NEW YORK MEDICAL COLLEGE AND ITS SUBSIDIARIES

Consolidated Financial Statements

June 30, 2023 and 2022

(With Independent Auditors’ Report Thereon)

KPMG LLP
345 Park Avenue
New York, NY 10154-0102

Independent Auditors' Report

The Board of Trustees
New York Medical College:

Opinion

We have audited the consolidated financial statements of New York Medical College and its subsidiaries (the College), which comprise the consolidated statements of financial position as of June 30, 2023 and 2022, and the related consolidated statements of activities and cash flows for the years then ended, and the related notes to the consolidated financial statements.

In our opinion, the accompanying consolidated financial statements present fairly, in all material respects, the financial position of the College as of June 30, 2023 and 2022, and the changes in its net assets and its cash flows for the years then ended in accordance with U.S. generally accepted accounting principles.

Basis for Opinion

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

Responsibilities of Management for the Consolidated Financial Statements

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

In preparing the consolidated financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the College's ability to continue as a going concern for one year after the date that the consolidated financial statements are issued.

Auditors' Responsibilities for the Audit of the Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' 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 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 consolidated financial statements.

In performing an audit in accordance with GAAS, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the consolidated 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 consolidated 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 College'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 consolidated financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the College'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.

KPMG LLP

New York, New York
October 27, 2023

NEW YORK MEDICAL COLLEGE AND ITS SUBSIDIARIES

Consolidated Statements of Financial Position

June 30, 2023 and 2022

(Dollars in thousands)

Assets		2023	2022
Cash and cash equivalents	$	1,108	3,385
Receivables (note 4):			
Student tuition and fees, net		3,244	2,245
Student loans, net		6,454	5,801
Government and other grants and contracts		7,310	6,906
Other, net		7,962	6,663
Investments (notes 5 and 13)		83,498	78,045
Property and equipment, net (note 10)		186,530	180,469
Right-of-use assets (note 9)		3,824	4,342
Deposits with bond trustee (notes 6 and 11)		2,158	19,996
Intangible and other assets (note 12)		12,309	12,563
Beneficial interest in perpetual trusts (note 6)		13,697	12,672
Total assets	$	328,094	333,087
Liabilities and Net Assets			
Liabilities:			
Accounts and accrued expenses payable	$	13,236	14,375
Accrued payroll and related benefits payable (note 16)		7,076	9,465
Deferred revenue		15,277	14,375
Line of credit (note 13)		13,550	11,800
Long-term debt, net (note 14)		79,608	88,622
Operating lease liabilities (note 9)		4,060	4,541
Other liabilities		4,039	2,809
Total liabilities		136,846	145,987
Contingencies and commitments (notes 13, 14, 15, 16, and 19)			
Net assets (notes 7 and 8):			
Without donor restrictions		118,892	121,416
With donor restrictions		72,356	65,684
Total net assets		191,248	187,100
Total liabilities and net assets	$	328,094	333,087

See accompanying notes to consolidated financial statements.

NEW YORK MEDICAL COLLEGE AND ITS SUBSIDIARIES

Consolidated Statements of Activities

Years ended June 30, 2023 and 2022

(Dollars in thousands)

	2023			2022		
	Without donor restrictions	With donor restrictions	Total	Without donor restrictions	With donor restrictions	Total
Change in operating activities:						
Operating revenue:						
Tuition and fees, net of scholarships and grants ($7,914 and $7,150 in 2023 and 2022, respectively)	$ 60,954	—	60,954	62,605	—	62,605
Affiliation contracts and faculty practice (note 2(n))	11,798	—	11,798	12,450	—	12,450
Grants and contracts for research and sponsored projects	18,369	—	18,369	20,489	—	20,489
Contributions and private grants	2,133	3,520	5,653	2,576	1,749	4,325
Investment return appropriated for operations	4,503	—	4,503	4,263	—	4,263
Auxiliary enterprises	5,631	—	5,631	5,466	—	5,466
Other	9,139	43	9,182	8,517	48	8,565
Net assets released from restrictions	215	(215)	—	400	(400)	—
Total operating revenue	112,742	3,348	116,090	116,766	1,397	118,163
Operating expenses (note 17):						
Instruction	32,455	—	32,455	32,811	—	32,811
Research	16,876	—	16,876	15,084	—	15,084
Academic support	13,189	—	13,189	13,304	—	13,304
Affiliation contracts and faculty practice	13,583	—	13,583	14,738	—	14,738
Student services	8,555	—	8,555	8,709	—	8,709
Auxiliary enterprises	3,355	—	3,355	3,322	—	3,322
Institutional support	27,674	—	27,674	22,415	—	22,415
Total operating expenses	115,687	—	115,687	110,383	—	110,383
Change in net assets from operating activities	(2,945)	3,348	403	6,383	1,397	7,780
Nonoperating activities:						
Postretirement-related changes other than net periodic benefit cost (note 16)	(352)	—	(352)	253	—	253
Net periodic benefit cost other than service cost (note 16)	270	—	270	372	—	372
Loss on defeasance of bonds	(1,576)	—	(1,576)	—	—	—
Investment return in excess (less than) of amounts appropriated for operations	2,079	2,299	4,378	(6,642)	(6,682)	(13,324)
Change in fair value of beneficial interest in perpetual trusts (note 6)	—	1,025	1,025	—	(2,562)	(2,562)
Total nonoperating activities	421	3,324	3,745	(6,017)	(9,244)	(15,261)
Change in net assets	(2,524)	6,672	4,148	366	(7,847)	(7,481)
Net assets, beginning of year	121,416	65,684	187,100	121,050	73,531	194,581
Net assets, end of year	$ 118,892	72,356	191,248	121,416	65,684	187,100

See accompanying notes to consolidated financial statements.

NEW YORK MEDICAL COLLEGE AND ITS SUBSIDIARIES

Consolidated Statements of Cash Flows

Years ended June 30, 2023 and 2022

(Dollars in thousands)

		2023	2022
Cash flows from operating activities:			
Change in net assets	$	4,148	(7,481)
Adjustments to reconcile change in net assets to net cash provided by operating activities:			
Depreciation and amortization		10,100	10,489
Amortization of deferred financing costs		94	132
Amortization of bond premium, net		(16)	(91)
Loss on defeasance of bonds		1,576	—
Provision for doubtful receivables		(21)	10
Postretirement-related changes other than net periodic benefit cost		82	(625)
Accretion of imputed interest		9	34
Contributions for long-term use		(1,839)	(416)
Loss on disposal of property and equipment		110	127
Change in fair value of beneficial interest in perpetual trusts		(1,025)	2,562
Net change in fair value of investments		(8,920)	9,014
Net impact on operating leases		37	53
Changes in operating assets and liabilities:			
Student tuition and fees receivables, net		(1,049)	408
Government and other grant contracts, net		(404)	(1,576)
Other receivables		(1,202)	(1,044)
Intangible and other assets		254	(121)
Accounts and accrued expenses payable		318	688
Accrued payroll and related benefits payable		(2,471)	(3,799)
Deferred revenue		902	(667)
Other liabilities		1,281	497
Net cash provided by operating activities		1,964	8,194
Cash flows from investing activities:			
Purchases of property and equipment		(15,760)	(10,729)
Change in accounts payable for capital		(1,457)	1,289
Disbursement of student loans		(1,271)	(821)
Collection of student loans		592	970
Sales of investments		21,116	21,607
Purchases of investments		(28,358)	(10,903)
Net cash (used in) provided by investing activities		(25,138)	1,413
Cash flows from financing activities:			
Line of credit, net		1,750	(200)
Proceeds from long-term debt		61,517	—
Repayment of long-term debt		(68,897)	(3,898)
Change in deposits with bond trustee		7,856	13,635
Contributions for long-term use		1,839	416
Repayment of refundable federal student loans		(51)	(433)
Deferred financing costs incurred		(1,302)	(12)
Net cash provided by financing activities		2,712	9,508
Net (decrease) increase in cash and cash equivalents		(20,462)	19,115
Cash, cash equivalents, and restricted cash at beginning of year		27,838	8,723
Cash, cash equivalents, and restricted cash at end of year	$	7,376	27,838
Reconciliation of amounts reported within the consolidated statements of financial position:			
Cash and cash equivalents	$	1,108	3,385
Restricted cash included in investments		3,836	14,545
Restricted cash included in deposits with bond trustee		2,158	9,634
Restricted cash included in intangible and other assets, net		274	274
Total cash, cash equivalents, and restricted cash	$	7,376	27,838
Supplemental disclosures:			
Interest paid	$	4,405	3,734
Furniture, equipment, and computer software acquired under finance leases		511	125

See accompanying notes to consolidated financial statements.

(1) Description of Organization

New York Medical College (the College) is a member of NYMC, LLC a wholly controlled subsidiary of Touro University (Touro), a New York-based institution of higher and professional education. The College is a membership, not-for-profit corporation in the State of New York.

New York Medical College is a health sciences college whose enrollment approximates 2,000 students. The College is committed to educating individuals for careers in the medical, science, and health professions. The College is a not-for-profit organization exempt from federal income taxes on related income under Section 501(c)(3) of the Internal Revenue Code.

There are three schools within the College – a School of Medicine, conferring the MD degree; and two graduate schools, the Graduate School of Basic Medical Sciences and the School of Health Sciences and Practice, which offer Master of Science (MS), Master of Public Health (MPH), and doctoral (PhD, Dr. PH, DPT) degrees.

The College is the only academic biomedical research institution in the Hudson Valley region. Nearly 230 scientists at the College conduct research ranging from fundamental investigations in molecular biology to investigations of potential new drugs used in the treatment of patients. Support for the College's research programs, from both government and private sources, is significant.

The College is the sole corporate member of The Biotechnology Incubator at NYMC (BioInc@NYMC) and the NYMC-School of Medicine Faculty Practice Corporation (Family Health Center at NYMC). BioInc@NYMC and the Family Health Center at NYMC are not-for-profit organizations as described in Section 501(c)(3) of the Internal Revenue Code. BioInc@NYMC is a transformative biotechnology incubator located on the College's campus and stimulates the establishment and growth of numerous biotechnology start-up companies. The Family Health Center at NYMC is a local outpatient clinic located on the College's campus.

The College is also the sole corporate member of NYMC Biotechnology Commercialization, LLC (NBC). NBC fosters research and commercialization of intellectual property related to healthcare.

The College's healthcare network extends south into New York City and its metropolitan area, north into Westchester County and the mid-Hudson Valley in New York State, east into Connecticut, and west into New Jersey. Educational resources are provided to the College by 30 affiliated facilities that include large urban medical centers, small suburban hospitals, and technologically advanced, regional tertiary care facilities. This network enables the College to offer its medical students diverse patient care experiences. The College has a national reputation for a strong educational program in primary care. The College has a contractual relationship with Westchester Medical Center (WMC), an academic medical center in Valhalla, New York, responsible for advancing the quality of the nation's health through its teaching and research activities. The College has other affiliation contracts with other healthcare organizations to provide physician services under these arrangements.

(2) Summary of Significant Accounting Policies

(a) Financial Statement Presentation

The accompanying consolidated financial statements of the College have been prepared on the accrual basis of accounting in conformity with U.S. generally accepted accounting principles (GAAP) and with the provisions of the Financial Accounting Standards Board Accounting Standards Codification Topic 958, *Not-for-Profit Entities*.

Based on the existence or absence of donor-imposed restrictions, the College classifies net assets into two categories:

- Net assets without donor restrictions are free from donor-imposed restrictions. Certain net assets classified as without donor restrictions are board-designated for specific or general purposes or uses by the College.
- Net assets with donor restrictions are subject to donor-imposed restrictions that will be met either by actions of the College or the passage of time. These net assets relate to donor-restricted endowments, unconditional pledges and interests in perpetual trusts held by others. Generally, the donor-imposed restrictions of these assets permit the College to use all or part of the income earned on related investments only for certain general or specific purposes.

Revenue and gains and losses on investments and other assets are reported as increases or decreases in net assets without donor restrictions unless their use is limited by explicit donor-imposed restrictions or by law. Expenses are reported as decreases in net assets without donor restrictions. Contributions and investment return subject to donor-imposed restrictions that are met in the same reporting period as received are reported as net assets without donor restrictions. Expiration of restrictions on prior year net assets with donor restrictions are reported as net assets released from restrictions.

(b) Basis of Consolidation

The consolidated financial statements include the accounts and activities of the College, BioInc@NYMC, Family Health Center at NYMC, and NBC. All transactions between the entities have been eliminated in the consolidated financial statements.

(c) Cash and Cash Equivalents

The College considers all highly liquid debt instruments with original maturities of three months or less to be cash equivalents, except those cash equivalents held for investment as part of the College’s long-term investment strategy.

(d) Student Tuition and Fees

Student tuition and fees and scholarships are recognized over the respective academic terms. Student tuition and fees received in advance of services to be rendered are recorded as deferred revenue. Deferred revenue is typically recognized as revenue in the subsequent fiscal year. Receivables balances are reduced by an allowance for doubtful accounts. The allowance for doubtful accounts is management’s best estimate of the probable loss based on historical collection experience. Management regularly assesses the collectability of student tuition and fees receivable. Account balances are written off against the allowance when management determines it is probable the receivable will not be recovered. Revisions in the allowance for doubtful accounts estimate are recorded as adjustments to the provision for bad debts.

Collection of a significant portion of tuition and fees is reliant on government-sponsored student financial assistance programs.

(e) Student Loans Receivable

The College makes uncollateralized loans to students based on financial need.

Management regularly assesses the adequacy of the allowance for credit losses by performing ongoing evaluations of the student loan portfolio, including consideration of economic risks associated with each loan category, the financial condition of specific borrowers, the economic environment in which the borrowers operate, the level of delinquent loans, the value of any collateral, the aging of loans, loan default rate, and, where applicable, the existence of any guarantees or indemnifications. The amount of the allowance is adjusted based on the results of management’s analysis.

(f) Pledges Receivable

Unconditional promises to give (pledges) are recorded as revenue at fair value in the period pledged. Fair value is estimated giving consideration to anticipated future cash receipts (after allowance is made for uncollectible contributions) and discounting such amounts at a risk-adjusted rate commensurate with the duration of the donor’s payment plan.

(g) Operating Measure

The operating activities in the consolidated statement of activities of the College (change in net assets from operating activities) include all revenue and expenses related to carrying out its mission of education and research. The operating measure includes amounts related to the spending rate policy and any additional budgeted investment returns on endowment funds as approved by the Board of Trustees of the College to protect the inflation-adjusted value of the endowment. The operating activities exclude investment return greater than (less than) the spending rate, postretirement-related changes other than net periodic benefit cost, net periodic benefit cost other than service cost, change in fair value of beneficial interest in perpetual trusts, and other nonrecurring items.

(h) Investments

Investments with readily determinable fair values are reported at fair value based upon quoted market prices or published net asset value for alternative investments in funds similar to mutual funds. Alternative investments, including equity and fixed income funds, which are not deemed to have a readily determinable fair value, are reported at estimated fair value based on, as a practical expedient, net asset values provided by investment managers. These values are reviewed and evaluated by College management for reasonableness. The reported values may differ from the values that would have been reported had a ready market for these investments existed.

Purchases and sales are reflected on a trade-date basis. Realized gains and losses are determined on the basis of average cost of securities sold and are reflected on the consolidated statements of

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activities. Dividend income is recorded on the ex-dividend date, and interest income is recorded on an accrual basis.

Investments are exposed to various risks, such as interest rate, market, credit, and other risks. Due to such risks and the level of uncertainty related to changes in the value of investment securities, it is at least possible that changes in the values of investment securities could occur in the near term, and such changes could materially affect the amounts reported in the consolidated financial statements.

(i) Fair Value Measurements

Fair value is defined as the exchange price that would be received for an asset or paid to transfer a liability (an exit price) in the principal or most advantageous market for the asset or liability in an orderly transaction between market participants on the measurement date. The College employs the three-tiered fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value, defined as follows:

- Level 1 inputs are quoted prices or published net asset values (unadjusted) in active markets for identical assets or liabilities that a reporting entity has the ability to access at the measurement date.
- Level 2 inputs are inputs other than Level 1 that are observable, either directly or indirectly.
- Level 3 inputs are unobservable inputs for the asset or liability.

The level in the fair value hierarchy within which a fair value measurement in its entirety falls is based on the lowest level input that is significant to the fair value measurement.

(j) Beneficial Interest in Perpetual Trusts

The College is the recipient of beneficial interests whereby donors have established and funded perpetual trusts administered and held by financial institutions. The College is entitled to the income earned on the trust assets in perpetuity; therefore, they are recorded as net assets with donor restrictions. The College has no control over investment decisions regarding these assets. The beneficial interests in perpetual trusts are categorized as Level 3 in the fair value hierarchy as the College does not have the ability to redeem its investment with the investee at net asset value per share (or its equivalent). The fair value of the assets of perpetual trusts is based upon quoted market prices at year-end.

(k) Property and Equipment

Property and equipment are recorded at cost at the date of acquisition or fair value as of the date of receipt from a donor. Additions and improvements or betterments in excess of $5 with an estimated life of more than one year are capitalized. Repairs and maintenance items are expensed when incurred. Upon retirement or sale, the cost and accumulated depreciation are removed from the accounts and the resulting gains or losses are reported on the consolidated statements of activities.

Depreciation and amortization is provided on a straight-line basis over the estimated useful lives, or the terms of the lease for the applicable plant assets, if shorter, as follows: buildings and building improvements, 25–43 years; library holdings, 10–20 years; equipment, furniture, and computer

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software, 3–15 years; leasehold improvements, 25–30 years; and interest in leased properties, 20–30 years.

(l) Long-Lived Assets

Long-lived assets with finite useful lives are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount of an asset may not be recoverable. The College measures the recoverability of assets to be held and used by a comparison of the carrying amount of the assets to the expected net future cash flows to be generated by the asset. If such assets are deemed to be impaired, the impairment to be recognized is measured by the amount by which the carrying amount of the assets exceeds the fair value. Assets to be disposed of are reported at the lower of the carrying amount or fair value less costs to sell. There was no impairment loss for the years ended June 30, 2023 or 2022.

(m) Operating Lease Accounting

The College determines if an arrangement is a lease or a service contract at inception. Where an arrangement is a lease, the College determines if it is an operating lease or a finance lease. Subsequently, if the arrangement is modified, the College reevaluates the classification. For operating leases, at lease commencement, the College records a right-of-use (ROU) asset and corresponding lease liability. ROU assets represent the College’s right to control the use of the leased asset during the lease and are recognized in an amount equal to the lease liability. Lease liabilities represent the present value of the future lease payments over the expected lease term, which includes options to extend or terminate the lease when it is reasonably certain those options will be exercised. The present value of the lease liability is determined using the College’s incremental borrowing rate at lease inception. Over the lease term, the College uses the effective interest rate method to account for the lease liability as lease payments are made and the ROU asset is amortized into expenses in a manner that results in a straight-line expense recognition in the consolidated statement of activities. A ROU asset and lease liability are not recognized for leases with an initial term of 12 months or less.

(n) Affiliation Contracts and Faculty Practice

Revenue and expenses from affiliation contracts primarily reflect the contractual relationship with WMC for the provision of salaries and fringe benefits and allowable overhead for physicians providing services under the arrangement. For the years ended June 30, 2023 and 2022, revenue from WMC totaled $7,651 and $8,324, respectively. Additionally, faculty practice revenue totaled $921 and $1,221 for the years ended June 30, 2023 and 2022, respectively.

(o) Intangible Assets

Intangible assets consist of trade name and accreditation status, which is indefinite lived and evaluated for impairment on an annual basis.

(p) Grants, Contracts and Contributions

The College receives grants, contracts and contributions from a number of sources, including the federal and state government, private foundations, and individuals or from subcontracts with other contractors.

A contribution, gift, or grant is conditional if an agreement includes a barrier that must be overcome and either a right of return of assets transferred or a right of release of a promisor's obligation to transfer assets. The presence of both a barrier and a right of return or right of release indicates that a recipient promises to give are not recognized until they become unconditional, that is, when the barrier(s) in the agreement are overcome.

Each contract or gift instrument is evaluated as to whether the transaction qualifies as an exchange transaction or a contribution. Government grants are generally considered conditional contributions; however, the College has adopted a policy of simultaneous release of the net assets, and related income is included in grants and contracts for research and sponsored projects in the accompanying consolidated statements of activities. Exchange transactions are generally reported in net assets without donor restrictions when expenses are incurred in accordance with contractual terms.

The College recognizes revenue on its research contracts primarily over time as the College performs the promised services. Receivables include amounts billed and currently due from customers and amounts billable where the right to consideration is unconditional and unbilled.

Amounts billed and collected on contracts but not yet recorded as revenue are deferred and included within deferred revenue on the consolidated statements of financial position.

Outstanding amounts related to conditional grants as of June 30, 2023 and 2022 were approximately $13,723 and $10,953, respectively.

(q) Fundraising

Institutional support expenses included total fundraising expenses of $1,338 and $1,183, respectively, for the years ended June 30, 2023 and 2022. Fundraising activities of the College include the salaries and employee benefits of program staff that develop proposals for fundraising, solicit contributions, and conduct specific fundraising events. Fundraising costs are expensed as incurred.

(r) Accounting for Uncertainty in Income Taxes

The College prescribes to a threshold of more likely than not for recognition and derecognition of tax positions taken or expected to be taken in a tax return. As of June 30, 2023 and 2022, the College does not have any uncertain tax positions or any significant unrelated business income tax liability, which would have a material impact upon its consolidated financial statements.

(s) Use of Estimates

The preparation of consolidated financial statements in conformity with U.S. GAAP requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities, the disclosure of contingent liabilities as of the date of the consolidated financial statements, and the reported amounts of revenue and expenses during the reporting period. The most significant estimates are the calculation of deferred revenue, the allowance for doubtful accounts, valuation of investments, postretirement benefit obligation, and the allocation of expenses to functional categories. Actual results may differ from those estimates.

(t) Reclassifications

Certain prior year amounts have been reclassified to conform to the current year presentation.

(3) Liquidity

The College's financial assets available within one year of June 30 for general expenditures, including operating expenses, principal and interest on debt, and capital expenditures not financed with debt, are as follows:

		2023	2022
Total assets	$	328,094	333,087
Less:			
Endowment funds		(42,977)	(39,077)
Annuities and trusts		(13,811)	(12,776)
Property and equipment, net		(186,530)	(180,469)
Right-of-use assets		(3,824)	(4,342)
Student loans receivable		(6,694)	(5,987)
Pledges receivable, intangibles, and other assets		(16,544)	(17,343)
Investments collateralized for debt		(39,063)	(36,503)
Total financial assets available within one year		18,651	36,590
Unused line of credit		13,450	15,200
Investment return appropriated for spending in the following year		3,551	3,566
Total financial assets and resources available within one year	$	35,652	55,356

The College manages its financial assets to be available as its operating expenditures, liabilities, and other obligations come due. In addition to these available financial assets, a significant portion of the College's annual expenditures will be funded by current year operating revenues including tuition, a substantial portion of which is collected at the beginning of each semester, contributions, grants, and other income.

Pursuant to a provision of the Coronavirus Aid, Relief, and Economic Security (CARES) Act, the College owed $1,102 at June 30, 2022, representing its employer portion of FICA taxes beginning March 28, 2020 through December 31, 2020. This amount was included in accrued payroll and related benefits payable on the consolidated statements of financial position. The balance as of June 30, 2022 was paid in December 2022.

Additionally, the College has board-designated endowments of $30,736 and $29,078 as of June 30, 2023 and 2022, respectively. Although the College does not intend to spend from its board-designated endowment funds, other than amounts appropriated for general expenditure as part of its annual budget approval and appropriation process, amounts from its board-designated endowment funds could be made available, if necessary, unless otherwise collateralized for debt.

(4) Receivables

Receivables at June 30 consist of the following:

		2023		
		Receivable	**Allowance for doubtful accounts**	**Net receivable**
Student tuition and fees	$	3,494	(250)	3,244
Student loans		7,008	(554)	6,454
Government and other grant contracts	$	7,310	—	7,310
Other:				
Affiliation contracts		1,704	(14)	1,690
Faculty practice plans		897	(189)	708
Pledges receivable, net of discount		5,937	(1,702)	4,235
Miscellaneous		2,503	(1,174)	1,329
Total other	$	11,041	(3,079)	7,962

		2022		
		Receivable	**Allowance for doubtful accounts**	**Net receivable**
Student tuition and fees	$	2,445	(200)	2,245
Student loans		6,329	(528)	5,801
Government and other grant contracts	$	6,906	—	6,906
Other:				
Affiliation contracts		—	—	—
Faculty practice plans		2,113	(301)	1,812
Pledges receivable, net of discount		4,780	(1,701)	3,079
Miscellaneous		2,946	(1,174)	1,772
Total other	$	9,839	(3,176)	6,663

The following tables provide an analysis of the aging of certain receivables at June 30:

	2023					
	1–30 days past due	**31–60 days past due**	**Greater than 60 days past due**	**Total past due**	**Current**	**Total**
Student loans	$ 119	53	991	1,163	5,845	7,008
Affiliation contracts	6	91	—	97	1,607	1,704
Faculty practice plans	—	400	28	428	469	897
Pledges, net of discount	292	—	1,875	2,167	3,770	5,937
Miscellaneous	62	14	1,192	1,268	1,235	2,503

	2022					
	1–30 days past due	**31–60 days past due**	**Greater than 60 days past due**	**Total past due**	**Current**	**Total**
Student loans	$ 518	—	1,427	1,945	4,384	6,329
Affiliation contracts	—	—	—	—	—	—
Faculty practice plans	—	358	1,397	1,755	358	2,113
Pledges, net of discount	137	—	1,663	1,800	2,980	4,780
Miscellaneous	42	9	1,593	1,644	1,302	2,946

Pledges receivable at June 30 consists of the following:

	2023	**2022**
Amounts due in less than one year	$ 2,418	2,269
Amounts due in one to five years	2,321	1,172
Amounts due in more than five years	2,913	2,904
	7,652	6,345
Less allowance	(1,702)	(1,701)
Less discount to net present value (discount rates between 3.25% and 8.25%)	(1,715)	(1,565)
	$ 4,235	3,079

(5) Investments

Investments at fair value consist of the following at June 30:

		2023	2022
Level 1 investments:			
Cash	$	3,836	14,545
Equity securities		12,481	9,082
Fixed income securities:			
U.S. government obligations		10,762	30
International government obligations		2,026	—
Mutual funds		36,187	33,939
Level 2 investments:			
Fixed income securities:			
Corporate bonds		12,110	14,278
Investments measured at net asset value as a practical expedient for fair value:			
Hedge fund strategies:			
Global hedged equity funds (a)		4,630	4,496
Real estate partnership (b)		2	126
Other		1,464	1,549
Total investments measured at net asset value as a practical expedient for fair value		6,096	6,171
Total investments	$	83,498	78,045

(a) Funds that invest in long and short positions on equity securities primarily issued by international companies. Hedge fund strategies may be redeemed once a month with approximately two weeks' notice required.

(b) Investments in real estate funds invested in office, multifamily, industrial, and other commercial real estate properties or other commercial real estate investments located primarily in the United States. The objective of the partnership is to achieve long-term gross returns while focusing on the preservation of capital. The partnership does not permit redemptions.

Certain investments have been pledged as security for outstanding debt obligations (notes 13 and 14).

(6) Fair Value Measurements

The fair value of financial assets, other than investments, that are measured at fair value at June 30 is as follows:

	2023			
	Total	Level 1	Level 2	Level 3
Beneficial interest in perpetual trusts	$ 13,697	—	—	13,697
Deposits with bond trustee:				
Cash	2,158	2,158	—	—
U.S. government obligations	—	—	—	—

	2022			
	Total	Level 1	Level 2	Level 3
Beneficial interest in perpetual trusts	$ 12,672	—	—	12,672
Deposits with bond trustee:				
Cash	9,634	9,634	—	—
U.S. government obligations	10,362	10,362	—	—

The activity with respect to the College's beneficial interest in perpetual trusts, which are Level 3, is as follows:

	2023	2022
Balance at beginning of year	$ 12,672	15,234
Investment income, net	192	265
Distributions	(518)	(525)
Net appreciation (depreciation) in fair value of investments	1,351	(2,302)
Balance at end of year	$ 13,697	12,672

(7) Net Assets with Donor Restrictions

Net assets with donor restrictions consisted of the following at June 30:

		2023	2022
Operating	$	—	—
Endowment:			
Student support		11,197	9,225
Departmental support		18,814	17,880
General operating support		5,321	5,043
Research		6,961	6,280
Educational programs		684	649
Other:			
Gifts		9,745	9,155
Pledges		5,937	4,780
Beneficial interest in perpetual trusts		13,697	12,672
	$	72,356	65,684

(8) Endowments

At June 30, 2023, the College's endowment consists of approximately 128 individual funds established for a variety of purposes. The endowment includes both donor-restricted endowment funds and funds designated by the Board of Trustees to function as endowments.

The Board has interpreted the New York Prudent Management of Institutional Funds Act (NYPMIFA) as allowing the College to appropriate for expenditure or accumulate so much of an endowment as the College determines is prudent for the uses, benefits, purposes, and duration for which the endowment fund is established, subject to the intent of the donor as expressed in the gift instrument. As a result of this interpretation, the College classifies as net assets with donor restrictions (a) the original value of gifts donated to the permanent endowment, (b) the original value of subsequent gifts to the permanent endowment, and (c) accumulations of income to the permanent endowment made in accordance with the direction of the applicable donor gift instruments.

In accordance with NYPMIFA, the Board of Trustees considers the following factors in making a determination to appropriate or accumulate endowment funds:

(a) The duration and preservation of the endowment fund

(b) The purposes of the College and the endowment fund

(c) General economic conditions

(d) The possible effect of inflation and deflation

(e) The expected total return from income and the appreciation of investments

(f) Other resources of the College

(g) Alternatives to expenditure of the endowment fund

(h) The investment policies of the College

Expenditures from a donor-restricted fund are limited to the uses and purposes for which the endowment fund was established. The College has generally limited the use of net appreciation unless the fair value of a donor-restricted fund exceeds 105% of its original dollar value.

Changes in endowment net assets were as follows:

		Without donor restrictions	With donor restrictions	Total
Endowment funds, June 30, 2021	$	34,111	45,531	79,642
Investment return, net		(3,606)	(4,713)	(8,319)
Contributions and transfers		55	217	272
Appropriation for expenditure		(1,482)	(1,958)	(3,440)
Endowment funds, June 30, 2022		29,078	39,077	68,155
Investment return, net		3,089	4,320	7,409
Contributions and transfers		109	1,606	1,715
Appropriation for expenditure		(1,540)	(2,026)	(3,566)
Endowment funds, June 30, 2023	$	30,736	42,977	73,713

Included in donor-restricted endowment net assets at June 30, 2023 and 2022 are accumulated earnings of $19,135 and $16,837, respectively.

The College's spending policy rate is designed to stabilize annual spending levels and to preserve the real value of endowment investments over time. To meet these objectives, the Board of Trustees has authorized a spending rate of 5% of the moving average of the fair value of endowment investments for the previous 20 quarters.

The College maintains investment pools for substantially all of its investments. The pools are managed to achieve the maximum prudent long-term total return while providing a predictable stream of funding to programs supported by the endowment.

(9) Operating Leases

The College is a lessee for four operating leases, primarily related to real estate. The College's operating leases have remaining lease terms of 8 years or less, some of which include options to extend the leases, and some of which include options to terminate the leases. The College does not include renewal or termination options in the assessment of the leases unless extension or termination for certain assets is deemed to be reasonably certain. The accounting for some of the leases may require judgment, which includes determining whether a contract contains a lease, determining the incremental borrowing rates to

(Continued)

utilize in the net present value calculation of lease payments for lease agreements, which do not provide an implicit rate, and assessing the likelihood of renewal or termination options.

For the years ended June 30, 2023 and 2022, rent expense was $860 and $1,094, respectively.

The following table summarizes the maturity of the College's operating lease liabilities as of June 30, 2023:

2024	$	547
2025		560
2026		576
2027		594
2028		611
Thereafter		1,776
		4,664
Less interest		(604)
	$	4,060

The weighted average lease terms and discount rates for operating leases at June 30 are:

	2023	2022
Weighted average remaining lease term (years):		
Operating leases	7.75	8.57
Weighted average discount rate:		
Operating leases	3.57 %	3.57 %

There were no ROU assets obtained in exchange for new operating lease liabilities in 2023 or 2022.

(10) Property and Equipment, Net

At June 30, the College's property and equipment consists of the following:

		2023	2022
Land and land improvements	$	24,510	23,997
Buildings and improvements		182,125	155,339
Interest in leased properties		30,660	30,660
Equipment, furniture, and computer software		30,052	28,954
Library holdings		26,132	24,840
Leasehold improvements		390	390
Construction in progress		42	14,224
		293,911	278,404
Less accumulated depreciation and amortization		(107,381)	(97,935)
Property and equipment, net	$	186,530	180,469

Interest in leased properties represents the fair value of the College's long-term leases under which the rental commitment is one dollar per annum.

At June 30, 2023, construction commitments were approximately $1,035.

(11) Deposits with Bond Trustee

Under agreements related to bonds issued by the Dormitory Authority of the State of New York (DASNY), a portion of the bond proceeds were deposited with the trustee for capital expenditures related to construction, renovations, and improvements to campus buildings and for debt service reserve funds and for capitalized interest. Monthly debt service sinking fund payments were deposited with the trustee for servicing the debt. These funds were primarily in instruments which were considered Level 1 in the fair value hierarchy (note 6). Non-construction deposits were applied to existing debt or were used to refinance related debt during August and September 2022. Deposits with bond trustee as of June 30 consist of the following:

		2023	2022
Construction fund	$	—	8,974
Debt service		2,158	3,514
Debt service reserve fund		—	7,508
	$	2,158	19,996

(12) Intangible and Other Assets

Intangible and other assets as of June 30 consist of the following:

		2023	2022
Intangible assets	$	10,200	10,200
Restricted cash		274	274
Prepaid expenses		1,005	1,259
Other		830	830
Total	$	12,309	12,563

(13) Line of Credit

At June 30, 2023 and 2022, NYMC has a $27 million line of credit with a bank of which $13,550 and $11,800 is outstanding as of June 30, 2023 and 2022, respectively. Interest is calculated at the adjusted Secured Overnight Financing Rate Data (SOFR) plus 1.250% with a daily reset (6.448% and 2.850% as of June 30, 2023 and 2022, respectively). Investments with a value of $39,063 and $34,756 as of June 30, 2023 and 2022, respectively, serve as collateral for the line of credit.

Interest expense on short-term debt for the years ended June 30, 2023 and 2022 totaled $665 and $162, respectively.

(14) Long-Term Debt

The College's obligations under long-term bonds, notes payable, and finance lease obligations at June 30 consist of the following:

Description	Maturity date	Interest rate at June 2023		2023	2022
2022 C-1 NYMC (taxable) (converting to tax-exempt in July 2024 at 3.67%)	January 2044	4.65 %	$	42,421	—
2014 A NYMC (tax-exempt)	January 2044	4.65		—	44,405
Net premium				—	2,334
Total				42,421	46,739

Description	Maturity date	Interest rate at June 2023		2023	2022
2022 B NYMC (taxable)	January 2044	4.50	$	18,596	—
2014 B NYMC (taxable)	January 2029	5.75		—	21,110
Net discount				—	(114)
Total				18,596	20,996
2020A NYMC (tax-exempt)	January 2040	3.69		18,632	20,360
Total MTI debt				79,649	88,095
Note payable (b)	April 2023	5.00% imputed		—	407
Finance lease obligations (c)	2022–2026	1.30%–21.33%		1,592	1,819
Total long-term debt				81,241	90,321
Less deferred financing costs				1,633	1,699
			$	79,608	88,622

(a) Master Trust Indenture (MTI) debt – During August and September 2022, taxable term bonds with an aggregate principal amount of $61,517, maturing in 2024 were issued on behalf of the College by the Wisconsin Public Finance Authority (PFA) (the Bonds) to advance refund existing 2014 bond debt of $65,515 issued by Dormitory Authority State of New York (DASNY). The 2014 tax-exempt debt was advance refunded with taxable debt that will, in turn, be refunded in July 2024, with new tax-exempt debt at the rates indicated in the table above. The Series 2022 C-1 bonds will be refinanced in 2024 on a tax-exempt basis at the rate indicated in the above table, pursuant to the Series 2024 C-1 Forward Bond Purchase Agreement dated August 23, 2022. In addition, pursuant to the MTI by and among the College, Touro, Touro University (California), Touro University Nevada, and Touro University Montana, LLC (collectively, the Obligated Group), a security interest is pledged for substantially all revenues of the Obligated Group, excluding donations restricted by the donors for uses other than debt service, (provided that this revenue pledge for Touro is limited to certain designated enterprises, primarily its healthcare-related programs).

In addition to the Bonds, bonds with an aggregate principal amount of $229,864 and $174,850 ($210,287 and $161,815 outstanding at June 30, 2023 and 2022, respectively), were issued on behalf of other members of the Obligated Group all of whose members are jointly and severally liable for the bond obligations described herein.

In connection with the MTI, the Obligated Group is required to maintain certain financial and nonfinancial covenants. As of June 30, 2023 and 2022, these covenants have been met.

The College has granted a mortgage on its properties located at 19 Skyline Drive, 7 Dana Road, and 30 Sunshine Cottage Road. The net book value of the properties was approximately $128,520 and $120,545, respectively, at June 30, 2023 and 2022. Deposits with bond trustee (note 11) represent additional collateral until utilized for their designated purposes.

(b) In connection with the 2013 acquisition of an office building at 19 Skyline Drive, Hawthorne, New York, the seller of the property provided a $5,000 interest free 10-year note, which was discounted to net present value. The final installment of the long-term note payable was paid in March 2023 and the related letter of credit and related collateral were released.

(c) Finance lease obligations – Certain equipment is leased under noncancelable finance leases payable monthly. Equipment subject to finance lease obligations were $2,343 and $2,475, net of accumulated depreciation and amortization of $3,092 and $2,453, as of June 30, 2023 and 2022, respectively.

The weighted average lease terms and discount rates for finance leases at June 30 are:

	2023	2022
Weighted average remaining lease term (years):		
Finance leases	3.07	2.89
Weighted average discount rate:		
Finance leases	4.31 %	3.92 %

Future scheduled payments of long-term debt are as follows:

		Bond principal	Finance leases principal	Interest	Total
Year:					
2024	$	1,380	629	3,527	5,536
2025		1,507	449	3,033	4,989
2026		1,767	278	2,949	4,994
2027		1,833	140	2,864	4,837
2028		1,900	96	2,779	4,775
Thereafter		71,262	—	23,276	94,538
Total	$	79,649	1,592	38,428	119,669

(15) Retirement Plans

The College has a defined contribution retirement plan which covers substantially all of its nonunion employees, and which is funded through direct payments to qualified carriers. For each eligible employee, the College contributes an average of 7% of the employee’s salary. The employee’s contribution is discretionary, up to 15% of their salary in accordance with all legal regulations. During the years ended June 30, 2023 and 2022, the College contributed $3,090 and $3,013, respectively, to its defined contribution retirement plan.

In addition, $513 and $524, respectively, were contributed during the years ended June 30, 2023 and 2022, to a union administered plan for employees belonging to a collective bargaining unit. The College would be responsible for any withdrawal liability under the agreement with the union.

The College's participation in the union administered plan is outlined below. Unless otherwise noted, the Pension Protection Act (PPA) zone status below is for the plan years beginning January 1, 2021, 2020, and 2019, respectively. The zone status is certified by the plan's actuaries. Among other factors, plans in the red zone are generally less than 65% funded, plans in the yellow zone are less than 80% funded, and plans in the green zone are at least 80% funded. The "FIP/RP Status Pending/Implemented" column indicates plans for which a financial improvement plan (FIP) or a rehabilitation plan (RP) is either pending or has been implemented. The last column lists the expiration dates of the collective-bargaining agreements to which the plan is subject.

Pension fund	EIN/pension plan number	PPA zone status	FIP/RP status pending/implemented	Surcharge imposed	Expiration date of collective-bargaining agreement
1199 SEIU Health Care Employee Pension Fund	13-3604862/001	Green	*RP Implemented	No	September 30, 2024

* The 1199 Health Care Employee Pension Fund has implemented a rehabilitation plan for the period January 1, 2012 through December 31, 2024.

(16) Postretirement Benefits Other than Pensions

The College provides medical and life insurance benefits under its Postretirement Life and Health Insurance Plan for Eligible Employees (the Plan). The College's obligation is limited and requires participants to contribute to premiums as determined by the Plan's administrator. The College reserves the right to amend or terminate the Plan at its discretion. These benefits are partially funded through a voluntary employees' beneficiary association (VEBA) trust.

For those employees who had already retired at the time the VEBA was established, the College pays actual benefits from its general assets. For subsequent retirees, the College's funding policy is to contribute an amount up to the annual expense in years when the Present Value of Future Benefits (PVFB) exceeds assets. Since assets are less than PVFB, the College may elect to make a contribution in fiscal year 2024.

The College recognizes on the consolidated statements of financial position the difference between the benefit obligations and any related plan assets. In addition, the accounting guidance requires the unrecognized amount (e.g., net actuarial gains or losses and prior service costs or credits) to be recognized as changes in net assets without donor restrictions and that these amounts be adjusted as they are subsequently recognized as components of the net periodic benefit cost.

The following tables provide a reconciliation of the changes in the Plan's benefit obligations and fair value of assets for the years ended June 30:

		2023	2022
Change in benefit obligation:			
Benefit obligation at beginning of year	$	4,560	5,979
Service cost		31	51
Interest cost		238	156
Plan participants' contributions		462	445
Actuarial loss (gain)		164	(1,304)
Benefits paid		(686)	(767)
Benefit obligation at end of year		4,769	4,560
Change in plan assets:			
Fair value of plan assets at beginning of year		3,348	4,021
Actual return on plan assets		322	(527)
Employer contributions		159	172
Plan participants' contributions		462	445
Benefits paid		(686)	(767)
Inter-plan transfer		—	4
Fair value of plan assets at end of year		3,605	3,348
Unfunded status at end of year, included in accrued payroll and related benefits payable	$	1,164	1,212

		2023	2022
Components of net periodic benefit cost:			
Service cost	$	31	51
Interest cost		238	156
Expected return on plan assets		(248)	(300)
Amortization of prior service credit		(455)	(455)
Amortization of net actuarial loss		195	227
Net periodic benefit cost	$	(239)	(321)

		2023	2022
Postretirement-related changes other than net periodic benefit cost:			
Amortization of prior service credit	$	455	455
Amortization of net actuarial loss		(195)	(227)
Net gain (loss)		92	(476)
	$	352	(248)
Amounts not yet recognized in net periodic benefit cost:			
Net actuarial loss	$	942	1,045
Prior service credit		(990)	(1,446)
	$	(48)	(401)

	2023	2022
Weighted average assumptions used to determine benefit obligations as of June 30, 2023 and 2022:		
Discount rate – funded portion	5.50 %	5.00 %
Discount rate – unfunded portion	5.50	4.75
Rate of compensation increase	4.00	4.00
Weighted average assumptions used to determine net periodic benefit cost for the years ended June 30, 2023 and 2022:		
Discount rate:		
Discount rate – funded portion	5.00 %	3.00 %
Discount rate – unfunded portion	4.75	1.75
Healthcare cost trend:		
Increase from current to next fiscal year	7.50 %	6.75 %
Ultimate rate of increase	4.50	4.50
Year that the ultimate rate is attained	2035	2031

The College is not expecting to contribute to the Plan in 2024.

The estimated actuarial net loss that will be amortized from net assets without donor restrictions into net periodic benefit cost in fiscal year 2024 is $124.

Expected benefit payments are the total amount expected to be paid from the Plan's or the College's assets. The expected benefit payments, net of plan participant contributions, are as follows:

		Estimated benefits payments
Fiscal year(s):		
2024	$	386
2025		376
2026		373
2027		365
2028		357
2029–2033		1,665

The investment policy statement of the College, established by the Board of Trustees, has as its investment objective, the long-term appreciation of assets, and the consistency of total portfolio returns with reasonable efforts to control risk and preserve capital. The policy establishes a goal of an annual return of 8%. The Plan's target and actual asset allocations as of June 30 are as follows:

	Target	Percentage of plan assets	
Plan assets	**allocation**	**2023**	**2022**
Asset category:			
Equity securities	61.0 %	64.3 %	61.6 %
Debt securities	31.0	25.8	26.9
Other	8.0	9.9	11.5

The Plan's investments at fair value, all of which are Level 1 in the fair value hierarchy at June 30 are as follows:

		Total	
		2023	**2022**
Cash and cash equivalents	$	356	381
Alternative investments:			
Equity and fixed income funds:			
Global equity		2,326	2,050
Global fixed income		935	894
Assets at fair value at measurement date		3,617	3,325
Other		(12)	23
Total assets	$	3,605	3,348

(17) Functional Reporting of Expenses

The costs of the College's activities have been presented on a functional basis in the consolidated statements of activities. Accordingly, certain costs have been allocated among the activities benefited. The College allocates occupancy and related costs, depreciation, and interest expense based on direct expenditures in the other functional categories. Expenses presented by natural classification and function are as follows:

		2023							
		Instruction	Research	Academic support	Affiliation contracts and faculty practice	Student services	Auxiliary enterprises	Institutional support	Total
Salaries and benefits	$	25,285	9,058	8,796	10,073	5,569	522	14,883	74,186
Occupancy and related expenses		1,887	1,554	834	829	548	298	1,938	7,888
Professional services		315	114	76	205	380	283	2,470	3,843
Depreciation		2,744	1,747	1,110	1,161	720	282	2,336	10,100
Interest		1,219	776	493	515	319	125	1,037	4,484
Other expense		1,005	3,627	1,880	800	1,019	1,845	5,010	15,186
Total	$	32,455	16,876	13,189	13,583	8,555	3,355	27,674	115,687

	2022							
	Instruction	**Research**	**Academic support**	**Affiliation contracts and faculty practice**	**Student services**	**Auxiliary enterprises**	**Institutional support**	**Total**
Salaries and benefits	$ 25,714	8,440	8,858	10,970	5,466	378	11,090	70,916
Occupancy and related expenses	1,758	1,298	789	823	533	290	1,526	7,017
Professional services	301	20	277	155	384	223	2,765	4,125
Depreciation	3,026	1,706	1,223	1,363	801	305	2,065	10,489
Interest	1,089	614	440	491	288	110	743	3,775
Other expense	923	3,006	1,717	936	1,237	2,016	4,226	14,061
Total	$ 32,811	15,084	13,304	14,738	8,709	3,322	22,415	110,383

(18) Related Parties

Members of the Board of Trustees, officers, and employees are subject to the College’s conflict of interest policies, under which business and financial relationships must be disclosed and are subject to review and approval. Disclosure about the College’s related party transactions, including with affiliated institutions, are described in the notes to the consolidated financial statements. For both the years ended June 30, 2023 and 2022, other revenue includes rent of $3,433 from Touro College of Dental Medicine, a related party.

(19) Other Contingencies and Commitments

The College is involved in various legal actions arising in the normal course of operations. While it is not feasible to predict the ultimate outcome of such matters, the College is of the opinion that the resolution of these matters will not have a significant effect upon the financial condition of the College or changes in its net assets.

Amounts received and expended under federal and state programs are subject to audit by governmental agencies. While there are currently no open audits, in the opinion of management, audit adjustments, if any, will not have a material adverse effect on the consolidated financial position or changes in net assets of the College.

(20) Subsequent Events

The College performed an evaluation of subsequent events that occurred after June 30, 2023 through October 27, 2023, the date the consolidated financial statements were issued, and noted no matters that would require disclosure.