriction	116,647,158
Total Net Assets	<u>312,520,961</u>

Total Liabilities and Net Assets	<u><u>\$ 727,886,979</u></u>
----------------------------------	------------------------------

**CALIFORNIA BAPTIST UNIVERSITY**  
**CONSOLIDATED STATEMENT OF ACTIVITIES**  
**NINE MONTHS ENDED MARCH 31, 2024**  
(SEE ACCOUNTANTS' COMPILATION REPORT)

	Net Assets Without Donor Restriction	Net Assets With Donor Restriction	Total Net Assets
<b>OPERATING REVENUE</b>			
Student Tuition and Fees (Net of Tuition Discounts of \$107,048,348)	\$ 193,366,563	\$ -	\$ 193,366,563
Sales and Service	19,005,360	-	19,005,360
Private Gifts	212,826	1,927,765	2,140,591
Grants and Contracts	-	1,009,247	1,009,247
Cooperative Program	76,290	-	76,290
Investment Return	-	146,740	146,740
Net Unrealized Loss on Investments	-	33,232	33,232
Interest Income	1,604,041	27,705	1,631,746
Other	9,989,444	803	9,990,247
Total Operating Revenue	224,254,524	3,145,492	227,400,016
<b>NET ASSETS RELEASED FROM RESTRICTIONS</b>	4,166,988	(4,166,988)	-
<b>TOTAL OPERATING REVENUE AND NET ASSETS RELEASED FROM RESTRICTIONS</b>	228,421,512	(1,021,496)	227,400,016
<b>OPERATING EXPENSES</b>			
Program Activities			
Instruction	89,114,460	-	89,114,460
Academic Support	8,166,902	-	8,166,902
Research	1,199,963	-	1,199,963
Student Services	53,570,263	-	53,570,263
Auxiliary Expenditures	22,869,849	-	22,869,849
Management and Support Activities			
Institutional Support	44,783,947	-	44,783,947
Development and Fundraising Expenses	3,571,870	-	3,571,870
Total Operating Expenses	223,277,254	-	223,277,254
<b>INCREASE IN OPERATING NET ASSETS</b>	5,144,258	(1,021,496)	4,122,762
<b>NONOPERATING ACTIVITIES</b>			
Long-term investment activities			
Investment income on endowments	-	1,798,190	1,798,190
Net (depreciation) appreciation on endowments	2,620,931	10,982,601	13,603,532
Total Long-term investment activities	2,620,931	12,780,791	15,401,722
Contributions - capital giving and endowments	-	4,854,076	4,854,076
Endowment matching reclassifications	(3,141,150)	3,141,150	-
Net Assets Released from Restrictions - Non Operating	3,349,455	(3,349,455)	-
<b>INCREASE (DECREASE) IN NONOPERATING NET ASSETS</b>	2,829,236	17,426,562	20,255,798
<b>INCREASE IN TOTAL NET ASSETS</b>	7,973,494	16,405,066	24,378,560
Net Assets - Beginning of Period	187,900,309	100,242,092	288,142,401
<b>NET ASSETS - END OF PERIOD</b>	<u>\$ 195,873,803</u>	<u>\$ 116,647,158</u>	<u>\$ 312,520,961</u>

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

	Program Services						Management and Support		Total
	Instruction	Academic Support	Research	Student Services	Scholarships and Fellowships	Auxiliary Services	Institutional Support	Development and Fundraising	
Compensation and Benefits	\$ 59,553,890	\$ 5,031,100	\$ 802,180	\$ 27,756,823	\$ -	\$ 3,167,223	\$ 16,299,025	\$ 2,042,126	\$ 114,652,367
Advertising and Promotion	192,515	-	5,355	643,735	-	-	3,646,765	77,225	4,565,595
Bad Debt	-	-	-	-	-	-	638,282	-	638,282
Depreciation	6,121,974	568,105	5,519	3,726,453	-	1,524,892	3,064,691	234,256	15,245,890
Equipment Rent and Maintenance	2,086,468	81,364	12,776	1,117,829	-	301,873	1,023,472	104,418	4,728,200
Hospitality	408,732	4,953	688	642,034	-	116,606	101,801	220,315	1,495,129
Information Technology	975,183	291,990	24,421	1,172,827	-	123,678	4,534,129	89,922	7,212,150
Insurance	661,870	57,805	9,065	1,273,243	-	188,260	326,736	24,519	2,541,498
Interest	5,264,725	482,486	75,145	3,164,836	-	1,184,193	2,315,176	182,175	12,668,736
Occupancy	7,500,700	657,720	113,288	5,090,374	-	2,729,683	5,360,614	306,022	21,758,401
Office Expenses	1,286,998	750,345	20,668	2,328,734	-	249,757	923,589	95,115	5,655,206
Professional Services	1,789,023	105,534	56,549	3,006,890	-	10,678,089	5,653,190	90,638	21,379,913
Travel Expense	1,546,891	94,255	8,945	2,562,199	-	3,325	134,006	56,385	4,406,006
Other Expenses, Costs, Losses	1,725,491	41,245	65,364	1,084,286	-	2,602,270	762,471	48,754	6,329,881
Total Functional Expenses	<u>\$ 89,114,460</u>	<u>\$ 8,166,902</u>	<u>\$ 1,199,963</u>	<u>\$ 53,570,263</u>	<u>\$ -</u>	<u>\$ 22,869,849</u>	<u>\$ 44,783,947</u>	<u>\$ 3,571,870</u>	<u>\$ 223,277,254</u>

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

**CASH FLOWS FROM OPERATING ACTIVITIES**

Change in Net Assets	\$ 24,378,560
Adjustments to Reconcile Change in Net Assets to Net Cash	
Provided by Operating Activities:	
Depreciation	15,245,890
Amortization of Debt Issuance Costs and Bond Premium	(19,212)
(Gain) Loss on Disposal of Property, Plant, and Equipment	211,163
Net Realized (Gain) Loss on Investments	(356,527)
Net Unrealized Loss on Investments	(13,636,765)
Donated Nonfinancial Assets	515,000
Contributions Restricted for Long-Term Purposes	(4,853,821)
(Increase) Decrease in Operating Assets:	
Accounts Receivable - Students, Net	(1,416,923)
Accounts Receivable - Other	303,308
Accounts Receivable - Related Party	(8,908,654)
Pledges Receivable - Non-Endowment	(84,764)
Notes Receivable	(114,006)
Inventories	(309,423)
Prepaid Expenses and Other Assets	3,469,420
Right of Use Asset - Operating	2,648,760
Right of Use Asset - Financing	48,714
Increase (Decrease) in Operating Liabilities:	
Accounts Payable	(6,101,411)
Accounts Payable - Related Party	(1,213,733)
Accrued Liabilities	(211,532)
Deferred Revenue and Deposits	9,674,718
Operating Lease Liability	(2,596,962)
Funds Held for Others	(14,517)
Net Cash Flows Provided by Operating Activities	<u>16,657,283</u>

**CASH FLOWS FROM INVESTING ACTIVITIES**

Proceeds from Sales of Investments	697,875
Purchases of Investments	(7,439,060)
Proceeds from Sales of Property, Plant, and Equipment	1,858,212
Purchase of Property, Plant, and Equipment	(89,557)
Net Cash Flows Used by Investing Activities	<u>(4,972,530)</u>

**CASH FLOWS FROM FINANCING ACTIVITIES**

Repayments of Financing Lease Obligations	(58,124)
Repayments of Notes Payable	(735,051)
Repayments of Bonds Payable	(7,173,522)
Collections of Contributions Restricted for Long-Term Purposes	4,925,321
Change in Federal Student Loan Funds	7,368
Net Cash Flows Used by Financing Activities	<u>(3,034,008)</u>

**NET INCREASE IN CASH AND CASH EQUIVALENTS**

8,650,745

Cash and Cash Equivalents - Beginning of Period

104,005,519

**CASH AND CASH EQUIVALENTS - END OF PERIOD**

\$ 112,656,264



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

**SUPPLEMENTAL CASH FLOW DISCLOSURES**

Cash Paid for Interest, Net of Capitalized Interest:

California Baptist University	\$ 8,507,446
Lancer Plaza LLC	<u>786,025</u>
Consolidated	<u><u>\$ 9,293,471</u></u>

Depreciation Expense:

California Baptist University	\$ 14,769,705
Lancer Plaza LLC	<u>476,185</u>
Consolidated	<u><u>\$ 15,245,890</u></u>

**RECONCILIATION OF CASH AND CASH EQUIVALENTS**

Cash and Cash Equivalents	\$ 84,046,790
Cash Restricted for Bond Debt Service Reserves	<u>28,609,474</u>
Total Cash and Cash Equivalents	<u><u>\$ 112,656,264</u></u>

