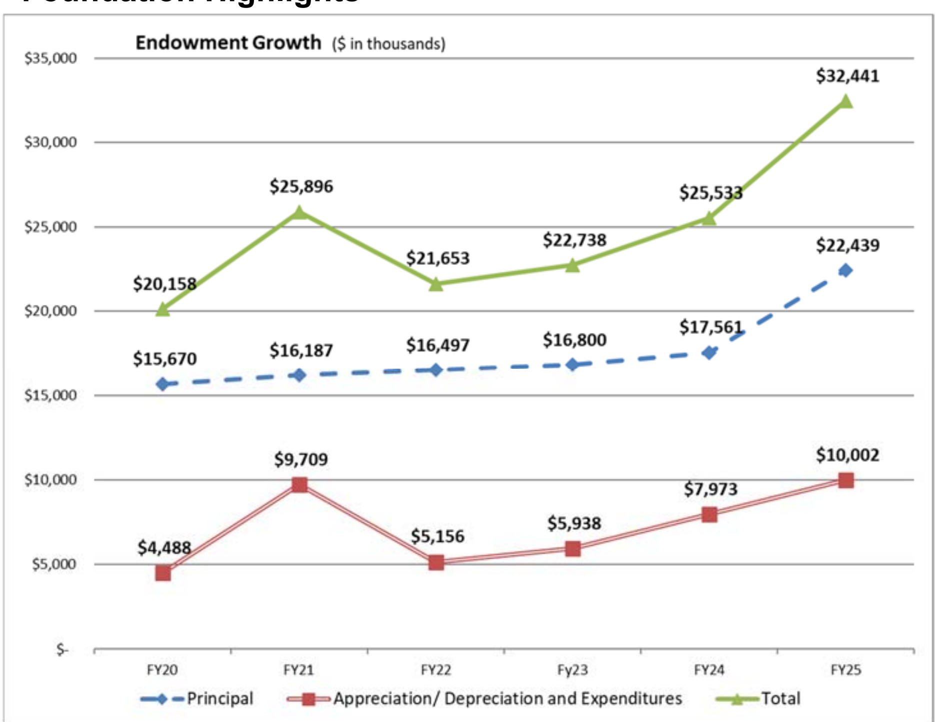
# Ramapo College Foundation
# Management's Discussion and Analysis
# June 30, 2025

## Foundation Overview

The mission of Ramapo College Foundation (the Foundation) "is to provide resources that make a difference in Ramapo College of New Jersey's quest for educational excellence." The Foundation, established in 1971 as a nonprofit corporation, is a 501(c) (3) charitable institution. Its purposes include providing funds to Ramapo College of New Jersey (the College) for student scholarships, educational programs, faculty development and research, community programs, construction projects, capital needs, and other College strategic priorities. The Foundation meets these goals through fundraising efforts, solicitation of annual fund donations, and securing capital and other restricted gifts, as well as grant contracts. The Foundation is a component unit of the College and operates within the College's Strategic Enrollment, Outreach and Engagement Core and the Office of Development.

As an entity that follows accounting standards of the Financial Accounting Standards Board (FASB), the Foundation is not required to accompany its basic financial statements with a Management's Discussion and Analysis (MD&A). However, Foundation management believes that some discussion and analysis provide useful information and context to help the users of the Foundation's financial statements. Accordingly, it has prepared the following MD&A to accompany the Foundation's financial statements and provide an overview of the financial activities for its fiscal year ended June 30, 2025, with comparative information for the prior two periods. This presentation includes highly summarized information and should be read in conjunction with the Foundation's audited financial statements and footnotes.

## Foundation Highlights



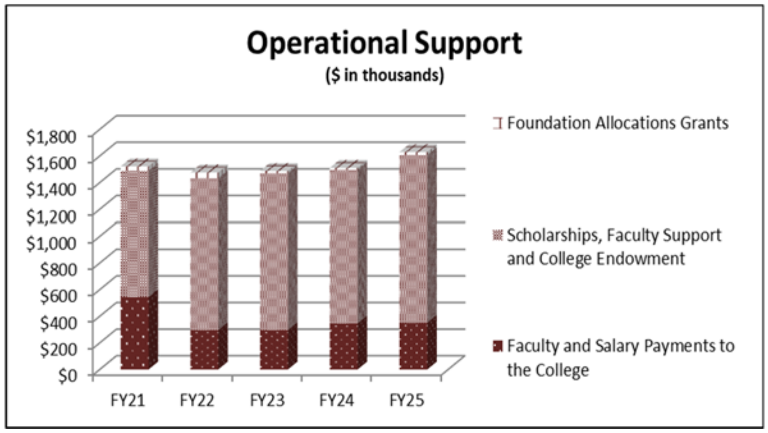

The Foundation financial position remains strong. The endowment portfolio increased by 27% or $6.9 million vs the prior year resulting in a balance of $34.4 million. The endowment corpus increased by over $4.9 million. The accumulated appreciation increased by over $2 million. In Fiscal 2025, the rate of return on endowment investments was 11.2%. The Foundation also set aside $1.2 million of endowed funds for scholarship and program support to the College.

Over the last five years, the endowment value increased by 61%. The endowment spend rate remained at 5% which is above the national average of 4.5% for institutions with endowment pools of the same value (according to National Association of College and University Business Officers Fiscal 2025 statistics).

In Fiscal 2025, the Foundation awarded over 620 student scholarships valued at approximately $978,000, an increase of 6%. This includes funding from the endowments as well as annual support from donors resulting in an increase of 11% in total scholarships dollars awarded. In 2024, there were 584 scholarships awarded amounting to $885,000.

Fiscal 2025 operational support provided to the College was over $1.6 million, which is 8% higher than the prior year. In addition to providing scholarships, these funds are used to support college strategic priorities, programs and various faculty grant allocations.

Capital support to the College in Fiscal Years 2025 and 2024 was $141,000 and $271,000 respectively. The decrease in capital support is a result of the completion of the Learning Commons Building and associated capital campaign. In Fiscal 2025, most pledges have been fulfilled and, as a result, there are less payments to be made. Total support to the College in Fiscal 2025 for capital and operations was $1.8 million.




## Statement of Activities

| Condensed Statements of Activities | | | |
|---|---|---|---|
| (in thousands) | For the Year Ended June 30 | | |
| | 2025 | 2024 | 2023 |
| **Operating Support Revenue** | | | |
| Donations | $ 5,880 * | $ 1,923 | $ 1,478 |
| Contributed service revenue | 2,511 | 2,230 | 1,891 |
| Fund raising events, net | 211 | 238 | 270 |
| Grants | 1,920 | 2,131 | 1,520 |
| Special events/Membership/Program Services/Other | 213 | 184 | 174 |
| Investment Income | 3,416 | 3,303 | 1,957 |
| Total Support and Revenue | 14,151 | 10,009 | 7,290 |
| **Expenses** | | | |
| Capital, salary and support payments to College | 683 | 806 | 853 |
| Contributed service expense | 2,510 | 2,230 | 1,891 |
| Foundation operations | 213 | 218 | 175 |
| Events & programs/Fundraising/Planned giving & capital campaign | 618 | 551 | 478 |
| Scholarships and awards/College grants awarded | 1,088 | 1,016 | 1,002 |
| Expenses for restricted grants | 1,828 | 1,955 | 1,464 |
| Total Expenses | 6,940 | 6,776 | 5,863 |
| **Change in Net Assets** | 7,211 | 3,233 | 1,427 |
| Release of Promise to Pay | - | - | - |
| | 7,211 | 3,233 | 1,427 |
| **Net Assets** | | | |
| Beginning of year | 29,940 | 26,707 | 25,281 |
| **End of year** | **$ 37,151** | **$ 29,940** | **$ 26,708** |

***Includes one time gift of $4 million which is the largest single gift in the history of the Foundation.**

The Statements of Activities report the Foundation's income and expenses for a specific period of time, with focus on the annual revenue raised, the expenses incurred and the resulting change in net assets. The Foundation's net assets are equivalent to the net worth of the organization and are one way to measure the Foundation's financial health. Consideration should be given to net asset trends over several years and to other indicators such as market, economic and political conditions which can impact the overall health of the Foundation and the College.

In Fiscal Year 2025, the Foundation received its largest gift in the history of Ramapo College. The $4 million donation contributed to the overall increase in net assets of $7.2 million or 24% as did investment gains and increases in restricted gifts and endowments. In Fiscal Year 2024, the net assets of the Foundation increased by $3.2 million or 12% also as a result of investment gains and increased donations thereby showing Foundation financial growth in both years

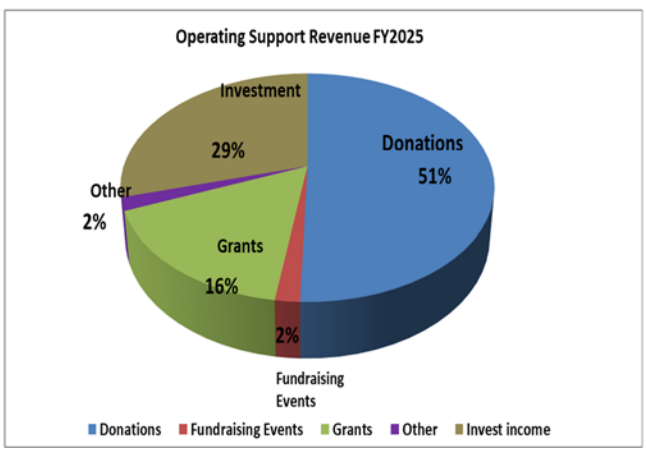
Total support and revenue for Fiscal Year 2025 was $14.2 million, as compared to $10 million in Fiscal Year 2024 which is a 41% increase over the prior year.

Total expenses remained relatively flat. In Fiscal Year 2025 total expenses were $6.9 million and $6.8 million in 2024.

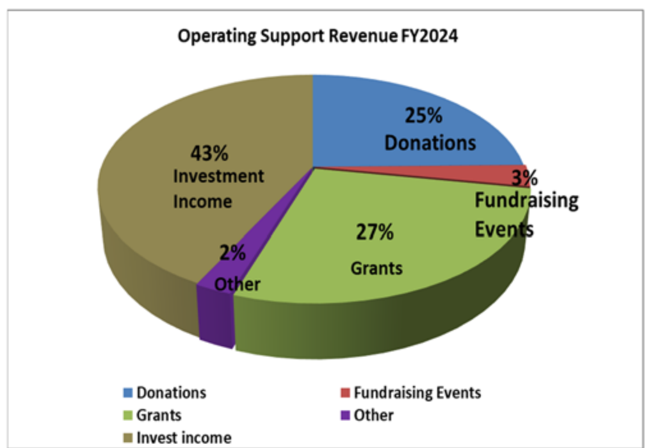
In Fiscal Years 2025 and 2024, the Foundation recorded donated service revenue and expense, relating to the affiliate support it receives from the College, of $2.5 and $2.2 million for each year. These amounts show a gross up in the Statement of Activities with no cumulative effect on the change in net assets or total assets. The Foundation has recognized in-kind revenue and a corresponding expense for this contribution associated with personnel who are paid directly by the College and are not subject to reimbursement by the Foundation. The increase vs the prior year of $300,000 is attributed to partial and full year salary and fringe for new hires as well as annual increases for all staff.

The Foundation receives support and revenue from a variety of sources. These sources include donations, fundraising, grants, special events, planned giving instruments, pledges, investment income and gifts-in-kind. Excluding the contributed service, a breakdown of the operating support revenue sources is below:

Adjusted Operating Support Revenue for FY2025 is $11,640 (in thousands)




Adjusted Operating Support Revenue for FY2024 is $7,779 (in thousands)




The Foundation's revenue, when removing the impact of the contributed service revenue and investment income, was up 84% in Fiscal 2025 when compared to Fiscal 2024. In Fiscal 2024, revenue was up 30% when compared to Fiscal 2023. As noted earlier, the Foundation received its largest gift in 2025 which contributed significantly to the increase in revenue.

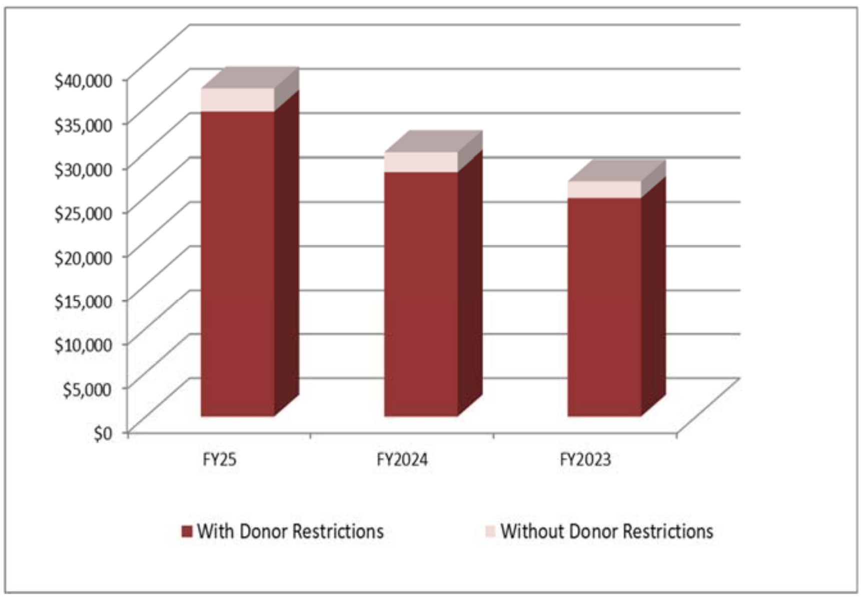
## Statement of Financial Position

| Condensed Statement of Financial Position | | | |
|---|---|---|---|
| (in thousands) | | At June 30, | |
| | **2025** | **2024** | **2023** |
| **Assets** | | | |
| Cash and cash equivalents | $ 1,619 | $ 1,268 | $ 768 |
| Grants receivable/AR/ Prepaid expense | 350 | 398 | 384 |
| Unconditional promises to give, net | 548 | 651 | 945 |
| Investments | 35,301 | 28,093 | 25,092 |
| | **$ 37,818** | **$ 30,410** | **$ 27,189** |
| **Liabilities and Net Assets** | | | |
| Liabilities | | | |
| AP/Due Ramapo College/Due to agency funds | 440 | 281 | 284 |
| Deferred income | 29 | 26 | 28 |
| Annuities payable | 199 | 162 | 169 |
| Total Liabilities | **668** | **469** | **481** |
| Net Assets | | | |
| Total Net Assets | 37,151 | 29,940 | 26,707 |
| | **$ 37,819** | **$ 30,409** | **$ 27,188** |

The Statement of Financial Position reports information on the Foundation at a single point in time. The comparison to the prior years will show changes in the assets and liabilities from one point in time versus another. Trends should be reviewed over a number of years to see the impact on the net assets and the composition of the net assets year-over-year.

Fiscal Year 2025 assets increased by $7.4 million or 24% and liabilities increased $199,000 or 42%. Fiscal Year 2024, assets increased by $3.2 million or 12% and liabilities remained relatively flat vs the prior year showing a slight decrease of $12 thousand. The change in assets in 2025 was driven by the large donation and market gains on endowed investments showing consistent asset growth and improved financial stability over several years. The increase in liabilities was due to higher accrued invoices payable at the end of the year.

The Statement of Financial Position also highlights the Foundation's assets after liabilities. These net assets are divided into two categories: With Donor Restrictions and Without Donor Restrictions as shown in the graph to the right as of June 30th.




In Fiscal 2025, total net assets of the Foundation increased by 24% or $7.2 million. In Fiscal 2024, total net assets increased 12% or $3.2 million. In both years, the increase in net assets is attributed to market gains on endowed investments and increased donations. Over the prior three years, net assets increased 25%.

## Statement of Cash Flows

Another way to view financial health is to look at the Statement of Cash Flows. Its primary purpose is to provide relevant information about cash receipts and cash payments of an entity during an accounting period. The financial data below is for the fiscal years ended June 30, 2025, 2024 and 2023. The Statement of Cash Flows helps users assess an entity's ability to generate cash and its ability to meet its obligations. It should be noted that there often is a timing difference between when cash is received by an organization and released. Therefore, several years should be reviewed to determine the pattern of cash flows.

In Fiscal 2025, the cash balance is mainly attributable to several large grant payments received at the end of the year and restricted gifts also received at the end of the fiscal. This is consistent with the prior year. The spending against these items is expected to occur in Fiscal 2026. Also, investing activities and permanently restricted contributions reflect the large donation received in Fiscal 2025.

| | Year ending June 30, | | |
|---|---|---|---|
| **Comparison of Cash Flows** | **2025** | **2024** | **2023** |
| (in thousands) | | | |
| Net cash (used in) provided by | | | |
| Operating activities | $ 155 | $ 114 | $ 463 |
| Investing activities | (4,675) | (387) | (349) |
| Permanently restricted contributions | 4,871 | 773 | 282 |
| Net increase (decrease) in cash and cash equivalents | 351 | 500 | 396 |
| Cash and cash equivalents beginning of year | 1,268 | 768 | 372 |
| **Cash and Cash Equivalents, end of year** | **$ 1,619** | **$ 1,268** | **$ 768** |

## Future Outlook

The Foundation employs what it believes to be sound fiscal management which contributes to the stability in its financial health. Continued emphasis will be placed on growing restricted gifts and endowments as well as pursuing private grant opportunities. In addition, planned giving legacy programs, securing significant programmatic support to launch new programs and increasing annual fund participation levels will continue to remain a focus. This will be achieved in part through alignment with the College's strategic priorities which are designed to build on institutional strengths, attract private resources and increase the reputation and visibility of the College. These are specific, targeted initiatives endorsed by the President and Senior Team to prioritize fundraising efforts.