Financial Statements and Federal Award Expenditures in Accordance with the Uniform Guidance and State of New Jersey Award Expenditures in Accordance with State of New Jersey Department of the Treasury Circular 15-08 Together with Reports of Independent Certified Public Accountants

June 30, 2016

	Page
Report of Independent Certified Public Accountants	1
Management's Discussion and Analysis	3
Financial Statements:	
Statement of Net Position at June 30, 2016 and 2015	14
Statement of Revenues, Expenses, and Changes in Net Position for the years ended June 30, 2016 and 2015	15
Statement of Cash Flows for the years ended June 30, 2016 and 2015	16
Notes to Financial Statements:	
1. Organization and Summary of Significant Accounting Policies	17
2. Cash and Cash Equivalents, Investments, and Deposits Held with Trustees	22
3. Capital Assets	26
4. Supplementary Statement of Net Position Detail	27
5. Noncurrent Liabilities	28
6. Long Term Debt	29
7. Compensated Absences	32
8. Retirement Programs	32
9. Investment Income	41
10. Condensed Combining Financial Statement Information	42
11. Net Position	46
12. Commitments and Contingencies	46
Required Supplementary Information:	
Schedules of Proportionate Share of the Net Pension Liability – Last 10 Years	47
Schedules of Employer Contributions – Last 10 Years	48

Uniform Guidance and State of New Jersey Circular 15-08 Supplementary Information:	
Schedule of Expenditures of Federal Awards for the year ended June 30, 2016	49
Schedule of Expenditures of State of New Jersey Awards for the year ended June 30, 2016	56
Notes to Schedules of Expenditures of Federal and State of New Jersey Awards	
1. Basis of Presentation	58
2. Direct and Other Loan Programs	59
3. Matching	59
Report of Independent Certified Public Accountants on Internal Control Over Financial Reporting and on Compliance and Other Matters Required by <i>Government Auditing Standards</i>	60
Report of Independent Certified Public Accountants on Compliance For Each Major Program (Uniform Guidance and State of New Jersey Department of the Treasury Circular 15-08) and on Internal Control Over Compliance	62
Schedule of Findings and Questioned Costs for the year ended June 30, 2016:	
Section I – Summary of Auditor's Results	65
Section II – Findings Relating to the Financial Statements Reported in Accordance with Government Auditing Standards	66
Section III – Findings and Questioned Costs Relating to Federal or State of New Jersey Awards	66
Section IV – Summary Schedule of the Status of Prior Year Audit Findings	67



Grant Thornton LLP 186 Wood Avenue Iselin, NJ 08830 T 732.516.5500 F 732.516.5502 GrantThornton.com linkd.in/GrantThorntonUS twitter.com/GrantThorntonUS

REPORT OF INDEPENDENT CERTIFIED PUBLIC ACCOUNTANTS

To the Board of Trustees of **New Jersey Institute of Technology**:

We have audited the accompanying financial statements of the business-type activities of New Jersey Institute of Technology (the "University"), a component unit of the State of New Jersey, as of and for the years ended June 30, 2016 and 2015, and the related notes to the financial statements, which collectively comprise the University's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditors' Responsibility

Our responsibility is to express an opinion on these financial statements based on our audits. We conducted our audits in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the University's preparation and fair presentation of the financial statements 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 University's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the net position of the business-type activities of New Jersey Institute of Technology as of June 30, 2016 and 2015, and the changes in its net position and its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the Management's Discussion and Analysis included on pages 3 through 13 and the Schedules of Proportionate Share of the Net Pension Liability - Last 10 Years and the Schedules of Employer Contributions - Last 10 Years included on pages 47 and 48 be presented to supplement the basic financial statements. Such supplementary information, although not a required part of the basic financial statements, is required by the Governmental Accounting Standards Board, which considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. This required supplementary information is the responsibility of management. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America. These limited procedures consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. However, we do not express an opinion or provide any assurance on the Management's Discussion and Analysis, the Schedules of Proportionate Share of the Net Pension Liability - Last 10 Years, and the Schedules of Employer Contributions - Last 10 Years information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Supplementary Information

Our audit was conducted for the purpose of forming an opinion on the basic financial statements as a whole. The accompanying Schedule of Expenditures of Federal Awards and Schedule of Expenditures of State of New Jersey Awards for the year ended June 30, 2016, as required by Title 2 U.S. Code of Federal Regulations ("CFR") Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards ("Uniform Guidance") and State of New Jersey Department of the Treasury Circular 15-08, Single Audit Policy for Recipients of Federal Grants, State Grants, and State Aid, respectively, are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such supplementary information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements and certain additional procedures. These additional procedures included comparing and reconciling the information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the supplementary information is fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Other reporting required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report, dated October 21, 2016, on our consideration of the University's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the University's internal control over financial reporting and compliance.

GRANT THORNTON LLP

Iselin, New Jersey October 21, 2016

NEW JERSEY INSTITUTE OF TECHNOLOGY Management's Discussion and Analysis (Dollars in thousands) June 30, 2016 and 2015

Introduction

The following discussion and analysis provides an analytical overview of the financial position and activities of New Jersey Institute of Technology (NJIT), Foundation at New Jersey Institute of Technology (the Foundation), New Jersey Innovation Institute, Inc. (NJII), and ten urban renewal limited liability companies (the UREs) (collectively, the University) at and for the years ended June 30, 2016 and 2015. This discussion has been prepared by management and should be read in conjunction with the financial statements and the notes thereto, which follow this section.

Since its founding in 1881, NJIT has been transformed from a local technical school to one of America's top tier national research universities. While moving steadily to increasingly higher levels of excellence in educational performance, NJIT has become a research and development hub, participating in entrepreneurial development and building business partnerships through research and development initiatives. NJIT has evolved into an international presence, both in the scope of its educational programs, including on-site and distance learning offerings, attraction of international students to its programs, and through the reach of its educational, scientific, and technological influence at international forums and in international research projects.

NJIT is a public, student-centered, urban research university, committed to the pursuit of excellence in undergraduate, graduate, and continuing professional education, in the conduct of research with emphasis on applied and multi-disciplinary areas, in contributing to the economic development of New Jersey (the State), and in service to both its local communities and the broader society of the State and the nation. In fiscal year 2016, 410 full-time faculty members served 11,325 students. NJIT offers a diverse range of degree programs in an array of engineering and technology disciplines, computer and information science, architecture, applied sciences, management, statistics and actuarial science, including Ph.D. programs in nineteen professional areas, masters programs in fifty-nine specialties, and fifty baccalaureate degree programs. NJIT also operates a small business incubator whose mission is to accelerate the successful development of entrepreneurial companies through an array of business support resources and services.

NJIT was formally recognized as a body corporate and politic by The New Jersey Institute of Technology Act of 1995. The Foundation is a separately incorporated 501(c)(3) tax-exempt resource development organization that encourages private philanthropy on behalf of NJIT. NJII is a separately incorporated 501(c)(3) tax-exempt charitable organization that applies the intellectual and technological resources of NJIT to challenges identified by industry partners. The UREs operate residential buildings for NJIT student Greek organizations.

The Financial Statements

The University's financial statements include a statement of net position at June 30, 2016 and 2015, and statements of revenues, expenses, and changes in net position and of cash flows for the years then ended. The financial statements are prepared in accordance with U.S. generally accepted accounting principles as promulgated by the Governmental Accounting Standards Board (GASB).

Effective July 1, 2015, the University adopted GASB Statement No. 72, *Fair Value Measurement and Application*, which clarifies the definition of fair value, establishes a framework for measuring fair value, provides additional fair value application guidance, and enhances disclosures of fair value measurements.

Financial Highlights

The University's financial position at June 30, 2016 and 2015 was sound, with total assets of \$799,276 and \$770,653, total deferred outflows of resources of \$22,719 and \$6,534, total liabilities of \$563,257 and \$521,464, and total deferred inflows of resources of \$1,808 and \$4,571, respectively. Net position, which represents the excess of the University's assets and deferred outflows of resources over its liabilities and deferred inflows of resources, totaled \$256,930 and \$251,152 at June 30, 2016 and 2015, respectively. The University's net position increased \$5,778 in fiscal year 2016, primarily due to an excess of net nonoperating and other revenues over the operating loss. The University's net position decreased \$69,123 in fiscal year 2015, primarily due to the cumulative effect of change in accounting principle as a result of the adoption of GASB Statement No. 68, Accounting and Financial Reporting for Pensions – an amendment of GASB Statement No. 27, and GASB Statement No. 71, Pension Transition for Contributions Made Subsequent to the Measurement Date – an amendment of GASB Statement No. 68, offset by an excess of net nonoperating and other revenues over the operating loss.

Statement of Net Position

The statement of net position presents the University's financial position at June 30, 2016 and 2015, and is summarized as follows. The summarized statement of net position at June 30, 2014, is also presented for comparative purposes.

	June 30,				
	2016	2015	2014		
Current assets	\$ 137,872	\$ 115,743	\$ 101,594		
Endowment investments	98,100	99,233	98,197		
Capital assets, net	393,043	338,984	318,194		
Other assets	170,261	216,693	93,499		
Total assets	799,276	770,653	611,484		
Deferred outflows of resources	22,719	6,534	2,362		
Current liabilities	76,827	56,740	56,035		
Long term debt, noncurrent portion	334,027	343,361	223,474		
Other liabilities	152,403	121,363	13,644		
Total liabilities	563,257	521,464	293,153		
Deferred inflows of resources	1,808	4,571	418		
Net investment in capital assets	138,838	118,359	104,903		
Restricted nonexpendable	71,366	67,766	64,748		
Restricted expendable	58,022	79,636	77,674		
Unrestricted	(11,296)	(14,609)	72,950		
Total net position	\$ 256,930	<u>\$ 251,152</u>	\$ 320,275		

Current assets consist principally of cash and cash equivalents, grants and accounts receivable, net, deposits held with trustees, and short term investments. The increase in current assets at June 30, 2016 as compared to June 30, 2015 of \$22,129 principally relates to increases in cash and cash equivalents, deposits held with trustees, and grants and accounts receivable, net. The increase in current assets at June 30, 2015 as compared to June 30, 2014 of \$14,149 principally relates to increases in short term investments, grants and accounts receivable, net, deposits held with trustees, and cash and cash equivalents.

Current liabilities are comprised of accounts payable and accrued liabilities, the current portion of long term debt, unearned advance payments, and amounts due to affiliates. The increase in current liabilities at June 30, 2016 of \$20,087 principally relates to increases in accounts payable and accrued liabilities and unearned advance payments. The increase in current liabilities at June 30, 2015 of \$705 principally relates to increases in unearned advance payments, current portion of long term debt, and due to affiliates, partially offset by a decrease in accounts payable and accrued liabilities.

NEW JERSEY INSTITUTE OF TECHNOLOGY Management's Discussion and Analysis (Dollars in thousands) June 30, 2016 and 2015

Excluding deposits held with trustees, which can only be used for debt service and facilities construction, and the current portion of long term debt, current assets exceeded current liabilities by \$58,104 and \$57,365 at June 30, 2016 and 2015, respectively. The University had \$89,734 and \$70,877 in cash and cash equivalents and short term investments to fund current operations, facilities rehabilitation projects, and other activities at June 30, 2016 and 2015, respectively. The net increase in cash and cash equivalents and short term investments at June 30, 2016 and 2015 of \$18,857 and \$6,942, respectively, principally relates to reimbursement from capital grants of a portion of the expenditures for the rehabilitation and renovation of an academic facility and advance payments from grants in fiscal year 2016, and increased tuition and fees cash collections in both fiscal years.

Endowment investments include gifts from donors that are to be invested in perpetuity, annuity funds, unrestricted funds established by NJIT as quasi-endowment, and the related income and appreciation. Except for quasi-endowments, which can be expended at the discretion of NJIT, only the realized income and appreciation can be spent for the purposes specified by the donors in the gift documents. Endowment investments decreased 1.1% and increased 1.1% during fiscal years 2016 and 2015, respectively, reflecting growth from new gifts, realized net investment gains, net decreases in the fair value of investments at June 30, 2016 and 2015, and endowment spending.

Capital assets increased 11.4% and 6.4% at cost during fiscal years 2016 and 2015, respectively. The fiscal year 2016 and 2015 increases result primarily from the construction in progress of a parking facility, a wellness and events center, and a state-of-the-art research facility; continued work on the rehabilitation and renovation of an academic facility; and campus facilities renovations; partially offset by the write-off of equipment and other assets no longer in service. The parking facility was completed in early fiscal year 2017, and completion of the wellness and events center and state-of-the-art research facility is expected in fiscal year 2018.

Other assets are comprised of investments, investments – capital construction, deposits held with trustees, and other noncurrent assets. The decrease in other assets at June 30, 2016 of \$46,432 was principally due to the utilization of investments – capital construction and deposits held with trustees and the collection of Building Our Future receivables, recorded in other assets, for capital expenditures. The increase in other assets at June 30, 2015 of \$123,194 principally relates to an increase in investments - capital construction, attributable to the 2015 Series A bond proceeds, partially offset by a decrease in deposits held with trustees.

Deferred outflows of resources consist of loss on defeasance of debt and certain changes in the net pension liability. The increase in deferred outflows of resources of \$16,185 and \$4,172 at June 30, 2016 and 2015, respectively, are principally the result of changes in actuarial assumptions and increases in the University's proportionate share of the net pension liability.

Total long term debt at June 30, 2016 and 2015 totaled \$344,565 and \$353,327, respectively. In fiscal year 2015, the University issued 2015 Series A General Obligation Bonds in the amount of \$116,680 to finance, in part, the construction of the parking facility and the wellness and events center referred to above.

Other liabilities consist of net pension liability, other noncurrent liabilities, and U.S. government grants refundable. The increase in other liabilities at June 30, 2016 of \$31,040 principally relates to increases in net pension liability and other noncurrent liabilities, primarily the result of a new faculty separation

NEW JERSEY INSTITUTE OF TECHNOLOGY Management's Discussion and Analysis (Dollars in thousands) June 30, 2016 and 2015

incentive program. The increase in other liabilities at June 30, 2015 of \$107,719 principally relates to the recording of the University's net pension liability, partially offset by a decrease in other noncurrent liabilities.

Deferred inflows of resources consist of gain on defeasance of debt and certain changes in the net pension liability. The decrease in deferred inflows of resources of \$2,763 at June 30, 2016 and the increase in deferred inflows of resources of \$4,153 at June 30, 2015 principally relates to certain changes in the net pension liability.

Net investment in capital assets represents the University's interests in land and land improvements, buildings and building improvements, equipment and other assets, and construction in progress, less related depreciation and amortization, and the debt incurred to finance their acquisition. Net investment in capital assets increased \$20,479 and \$13,456 during fiscal years 2016 and 2015, respectively, principally due to the increase in capital assets discussed above, partially offset by depreciation expense in both fiscal years 2016 and 2015, a net decrease in long term debt during fiscal year 2016, and a net increase in long term debt during fiscal year 2015.

Restricted nonexpendable net position represents the original value of additions to the University's endowment and annuity funds. Restricted expendable net position includes gifts that are restricted to use for specific purposes by the donor, capital grants and gifts, endowment income, and other restricted sources. As discussed above, donor-restricted endowment funds represent gifts from donors that are to be invested in perpetuity. Annuity funds are given to the University to be invested with the stipulation that the University pay an agreed-upon amount to designated individuals for a period of time or for the beneficiary's lifetime, after which period the remaining funds become part of the University's endowment or are used for the purpose designated by the donor.

Restricted net position decreased \$18,014 during fiscal year 2016, primarily due to decreases in restricted expendable net position for capital projects, resulting from the expenditures of capital grant funds; restricted expendable net positions for scholarships and fellowships and instructional and other, principally due to the net decrease in the fair value of investments at June 30, 2016; partially offset by an increase in restricted nonexpendable net position for scholarships and fellowships and instructional and other as a result of additions to permanent endowments. Restricted nonexpendable net position for scholarships and fellowships and instructional and other as a result of additions to permanent endowments. Restricted nonexpendable net position for scholarships and fellowships as a result of additions to permanent endowments; net realized investment gains; restricted expendable net position for capital projects, primarily resulting from a capital grant; and restricted expendable net position for debt service; partially offset by a decrease in restricted expendable net position for debt service; partially offset by a decrease in the fair value of investments at June 30, 2015.

Unrestricted net position is all other net position that is available for general operations in support of the University's mission. Even though unrestricted net position is not subject to external restrictions, management has designated a portion of the unrestricted net position for the following specified purposes. The June 30, 2014 unrestricted net position is also presented for comparative purposes.

Management's Discussion and Analysis

(Dollars in thousands) June 30, 2016 and 2015

	June 30 ,			
	2016	2015	2014	
Designated unrestricted net position:				
Quasi-endowments	\$ 12,38	\$4 \$ 13,141	\$ 13,413	
Instructional and other	2,90	3,790	2,578	
Construction and capital programs	31,77	22,265	18,655	
Wellness and events center construction	10,00	5,000	-	
State bond funds required match	9,92	16,140	6,000	
Debt service	6,54	6 4,804	4,558	
Outstanding purchase orders	7,39	5,000	4,000	
	80,92	25 70,140	49,204	
Undesignated unrestricted net position:				
Pension related	(116,51	2) (109,399)	-	
Operations	24,29	24,650	23,746	
-	\$ (11,29	<u>(14,609)</u> <u>(14,609)</u>	\$ 72,950	

Statement of Revenues, Expenses, and Changes in Net Position

The statement of revenues, expenses, and changes in net position presents the operating results and the nonoperating and other revenues and expenses of the University.

The components of revenues for the fiscal years ended June 30, 2016 and 2015 are as follows. The components of revenues for the fiscal year ended June 30, 2014 are also presented for comparative purposes:

	Fiscal Year Ended June 30,				
	2016 2015		2014		
Operating revenues:					
Student tuition and fees, net	\$ 135,189	\$ 122,749	\$ 112,253		
Federal, State, and other grants and contracts	108,338	94,091	91,877		
Auxiliary enterprises, net	15,721	14,357	13,337		
Other operating revenues	3,974	3,267	3,070		
Total operating revenues	263,222	234,464	220,537		
Nonoperating and other revenues:					
State appropriations	87,532	80,890	92,086		
Gifts and bequests, capital grants and gifts, and					
additions to permanent endowments	9,893	28,113	78,789		
Investment income	17	2,294	14,701		
Other nonoperating revenues, net	4,084	3,411	820		
Total nonoperating and other revenues	101,526	114,708	186,396		
Total revenues	\$ 364,748	\$ 349,172	\$ 406,933		

NEW JERSEY INSTITUTE OF TECHNOLOGY Management's Discussion and Analysis (Dollars in thousands) June 30, 2016 and 2015

The components of expenses for the fiscal years ended June 30, 2016 and 2015 are as follows. The components of expenses for the fiscal year ended June 30, 2014 are also presented for comparative purposes:

	Fiscal Year Ended June 30,				
	2016	2015	2014		
Operating expenses:					
Instruction	\$ 104,479	\$ 91,111	\$ 97,995		
Research and programs	71,428	56,243	56,938		
Public service	2,077	1,989	1,612		
Academic support	30,438	27,091	27,294		
Student services	24,866	21,444	20,426		
Institutional support	52,346	45,683	40,522		
Operation and maintenance of plant	20,367	20,449	19,751		
Scholarships and fellowships	9,967	10,175	10,936		
Depreciation	25,568	22,178	19,406		
Auxiliary enterprises	8,299	8,569	9,937		
Total operating expenses	349,835	304,932	304,817		
Nonoperating expenses - interest expense	9,135	9,386	8,502		
Total expenses	\$ 358,970	\$ 314,318	\$ 313,319		

Student tuition and fees, auxiliary enterprises, and State appropriations are the primary sources of funding for the University's operating expenses.

Student tuition and fees totaled \$135,189, \$122,749, and \$112,253, net of scholarship allowances of \$51,132, \$46,588, and \$42,885 in fiscal years 2016, 2015, and 2014, respectively. The fiscal year 2016 and 2015 increases are attributable to a strategic growth in enrollment and tuition and mandatory fees increases of 2.9% and 2.5%, respectively.

Auxiliary enterprises revenues, net of scholarship allowances of \$4,554, \$4,227, and \$3,936 in fiscal years 2016, 2015, and 2014, respectively, increased 9.5% to \$15,721 in fiscal year 2016 and 7.6% to \$14,357 in fiscal year 2015, principally due to increased occupancy and residence hall charges in both fiscal years and the reopening of Redwood Hall in fiscal year 2015.

In accordance with GASB requirements, State appropriations are reported as nonoperating revenues despite the fact that their purpose is to fund operating activities.

The components of State appropriations are as follows:

	Fiscal Year Ended June 30,),
		2016		2015		2014
Direct appropriations for general operating						
purposes	\$	35,440	\$	37,696	\$	37,696
FICA and fringe benefits paid by the State for						
University employees		39,117		37,551		33,661
Fringe benefit equalization adjustment		12,975		5,643		20,729
	\$	87,532	\$	80,890	\$	92,086

The fiscal year 2016 increase in State appropriations was the result of an equalization adjustment to the State's fringe benefit rate and an increase in fringe benefits paid by the State, partially offset by a decrease in the direct appropriations for general operating purposes. The fiscal year 2015 decrease in State appropriations was primarily the result of an equalization adjustment to the State's fringe benefit rate.

Federal, State, and other grants and contracts revenues, which include facilities and administrative costs recovery, primarily fund the University's research and development activities and student financial assistance programs, and are comprised of the following:

	Fiscal Year Ended June 30,),
		2016		2015		2014
Federal grants and contracts, including ARRA awards						
of \$341, \$1,059, and \$8,666, respectively	\$	80,635	\$	67,804	\$	66,908
State grants and contracts		23,590		22,092		21,012
Other grants and contracts		4,113		4,195		3,957
-	\$	108,338	\$	94,091	\$	91,877

Federal grants and contracts revenues increased 18.9% and 1.3% in fiscal years 2016 and 2015, respectively, due to increases in research grants and contracts and student financial assistance grants. State grants and contracts revenues increased 6.8% and 5.1% in fiscal years 2016 and 2015, respectively, due to increases in research grants and contracts and student financial assistance grants. Other grants and contracts revenues decreased 2.0% and increased 6.0% in fiscal years 2016 and 2015, respectively.

Private support from corporations, foundations, alumni, and other donors is an important factor in the University's growth and development. Gifts and bequests totaled \$2,468 and \$3,672, and capital grants and gifts amounted to \$3,240 and \$21,470, in fiscal years 2016 and 2015, respectively. The fiscal year 2016 decrease in capital grants and gifts was principally due to the receipt of a Building Our Future award in fiscal year 2015. Additions to permanent endowments were \$4,185 and \$2,971 in fiscal years 2016 and 2015, respectively.

NEW JERSEY INSTITUTE OF TECHNOLOGY Management's Discussion and Analysis (Dollars in thousands) June 30, 2016 and 2015

Investment income includes interest and dividends, as well as realized and unrealized gains and losses. During fiscal years 2016 and 2015, investment income of \$17 and \$2,294 was due to interest and dividends, realized net gain on sale of investments, and net decreases in the fair value of investments at June 30, 2016 and 2015.

Instruction, academic support, student services, and scholarships and fellowships expenses totaled \$169,750, \$149,821, and \$156,651 in fiscal years 2016, 2015, and 2014, respectively. The increase of 13.3% in fiscal year 2016 is primarily due to increased salaries and fringe benefits due to the faculty separation incentive program, the fringe benefit equalization adjustment, and pension expense; increased consulting services expense and computer software maintenance and licenses expense. The decrease of 4.4% in fiscal year 2015 is primarily due to decreased salaries and fringe benefits due to the fringe benefit equalization adjustment and the faculty separation incentive program expense recorded in the prior year, as well as a decrease in scholarships and fellowships, partially offset by an increase in pension expense.

Research and programs expense increased 27.0% to \$71,428 in fiscal year 2016, primarily as a result of increases in Federal and State research and programs expenditures, and decreased 1.2% to \$56,243 in fiscal year 2015, primarily as a result of decreases in salaries and fringe benefits, due to the fringe benefit equalization adjustment, consulting and professional services expense, and a reclassification of pre-college program expenses to public service expense; partially offset by increases in pension expense and Federal and State research and programs expenditures.

Public service expense remained relatively constant in fiscal year 2016 after increasing 23.4% to \$1,989 in fiscal year 2015. The fiscal year 2015 increase was primarily due to a reclassification of pre-college program expenses from research and programs expense and an increase in pension expense, partially offset by a reduction in service center expenses.

Institutional support expense increased 14.6% to \$52,346 and 12.7% to \$45,683 in fiscal years 2016 and 2015, respectively, primarily due to increases in salaries and fringe benefits, due to increased personnel and pension expense, increases in the allowance for doubtful student accounts, and consulting and professional services expense in both fiscal years, and the fringe benefit equalization adjustment in fiscal year 2016.

Operation and maintenance of plant expense remained relatively constant in fiscal year 2016, after increasing 3.5% to \$20,449 in fiscal year 2015, primarily due to an increase in pension expense.

Auxiliary enterprises expense decreased 3.2% to \$8,299 in fiscal year 2016, primarily due to decreases in consulting and professional services expense and operation and maintenance costs, and decreased 13.8% to \$8,569 in fiscal year 2015, primarily due to a decrease in operation and maintenance costs, partially offset by an increase in pension expense.

During fiscal years 2016 and 2015, the University incurred long term debt interest costs of \$14,148 and \$10,431, of which \$5,013 and \$1,045, respectively, was capitalized and will be amortized over the estimated useful lives of the associated capital assets.

Summary and Outlook

The University is in a sound financial position at June 30, 2016. Overall enrollment increased 6.4% for the fiscal 2016 academic year. The University continues to pursue its strategy of enhancing its research and development activities. The University's fundraising activities are successful, and have generated a significant endowment.

The University's debt is rated Al by Moody's Investors Service and A by Standard & Poor's. Moody's affirmed its rating in fiscal year 2015 with a negative outlook, noting "the negative outlook reflects uncertainty around state funding and a heightened risk that NJIT will have to cover an increasing portion of fringe benefits." Moody's further noted the University's "A1 rating reflects the University's niche market as the sole public stand-alone technical research university in the state, resulting in strong student demand. NJIT is relatively well positioned to absorb some funding cuts due to its positive operations, growing enrollment, and net tuition revenue. The rating also incorporates relatively moderate financial resources and liquidity." Standard & Poor's March 2015 report noted "The outlook is stable. The rating reflects the University's strong enterprise profile with a niche in engineering and research, the steady enrollment growth, and a stable and proactive management team. In addition, the University's rating reflects a limited dependence on ongoing funding from New Jersey for operations since it receives considerable state support; we, however, believe that other revenue sources provide the majority of revenue and that these other sources are of sufficient strength and breadth to allow us to rate the University at the same rating as the state."

The University's relations with its employees are good. Contracts are in place with three of the seven labor unions; one contract is being finalized; negotiations with two unions are ongoing; negotiations have not yet commenced with another. It is anticipated that remaining negotiations will come to mutually favorable conclusions.

The University's endowment is prudently managed, with a broad-based asset allocation. The University's endowment investment strategy is designed to maintain purchasing power of pooled endowment fund assets, with an emphasis on total return, via a group of managers, each focused on their sector of the asset allocation, limited exposure to sub-prime investments, and the use of alternative investments.

As part of its long range plan, the University expects that its activities will continue to increase the total operating budget. As a result of the State's reduction in funding for higher education over the past several fiscal years, management initiated steps to increase alternative funding sources and to reduce expenses, including increases in enrollment, cost containment initiatives, a more aggressive research and development program, a more intensive fund raising program, and increases in tuition and fees. Included in the University's strategic plan are a greater emphasis on expanded outreach programs, increased scholarships, the establishment of new programs and extension sites in order to generate increases in enrollment, and the hiring of new faculty members who have a stronger inclination to become involved in research activities in addition to their teaching responsibilities in order to expand expense management initiatives have been and are anticipated to continue to be successful.

NEW JERSEY INSTITUTE OF TECHNOLOGY Management's Discussion and Analysis (Dollars in thousands) June 30, 2016 and 2015

In fiscal year 2016, the State authorized a second round of grant funding from the 2012 Building Our Future Bond Act, as well as new grant awards from the Higher Education Capital Improvement Fund. The University anticipates receiving \$20 million in fiscal year 2017 for classroom and lab space renovations. Chief among the projects will be the creation of Makerspace at NJIT, a state-of-the-art facility that will heed the call for innovation, invention, and production in today's burgeoning science, technology, engineering, and math economy. In addition, the investment will continue the University's commitment to the renewal and replacement of its facilities and infrastructure to provide current teaching and research facilities for our students, faculty, and staff. The University will be responsible for a portion of the debt service payments and related program expenses.

Management has been and will continue to be an active participant in the State's planning process, in order to ensure that its voice is heard and the University's needs are properly presented and considered in the State's financial deliberations.

All in all, the University's management is of the opinion that the University's financial condition is sound.

Statement of Net Position

(Dollars in thousands)

At June 30, 2016 and 2015

	2016	2015
Assets		
Current assets:		
Cash and cash equivalents	\$ 79,378	\$ 60,660
Short term investments	10,356	10,217
Grants and accounts receivable, net	33,235	31,626
Deposits held with trustees	13,479	11,604
Other current assets	1,424	1,636
Total current assets	137,872	115,743
Noncurrent assets:		
Endowment investments	98,100	99,233
Investments	20,351	18,819
Investments - capital construction	102,037	129,069
Deposits held with trustees	9,913	22,070
Other assets	37,960	46,735
Capital assets, net of accumulated depreciation		
of \$354,147 and \$331,499, respectively	393,043	338,984
Total noncurrent assets	661,404	654,910
Total assets	\$ 799,276	\$ 770,653
Deferred outflows of resources		
Loss on defeasance of debt, net	\$ 1,696	\$ 1,972
Pension related	21,023	4,562
Total deferred outflows of resources	\$ 22,719	\$ 6,534
Liabilities Current liabilities:		
Accounts payable and accrued liabilities	\$ 47,614	\$ 30,708
Long term debt, current portion	10,538	9,966
Unearned advance payments	12,965	10,714
Due to affiliates	5,710	5,352
Total current liabilities	76,827	56,740
Noncurrent liabilities:		
Long term debt	334,027	343,361
Other noncurrent liabilities	14,444	9,687
Net pension liability	135,999	109,736
U.S. government grants refundable	1,960	1,940
Total noncurrent liabilities	486,430	464,724
Total liabilities	\$ 563,257	\$ 521,464
	<u>+</u>	+ + + + + + + + + + + + + + + + + + + +
Deferred inflows of resources	¢ 272	¢ 246
Gain on defeasance of debt, net	\$ 272	\$ 346
Pension related	1,536	4,225
Total deferred inflows of resources Net Position	\$ 1,808	<u>\$ 4,571</u>
Net investment in capital assets	\$ 138.838	\$ 118.359
	\$ 138,838	\$ 118,359
Restricted for:		
Nonexpendable:	50.082	57 515
Scholarships and fellowships	59,983	57,515
Instructional and other	11,383	10,251
Expendable:	22.005	50 507
Capital projects	32,885	50,697
Scholarships and fellowships	8,486	11,610
Instructional and other	8,281	9,060
Research and programs	855	934
Debt service	6,445	6,275
Loans	1,070	1,060
Unrestricted (note 11)	(11,296)	(14,609)
Total net position	\$ 256,930	\$ 251,152

The accompanying notes are an integral part of these financial statements.

Statement of Revenues, Expenses, and Changes in Net Position (Dollars in thousands)

For the years ended June 30, 2016 and 2015

	2016	2015
Operating revenues		
Student tuition and fees, net of scholarship allowances		
of \$51,132 and \$46,588, respectively	\$ 135,189	\$ 122,749
Federal grants and contracts	80,635	67,804
State grants and contracts	23,590	22,092
Other grants and contracts	4,113	4,195
Auxiliary enterprises, net of scholarship allowances		
of \$4,554 and \$4,227, respectively	15,721	14,357
Other operating revenues	3,974	3,267
Total operating revenues	263,222	234,464
Operating expenses		
Instruction	104,479	91,111
Research and programs	71,428	56,243
Public service	2,077	1,989
Academic support	30,438	27,091
Student services	24,866	21,444
Institutional support	52,346	45,683
Operation and maintenance of plant	20,367	20,449
Scholarships and fellowships	9,967	10,175
Depreciation	25,568	22,178
Auxiliary enterprises	8,299	8,569
Total operating expenses	349,835	304,932
Operating loss	(86,613)	(70,468)
Nonoperating revenues (expenses)		
State appropriations	87,532	80,890
Gifts and bequests	2,468	3,672
Interest expense	(9,135)	(9,386)
Investment income	17	2,294
Other nonoperating revenues, net	4,084	3,411
Net nonoperating revenues	84,966	80,881
(Loss) income before other revenues	(1,647)	10,413
Other revenues		
Capital grants and gifts	3,240	21,470
Additions to permanent endowments	4,185	2,971
Total other revenues	7,425	24,441
Increase in net position	5,778	34,854
Net position, beginning of year	251,152	320,275
Cumulative effect of change in accounting principal		(103,977)
Net position, end of year	\$ 256,930	\$ 251,152

The accompanying notes are an integral part of these financial statements.

Statement of Cash Flows

(Dollars in thousands)

For the years ended June 30, 2016 and 2015

		2016		2015
Cash flows from operating activities				
Student tuition and fees	\$	133,116	\$	124,843
Grants and contracts		108,741		90,401
Payments for salaries and benefits		(178,617)		(165,970)
Payments for goods and services		(75,118)		(70,817)
Payments for scholarships and fellowships		(9,967)		(10,175)
Loans issued to students		-		(519)
Loans collected from students		356		289
Auxiliary enterprises		15,686		14,440
University programs		332		2,484
Affiliates		360		789
Other receipts (payments)		3,969		(194)
Net cash used by operating activities		(1,142)		(14,429)
Cash flows from noncapital financing activities				
State appropriations		47,346		49,444
Gifts and bequests for other than capital purposes		3,128		2,599
Additions to permanent endowments		4,013		2,832
Other receipts		11,683		2,803
Net cash provided by noncapital financing activities		66,170		57,678
Cash flows from capital financing activities				
Proceeds from capital debt		-		130,236
Mortgage payments received		126		253
Capital grants and gifts		1,035		21,050
Purchase of capital assets		(63,016)		(45,920)
Principal paid on long term debt		(9,495)		(8,815)
Interest paid on long term debt		(13,259)		(9,589)
Purchase of investments – capital construction		(1,163)		(129,128)
Sale of investments – capital construction		27,983		_
Deposits with trustees		(19,485)		(36,310)
Withdrawals from trustees		29,767		42,084
Net cash used by capital financing activities		(47,507)		(36,139)
Cash flows from investing activities				
Proceeds from sales and maturities of investments		29,567		35,001
Interest and dividends on investments		3,832		1,662
Purchase of investments		(32,202)		(41,860)
Net cash provided (used) by investing activities		1,197		(5,197)
Net increase in cash and cash equivalents		18,718		1,913
Cash and cash equivalents, beginning of year		60,660		58,747
Cash and cash equivalents, end of year	\$	79,378	\$	60,660
	<u>+</u>		<u> </u>	
Reconciliation of operating loss to net cash used by operating activities				
Operating loss	\$	(86,613)	\$	(70,468)
Adjustments to reconcile operating loss to net cash used by operating activities:				
Depreciation		25,568		22,178
Noncash operating expenses		47,648		37,609
Changes in assets and liabilities:				
Grants and accounts receivable		(2,885)		(4,507)
Other assets, current and noncurrent		82		(145)
Accounts payable and accrued liabilities		11,129		(1,288)
Unearned advance payments		3,571		1,403
Due to affiliates		358		789
Net cash used by operating activities	\$	(1,142)	\$	(14,429)
Noncash transactions:				
State appropriations for fringe benefits	\$	40,702	\$	31,346
Gifts and bequests for other than capital purposes		(685)		1,073
Investment income		1		6
Gifts for capital purposes		2,205		420
Additions to permanent endowments		172		139
Capital assets		9,040		(4,000)

The accompanying notes are an integral part of these financial statements.

1. Organization and Summary of Significant Accounting Policies

New Jersey Institute of Technology (NJIT), a public research university, includes six collegiate units: Newark College of Engineering, Ying Wu College of Computing Sciences, College of Architecture and Design, College of Science and Liberal Arts, Martin Tuchman School of Management, and Albert Dorman Honors College; a graduate division; a continuing education program; and a number of research centers. Fields of study include engineering, computer science, architecture, applied sciences, management, statistics, and actuarial science. NJIT offers programs and courses leading to bachelors, masters, and doctoral degrees, and also conducts an extensive research program.

The New Jersey Institute of Technology Act of 1995 established NJIT as a body corporate and politic and determined that the exercise of NJIT's powers was a public and essential government function. NJIT has its origins in an 1881 New Jersey statute.

Foundation at New Jersey Institute of Technology (the Foundation) is a component unit of NJIT. The Foundation raises and manages funds to support the further development and growth of programs at NJIT. Because of the significance of its operational and financial relationships with NJIT and because it exclusively benefits NJIT, the Foundation's financial statements are combined and reported on a blended basis with those of NJIT. Copies of the Foundation's financial statements can be obtained by writing to Foundation at New Jersey Institute of Technology, University Heights, Newark, New Jersey 07102, Attention: University Advancement Office.

New Jersey Innovation Institute, Inc. (NJII) is a component unit of NJIT. NJII applies the intellectual and technological resources of NJIT to challenges identified by industry partners in order to spur product creation and enhancement, develop solutions for sector-wide and/or company-focused challenges, and serve as a catalyst for regional economic growth. Because of the significance of its operational and financial relationships with NJIT, NJII's financial statements are combined and reported on a blended basis with those of NJIT. Copies of NJII's financial statements can be obtained by writing to New Jersey Innovation Institute, Inc., c/o New Jersey Institute of Technology, University Heights, Newark, New Jersey 07102.

Ten urban renewal limited liability companies (the UREs) are component units of NJIT. The UREs operate residential buildings for NJIT student Greek organizations. Because of the significance of their operational and financial relationships with NJIT, the UREs' financial statements are combined and reported on a blended basis with those of NJIT.

Pursuant to the provisions of Governmental Accounting Standards Board (GASB) Statement No. 14, *The Financial Reporting Entity*, as amended by GASB Statement No. 39, *Determining Whether Certain Organizations are Component Units*, and GASB Statement No. 61, *The Financial Reporting Entity: Omnibus*, NJIT, which is financially dependent on the State of New Jersey (the State), is considered to be a component unit of the State for its financial reporting purposes. Accordingly, the financial statements of NJIT, the Foundation, NJII, and the UREs (collectively, the University) are included in the State's Comprehensive Annual Financial Report.

(a) Basis of Presentation

The University's financial statements have been prepared on the accrual basis of accounting using the economic resources measurement focus, in accordance with U.S. generally accepted accounting principles as promulgated by the GASB. All significant transactions between NJIT, the Foundation, NJII, and the UREs have been eliminated.

Effective July 1, 2015, the University adopted GASB Statement No. 72, *Fair Value Measurement and Application*, which clarifies the definition of fair value, establishes a framework for measuring fair value, provides additional fair value application guidance, and enhances disclosures of fair value measurements.

(b) Use of Estimates

The financial statements include estimates and assumptions that affect the reported amounts of assets and liabilities and disclosures of contingent assets and liabilities at the statement of net position dates, as well as the reported amounts of revenues and expenses for the fiscal years then ended. Actual results could differ from those estimates.

(c) Cash and Cash Equivalents

The University considers money market funds, investments with original maturities of three months or less, and investments in sweep accounts with original maturities of twelve months or less to be cash equivalents, except for those included in endowment investments and deposits held with trustees.

(d) Fair Value Measurement

The University's investments are measured at fair value using valuation techniques that maximize the use of observable inputs and minimize the use of unobservable inputs. Observable inputs reflect market data obtained from independent sources, while unobservable inputs are based on market assumptions. The fair value hierarchy is comprised of the following three levels of inputs, of which the first two are considered observable and the last unobservable:

- Level 1: Quoted prices in active markets for identical assets.
- Level 2: Inputs other than Level 1 that are observable either directly or indirectly, such as quoted prices in markets that are not as active, or other inputs that are observable or can be corroborated by observable market data.
- Level 3: Significant unobservable inputs that are supported by little or no market activity.

A financial instrument's categorization within the valuation hierarchy is based on the lowest level of input significant to the fair value measurement. The categorization of an investment is based upon its pricing transparency and liquidity and does not necessarily correspond to the University's perceived risk of that investment.

(e) Investments and Deposits Held with Trustees

Investments and deposits held with trustees include investments in marketable equity securities, debt instruments, and mutual funds and are carried at fair value, based on quoted market prices.

Notes to Financial Statements (Dollars in thousands) June 30, 2016 and 2015

Hedge and other investment funds are carried at estimated fair value based principally on the Net Asset Values (NAV) reported by the fund managers, which are reviewed by management for reasonableness. Those estimated fair values may differ from the values that would have been used had a ready market for these securities existed.

Investment securities are exposed to various risks such as interest rate, market, and credit risks. Due to the level of risk associated with certain investment securities, changes in the values of investment securities could occur. Such changes could materially affect the amounts reported in the statement of net position.

(f) Capital Assets

Capital assets are carried at cost or, in the case of gifts, fair value at date of donation. Expenditures for replacements are capitalized, and the replaced items are retired. Gains or losses resulting from disposal of property are included in other nonoperating revenues, net.

Depreciation is calculated on the straight-line basis. The University's capital assets policy establishes the following capitalization thresholds and estimated useful lives:

	-	pitalization Threshold	Estimated Useful Life
Land improvements	\$	50,000	20 years
Buildings and building improvements		50,000	20 to 40 years
Software		50,000	5 to 10 years
Equipment and other assets		5,000	3 to 10 years

(g) Due to Affiliates

Due to affiliates consists of amounts the University is holding as agent for the following entities:

	June 30 ,				
	2016			2015	
NJEDge.Net	\$	4,298	\$	4,291	
Student organizations		1,054		873	
Other organizations		358		188	
	\$	5,710	\$	5,352	

(h) Classification of Net Position

The University classifies its resources into three net position categories:

• Net investment in capital assets is comprised of land and land improvements, buildings and building improvements, equipment and other assets, and construction in progress of the University, net of depreciation and amortization and the indebtedness incurred to finance their acquisition and construction. Title to capital assets acquired through research grants

and contracts remains with the University at the conclusion of the grant or contract period with the permission of the grantor.

• Restricted nonexpendable net position is comprised of endowment and annuity funds. Endowments are subject to restrictions of gift instruments requiring that the principal be invested in perpetuity. Annuity funds consist of gift annuities and charitable remainder unitrusts (Unitrusts) which are given to the University to be invested with the stipulation that the University pay an agreed-upon amount to designated individuals for a period of time or for the beneficiary's lifetime. At the termination of the agreement, the remaining funds either become part of the University's endowment or are used for the purpose designated by the donor.

Restricted expendable net position includes gifts that are restricted to use for specific purposes by the donor, capital grants and gifts, endowment income and appreciation, and other restricted resources. Funds that are restricted are utilized only for the specified purposes.

• Unrestricted net position is derived principally from student tuition and fees, gifts and bequests, and investment income, and is expended to meet the objectives of the University. The University designates portions of its unrestricted net position for certain specific purposes (see Note 11).

The University's policy is to first utilize available restricted expendable, and then unrestricted, resources in the conduct of its operations.

(i) Classification of Revenue and Expense

Operating revenues are those that result from the provision of services related to the University's principal purposes of instruction and research, and are generally associated with exchange transactions. Nonoperating revenues result from activities that are not directly related to the University's principal purposes, but that exist in order to support them, and generally consist of nonexchange transactions. Other revenues arise from nonexchange transactions which provide funding for acquisitions of capital assets and additions to permanent endowments.

Interest expense is reported as a nonoperating activity.

(j) Revenue Recognition

Student tuition and fees revenues are recognized in the period earned. Student tuition and fees collected in advance of the fiscal year-end are recorded as unearned advance payments in the statement of net position.

Grants and contracts revenues are recognized when the related expenditures are incurred. The unexpended portion of advance grant payments is recorded as unearned advance payments in the statement of net position.

Investment income, which includes interest, dividends, and realized and unrealized gains and losses, is recognized on the accrual basis. Gains and losses on investments are determined using specific identification, except for mutual funds, which are based on average cost.

Gifts and bequests are recorded upon receipt by the University. Pledges, other than endowment, are recognized as gift income and recorded at their present value. Additions to permanent endowments are recognized upon their receipt.

(k) Facilities and Administrative Costs Recovery

Facilities and administrative costs are recovered at rates specified under the various grants and contracts or at a predetermined rate negotiated with the U.S. Department of Health and Human Services, the University's cognizant Federal agency, and are recorded as grants and contracts revenues as expenditures are incurred.

(*l*) Auxiliary Activities

Auxiliary activities consist primarily of residence hall and parking operations.

(m) Fringe Benefits Paid by the State

Certain fringe benefits for the University's employees are paid by the State. Such amounts (\$52,092 and \$43,194 in fiscal years 2016 and 2015, respectively) are included in State appropriations. The offsetting expenses are recorded within the appropriate operating expense categories.

(n) Risk Management

The University carries commercial insurance covering its risks of loss related to real and personal property, personal injuries, torts, errors and omissions, environmental damage, and natural and other unforeseen disasters.

(o) Tax Status

NJIT, the Foundation, and NJII have received determination letters from the Internal Revenue Service stating that they are organizations as described in Sections 115(a)(2), 501(c)(3), and 501(c)(3), respectively, of the Internal Revenue Code (the Code) and, therefore, are exempt from Federal income taxes under Section 501(a) of the Code on income generated by activities that are substantially related to their tax-exempt purposes. The UREs, which are wholly-owned limited liability companies, have the same tax status as NJIT.

(p) Reclassifications

Certain prior year amounts have been reclassified in the Statement of Cash Flows to conform with the current year's presentation.

2. Cash and Cash Equivalents, Investments, and Deposits Held with Trustees

Cash and cash equivalents, comprised of cash and money market funds, total \$79,378 and \$60,660 at fair value (\$79,378 and \$60,660 at cost) at June 30, 2016 and 2015, respectively.

The cost and fair value of investments and deposits held with trustees, and their fair value measurements within the fair value hierarchy, are as follows:

	June 30, 2016						
		Fa		Value Measure	ments		
	Cost	Fair Value	Level 1	Level 2	Level 3		
Investments:							
Money market funds	\$ 13,397	\$ 13,397	\$ 12,118	\$ 1,279	\$ -		
Certificates of deposit	3,000	3,000	3,000	-	-		
U.S. Treasury and government							
agency bonds	23,728	23,945	6,067	17,878	-		
Commercial paper	29,623	29,716	-	29,716	-		
Corporate equity securities	34,130	40,802	40,802	-	-		
Corporate debt securities	43,055	42,730	1,441	41,289	-		
Mutual equity funds	24,506	24,831	24,723	108	-		
Mutual bond funds	26,711	26,316	26,316	-	-		
Hedge and other investment							
funds	24,152	26,107	2,373	-	23,734		
	222,302	230,844	116,840	90,270	23,734		
Deposits held with trustees:							
Money market funds	23,392	23,392	8,990	14,402	-		
	\$ 245,694	\$ 254,236	\$ 125,830	\$ 104,672	\$ 23,734		
			June 30, 201	5			
			Fair	Value Measure	ements		
	Cost	Fair Value	Level 1	Level 2	Level 3		
Investments:							
Money market funds	\$ 8,234	\$ 8,234	\$ 6,398	\$ 1,836	\$ -		
Certificates of deposit	22,350	22,344	-	22,344	-		
U.S. Treasury and government							
agency bonds	34,647	34,680	6,453	28,227	-		
Commercial paper	32,070	32,083	-	32,083	-		
Corporate equity securities	32,847	39,997	39,997	-	-		
Corporate debt securities	43,996	43,951	2,859	41,092	-		
Mutual equity funds	25,778	27,055	26,938	117	-		
Mutual bond funds	23,197	23,332	12,988	10,344	-		
Mutual bolid Tulius		,					
Hedge and other investment		,		-			
	22,362	25,662	2,652		23,010		
Hedge and other investment	-	,	2,652 98,285	136,043	23,010 23,010		
Hedge and other investment	22,362	25,662					
Hedge and other investment funds	22,362	25,662					
Hedge and other investment funds Deposits held with trustees:	22,362 245,481	25,662 257,338	98,285	136,043			
Hedge and other investment funds Deposits held with trustees: Money market funds	22,362 245,481	25,662 257,338	98,285	136,043			
Hedge and other investment funds Deposits held with trustees: Money market funds U.S. Treasury and government	22,362 245,481 32,363	25,662 257,338 32,363	98,285	<u>136,043</u> 24,703	23,010		

Endowment investments totaling \$3,684 and \$3,876 at fair value (\$3,305 and \$3,393 at cost) at June 30, 2016 and 2015, respectively, are held and administered by external trustees, while the remainder are held and administered by the University.

Hedge and other investment funds are comprised of directional and multi-strategy funds, private equity, and real assets. The University is committed to invest an additional \$3,850 in these funds over the next several fiscal years.

Investments – capital construction represent the proceeds of the 2015 Series A bonds (see Note 6). These funds are separately invested, and are designated for the costs of construction of a wellness and events center and a parking facility.

Deposits held with trustees represent restricted funds held by U.S. Bank and The Bank of New York Mellon under terms of the revenue bond and debt agreements with the New Jersey Educational Facilities Authority (NJEFA), and by U.S. Bank under terms of the general obligation bond agreements (see Note 6). At June 30, 2015, \$1,310 was required to be maintained in accordance with the mortgage bond indenture agreement.

The University invests its endowment funds in accordance with applicable limitations set forth in gift instruments or guidelines established by NJIT's Board of Trustees and the Foundation's Board of Overseers. The University's investment strategy is to maintain purchasing power of pooled endowment fund assets, with an emphasis on total return. The following are the University's aggregate allocation guidelines by asset class: equities, up to 70%; real assets, up to 20%; multi-strategy hedges, up to 25%; and fixed income instruments, up to 35%. There are further allocation guidelines for specific investment categories within each asset class. The University may also invest in below investment grade bonds as equity substitutes within the overall allocation for equities.

Custodial credit risk - deposits is the risk that, in the event of the failure of a depository financial institution, the University will not be able to recover deposits that are in that institution's possession. The University's investment policy does not address custodial credit risk - deposits. Cash and cash equivalents have a bank balance of \$84,348 and \$63,265, including cash held by depositories of \$3,376 and \$1,697 at June 30, 2016 and 2015, respectively, of which \$845 and \$841 are insured by the Federal Deposit Insurance Corporation (FDIC). Cash and cash equivalents of \$500 at both June 30, 2016 and 2015 are insured by the Securities Investor Protection Corporation (SIPC); amounts in excess are neither collateralized nor insured.

Custodial credit risk - investments is the risk that, in the event of the failure of a counterparty, the University will not be able to recover the value of the investments that are in that counterparty's possession. The University's investment policy does not address custodial credit risk - investments. The University's investment securities are exposed to custodial credit risk if the securities are uninsured and unregistered and held by the counterparty, or by its trust department or agent, but not in the University's name. At June 30, 2016 and 2015, \$250,551 and \$287,135, respectively, of investments and deposits held with trustees are either insured or held by the University or its agent in the University's name.

Credit risk is the risk that an issuer or other counterparty to an investment will not fulfill its obligations. The University's investment policy places no limitation on the ratings for debt instruments. U.S. Treasury and government agency bonds are considered to have no credit risk. The money market funds and mutual bond funds included in the University's investment portfolio are not rated. The University's investments in commercial paper and corporate debt securities are rated as follows by Standard & Poor's:

		June 30,		
	Rating	2016	2015	
Commercial paper Commercial paper Total commercial paper	A-1+ A-1	\$ 5,973 23,743 29,716	\$ - <u>32,083</u> <u>32,083</u>	
Corporate debt securities	AA+	4,293	4,317	
Corporate debt securities	AA	4,268	4,355	
Corporate debt securities	AA-	6,338	6,396	
Corporate debt securities	A+	2,014	5,098	
Corporate debt securities	А	12,629	13,989	
Corporate debt securities	A-	7,881	5,761	
Corporate debt securities	BBB+	5,299	3,240	
Corporate debt securities	BBB	6	792	
Corporate debt securities	BBB-	2	3	
Total corporate debt securities		42,730	43,951	
		<u>\$ 72,446</u>	<u>\$ 76,034</u>	

Concentration of credit risk is the risk of loss attributed to the magnitude of the University's investment in a single issuer. There is no limit on the amount the University may invest in any issuer. The University's investments are diversified and are not currently exposed to this risk.

Interest rate risk is the risk that changes in interest rates will adversely affect the fair value of an investment. The University's investment policy does not limit investment maturities as a means of managing its exposure to fair value losses arising from increasing interest rates. At June 30, 2016 and 2015, fixed income investments included in cash and cash equivalents, investments, and deposits held with trustees have the following maturities:

Notes to Financial Statements

(Dollars in thousands) June 30, 2016 and 2015

	June 30, 2016 Investment Maturities (in year							
	Fair Value	Less Than 1	<u>1 to 5</u>	(in years) 5 to 10				
Money market funds	\$ 114,573	\$ 114,573	\$-	\$-				
Certificates of deposit	3,000	3,000	÷ -	÷ -				
U.S. Treasury and government	,	,						
agency bonds	23,945	16,361	4,295	3,289				
Commercial paper	29,716	29,716	-	-				
Corporate debt securities	42,730	37,721	4,979	30				
Mutual bond funds	26,316	10,414	15,443	459				
	\$ 240,280	\$ 211,785	\$ 24,717	\$ 3,778				
			30, 2015					
			ent Maturities	(in years)				
	Fair Value	Less Than 1	1 to 5	5 to 10				
Money market funds	\$ 99,640	\$ 99,640	\$-	\$-				
Certificates of deposit	22,344	22,344	-	-				
U.S. Treasury and government								
agency bonds	35,991	1,870	30,157	3,964				
Commercial paper	32,083	32,083	-	-				
Corporate debt securities	43,951	5,705	38,221	25				
Mutual bond funds	23,332	10,422	12,752	158				
	\$ 257,341	\$ 172,064	\$ 81,130	\$ 4,147				

A portion of the University's endowment investments are held in an endowment investment pool. The cost and fair value of the pooled investments are as follows:

	June 30,							
	2016				2	2015		
		Cost	F	air Value		Cost	Fa	air Value
Money market funds	\$	1,716	\$	1,716	\$	1,701	\$	1,701
Corporate equity securities		28,560		34,388		27,638		34,279
Mutual equity funds		14,090		14,054		17,472		18,382
Mutual bond funds		15,279		14,883		11,870		12,029
Hedge and other investment funds		23,848		25,754		22,011		25,288
	\$	83,493	\$	90,795	\$	80,692	\$	91,679

Endowment investment pool units are assigned to new gifts based upon the value of the pool at the end of the quarter in which the gifts are received. There were 428,964 and 408,426 pool units with a fair unit value of \$211.66 and \$224.47 at June 30, 2016 and 2015, respectively.

For the years ended June 30, 2016 and 2015, the average (loss) return for the endowment investment pool was (1.4%) and 1.6%, respectively.

The spending policy for endowment funds requires an annual calculation based on a three year rolling average of the fair value per pool unit. The spending rates for the years ended June 30, 2016 and 2015 were 4.9% and 5.0%, respectively. The University complies with the State's "Uniform Prudent Management of Institutional Funds Act", which governs the management and use of funds held by it.

3. Capital Assets

The activity in capital assets and accumulated depreciation for the years ended June 30, 2016 and 2015 was as follows:

	June 3 201		Additi	ons	Reti	rements	ced Into ervice	J	lune 30, 2016
Depreciable assets:									
Land improvements	\$ 12,	218	\$-		\$	-	\$ -	\$	12,218
Buildings and building improvements	520,	186	-			-	6,929		527,115
Equipment and other assets	106,		8,5		((2,963)	 1,431		113,712
	639,	131	8,5	17	((2,963)	 8,360		653,045
Accumulated depreciation:									
Land improvements	5,	028	5	64		-	-		5,592
Buildings and building improvements	250,	460	16,2	20		-	-		266,680
Equipment and other assets	76,	011	8,7	84	((2,920)	 -		81,875
	331,	499	25,5	68	((2,920)	 -		354,147
	307,	632	(17,0	51)		(43)	8,360		298,898
Nondepreciable assets:									
Land	18,	375	-			-	-		18,375
Construction in progress	12,	977	71,1	53		-	 (8,360)		75,770
	\$ 338,	984	\$ 54,1	02	\$	(43)	\$ -	\$	393,043
	June 201	,	Additi	ons	Reti	rements	 ced Into ervice	J	une 30, 2015
Depreciable assets:									
Land improvements			\$-		\$	-	\$ 739	\$	12,218
Buildings and building improvements	456,		-	20		-	64,031		520,186
Equipment and other assets	98,	026	5,6	<u> 19</u>	((2,583)	 5,675		106,727

Equipment and other assets	98,026	5,609	(2,583)	5,675	106,727
1 1	565,660	5,609	(2,583)	70,445	639,131
Accumulated depreciation:					
Land improvements	4,402	626	-	-	5,028
Buildings and building improvements	235,846	14,614	-	-	250,460
Equipment and other assets	71,650	6,938	(2,577)		76,011
	311,898	22,178	(2,577)		331,499
	253,762	(16,569)	(6)	70,445	307,632
Nondepreciable assets:					
Land	18,375	-	-	-	18,375
Construction in progress	46,057	37,365	-	(70,445)	12,977
	\$ 318,194	\$ 20,796	\$ (6)	\$ -	\$ 338,984

Notes to Financial Statements (Dollars in thousands) June 30, 2016 and 2015

4. Supplementary Statement of Net Position Detail

	June 30,		
	2016	_	2015
Grants and accounts receivable:			
Federal and State grants and accounts receivable	\$ 29,347	\$	27,446
Student accounts receivable	6,286		4,365
Program services accounts receivable	1,175		673
Other grants and accounts receivable	773		1,393
Pledges receivable, current portion	678		1,107
Student loans receivable, current portion	268		289
Accrued interest receivable	 283		327
	38,810		35,600
Less: allowance for doubtful accounts	5,575		3,974
	\$ 33,235	\$	31,626
Other assets, noncurrent:			
Building Our Future Bonds proceeds receivable	\$ 31,297	\$	39,659
Student loans receivable, net	1,646		1,981
Mortgages receivable	3,556		3,682
Pledges receivable, net	467		1,022
Other	 994		391
	\$ 37,960	\$	46,735
Accounts payable and accrued liabilities:			
Salaries and fringe benefits	\$ 15,576	\$	13,236
Accrued interest expense	7,128		5,659
Accounts payable - construction	12,127		3,087
Accounts payable - other	10,703		6,419
Other noncurrent liabilities, current portion	 2,080		2,307
	\$ 47,614	\$	30,708

5. Noncurrent Liabilities

The activity in noncurrent liabilities for the years ended June 30, 2016 and 2015 was as follows:

	June 30, 2015	Additions	Reductions	June 30, 2016	Current Portion
Long term debt Unamortized net premium	\$ 333,159 20,168	\$ 1,439 75	\$ (9,495) (781)	\$ 325,103 19,462	\$ 9,708 830
Total long term debt	353,327	1,514	(10,276)	344,565	10,538
Retirement incentive programs	5,913	5,755	(1,538)	10,130	1,392
Annuity funds liability	977	262	(335)	904	159
Insurance liability reserve	1,442	-	-	1,442	-
Compensated absences	3,177	477	(318)	3,336	325
Other	485	505	(278)	712	204
Total other noncurrent liabilities	11,994	6,999	(2,469)	16,524	2,080
Net pension liability	109,736	27,717	(1,454)	135,999	-
U.S. government grants refundable	1,940	38	(18)	1,960	
	\$ 476,997	\$ 36,268	\$ (14,217)	\$ 499,048	\$ 12,618

	June 30, 2014	Additions	Reductions	June 30, 2015	Current Portion
Long term debt Unamortized net premium	\$ 225,193 7,348	\$ 116,781 13,556	\$ (8,815) (736)	\$ 333,159 20,168	\$ 9,185 781
Total long term debt	232,541	130,337	(9,551)	353,327	9,966
Retirement incentive programs	7,519	134	(1,740)	5,913	1,801
Annuity funds liability	1,116	473	(612)	977	165
Insurance liability reserve	1,441	2	(1)	1,442	-
Compensated absences	3,295	140	(258)	3,177	260
Other	438	3,154	(3,107)	485	81
Total other noncurrent liabilities	13,809	3,903	(5,718)	11,994	2,307
Net pension liability	-	109,736	-	109,736	-
U.S. government grants refundable	1,908	47	(15)	1,940	
	\$ 248,258	\$ 244,023	<u>\$ (15,284)</u>	\$ 476,997	\$ 12,273

The current portion of other noncurrent liabilities is included in accounts payable and accrued liabilities.

Included in annuity funds liability are net decreases of \$137 and \$325 in the fair value of investments at June 30, 2016 and 2015, respectively.

(Dollars in thousands) June 30, 2016 and 2015

6. Long Term Debt

Long term debt is composed of:

	June 30,		
	2016	2015	
General Obligation Bonds:			
2015 Series A issue:			
Serial bonds (interest rates from 3.00% to 5.00%, due on			
various dates through fiscal year 2032)	\$ 12,520	\$ 12,520	
Step coupon bonds (interest rates from 2.50% to 5.50%, final			
maturity in fiscal year 2036)	15,080	15,080	
Term bonds (interest rate at 5.00%, final maturity in	00,000	00.000	
fiscal year 2046)	89,080	89,080	
2012 Series A issue:			
Serial bonds (interest rates of 4.00% and 5.00%, due on	5 470	5 470	
various dates through fiscal year 2028) Term bonds (interest rate at 5.00%, final maturity in	5,470	5,470	
	60,025	60,025	
fiscal year 2043) 2012 Series B issue:	00,025	00,025	
Serial bonds (interest rates from 0.90% to 3.723%,			
	25 200	20 615	
due on various dates through fiscal year 2026)	25,390	,	
Term bond (interest rate at 3.323%, maturity in fiscal year 2025)	17,310	17,310	
Revenue Bonds:			
2010 Series H issue:			
Serial bonds (interest rates from 3.00% to 5.00%,			
due on various dates through fiscal year 2026)	28,875	29,760	
Term bonds (interest rate at 5.00%, final maturity in			
fiscal year 2032)	21,205	21,205	
2010 Series I issue:			
Term bonds (interest rate at 6.41%, final maturity in			
fiscal year 2041)	20,450	20,450	
2001 Series H issue:			
Term bonds (interest rate at 6.05%, final maturity in	1.005	2 400	
fiscal year 2017)	1,235	2,400	
Other Long Term Debt:			
Higher Education Capital Improvement Fund	20,627	21,936	
Equipment Leasing Fund	1,280	,	
TD Master Leases	3,709		
New Jersey Economic Development Authority note	1,657		
Other	1,190	,	
Uuu			
	325,103		
Unamortized net premium on obligations	19,462		
	344,565		
Less: current portion	10,538		
	\$ 334,027	\$ 343,361	

The interest rates on all of the University's long term debt are fixed.

The 2015 Series A Bonds were issued by the University to provide funds to finance, in part, the costs of constructing a wellness and events center and a parking facility. The bonds were issued at a premium of \$13,556, which is being amortized against interest expense over the life of the bonds. The 2015 Series A Serial Bonds and Term Bonds are subject to optional redemption prior to maturity on or after July 1, 2025, and the 2015 Series A Step Coupon Bonds are subject to optional redemption prior to maturity on or after July 1, 2025, and the 2015 Series A Step Coupon Bonds are subject to optional redemption prior to maturity on or after July 1, 2020, at a price of 100%.

The 2012 Series A Bonds were issued by the University to provide funds to finance, in part, the costs of constructing the Warren Street Village. The bonds were issued at a premium of \$6,463, which is being amortized against interest expense over the life of the bonds. The 2012 Series A Bonds are subject to optional redemption prior to maturity on or after July 1, 2022 at a price of 100%.

The 2012 Series B Bonds were issued by the University for the purpose of advance refunding a prior issue of revenue bonds. The 2012 Series B Bonds are subject to optional redemption prior to maturity at any time at a price equal to the greater of 100% or the sum of the present value of the remaining scheduled payments of principal and interest.

The 2010 Series H and 2010 Series I Bonds were issued by NJEFA pursuant to an agreement with the University for the purpose of advance refunding a prior issue of revenue bonds and financing, in whole or in part, the costs of the acquisition, rehabilitation, and renovation of an academic facility and of campus deferred maintenance. The 2010 Series H Bonds were issued at a premium of \$2,489, which is being amortized against interest expense over the life of the bonds.

The 2010 Series H Bonds maturing on or before July 1, 2020 are not subject to optional redemption prior to maturity. The 2010 Series H Bonds maturing on or after July 1, 2021 are subject to redemption prior to maturity on or after July 1, 2020 at a price of 100%.

The 2010 Series I Bonds have been designated as "Build America Bonds". Up to thirty-five percent of the interest payments will be paid by the Federal government. For the fiscal years ended June 30, 2016 and 2015, \$428 and \$425, respectively, of Federal government interest payments are included in interest expense and in other nonoperating revenues, net in the statement of revenues, expenses, and changes in net position. The 2010 Series I Bonds are subject to optional redemption prior to maturity on or after July 1, 2020 at a price of 100%.

The 2001 Series H Bonds were issued by NJEFA pursuant to an agreement with the University to provide funds to finance the costs of constructing a small business incubator facility. The University's mortgage obligations to NJEFA are collateralized by certain land, buildings and building improvements, and equipment. The 2001 Series H Bonds are not subject to optional redemption, except for extraordinary optional redemption as described in the debt agreement.

The Higher Education Capital Improvement Fund (HECIF) debt was issued by NJEFA to provide funds for certain construction and facilities improvements at the State's public institutions of higher education. The University is responsible for one-third of its allocated debt service payments and related program expenses. The HECIF debt bears interest rates from 4.0% to 5.0% and matures at various dates through fiscal year 2034. Subsequent to June 30, 2016, the State refunded \$6,051 of the University's existing HECIF debt. The refunding resulted in a gain of \$473 to be recorded in fiscal year 2017.

The Equipment Leasing Fund (ELF) debt was issued by NJEFA to provide funds to finance certain equipment at the State's public institutions of higher education. The University is responsible for twenty-five percent of the debt service payments and related program expenses. The ELF debt matures in fiscal year 2023.

The TD Master Leases were entered into for the purpose of repaying a prior master lease and financing the costs of an upgrade to the University's information technology and research infrastructure. The TD debt bears interest rates of 1.58% and 1.72% with final maturity in fiscal year 2019.

The New Jersey Economic Development Authority (NJEDA) note, which matures in fiscal year 2028, is noninterest bearing and payable monthly. Imputed interest expense totaled \$71 and \$75 in fiscal years 2016 and 2015, respectively.

At June 30, 2016, deposits held with trustees included \$6,445 for principal payments on revenue bonds due on July 1, 2016. Payments due on long term debt, including mandatory sinking fund payments on the revenue bonds, and net of gain on refunding of HECIF debt of \$473, to be recorded in fiscal year 2017, are as follows for the fiscal years ending June 30:

	Principal	Interest	Total
2017	\$ 9,913	\$ 14,338	\$ 24,251
2018	10,115	14,096	24,211
2019	10,432	13,759	24,191
2020	9,581	13,396	22,977
2021	10,241	13,188	23,429
2022 to 2026	51,138	60,116	111,254
2027 to 2031	39,838	51,471	91,309
2032 to 2036	50,212	40,540	90,752
2037 to 2041	63,595	25,961	89,556
2042 to 2045	63,120	8,083	71,203
	\$ 318,185	\$ 254,948	\$ 573,133

The University's line of credit agreement with a bank permitting it to borrow up to \$6,000 at the London Interbank Offered Rate (LIBOR) plus 1.0% at time of utilization was not renewed in fiscal year 2016. There were no borrowings against the agreement in fiscal years 2016 and 2015.

Deferred loss on refunding associated with the University's long term debt totaled \$1,696 and \$1,972, net of accumulated amortization of \$1,799 and \$1,523, at June 30, 2016 and 2015, respectively.

Deferred gain on refunding associated with the University's long term debt totaled \$272 and \$346, net of accumulated amortization of \$161 and \$87, at June 30, 2016 and 2015, respectively.

Interest charges incurred in fiscal years 2016 and 2015 totaled \$14,148 and \$10,431, respectively. Of these amounts, \$5,013 and \$1,045 were capitalized in fiscal years 2016 and 2015, respectively.

7. Compensated Absences

Eligible employees accrue vacation leave based upon time employed with a maximum accumulation at June 30 of 10 to 50 days. In addition, eligible employees who retire are paid 50% of their unused sick time up to a maximum of \$15 per employee.

At June 30, 2016 and 2015, accounts payable and accrued liabilities include accrued vacation and related fringe benefits of \$6,407 and \$6,143, respectively, and unused sick time of \$325 and \$260, respectively. At June 30, 2016 and 2015, other noncurrent liabilities include \$3,011 and \$2,917, respectively, of unused sick time. In fiscal years 2016 and 2015, payments for unused sick time totaled \$318 and \$258, respectively.

8. Retirement Programs

General Information about Pension Plans

The University participates in several retirement plans covering its employees – the Public Employees' Retirement System (PERS), the Police and Firemen's Retirement System (PFRS), the Teachers' Pension and Annuity Fund (TPAF), and the Alternate Benefit Program (ABP), which are administered by the State of New Jersey, Division of Pensions and Benefits (the Division), New Jersey Institute of Technology Supplemental Benefit Program and Trust (the Supplemental Program) administered by the University's Board of Trustees, and the NJII 401(k) Plan (the NJII Plan) administered by United of Omaha Life Insurance Company. PERS, PFRS, and TPAF are defined benefit pension plans and ABP, the Supplemental Program, and the NJII Plan are defined contribution pension plans. Generally, all employees, except certain part-time employees, participate in one of these plans.

The State issues a publicly available Comprehensive Annual Financial Report of the State of New Jersey, Division of Pensions and Benefits, which includes financial statements, required supplementary information, and detailed information about the PERS, PFRS, and TPAF fiduciary net position. These reports can be obtained by writing to the State of New Jersey, Department of the Treasury, Division of Pensions and Benefits, P.O. Box 295, Trenton, New Jersey 08625-0295, or obtained at www.nj.gov/treasury/pensions/annrpts.shtml.

Defined Benefit Plans

Public Employees' Retirement System

PERS is a cost-sharing multiple-employer defined benefit pension plan which provides coverage to substantially all full-time employees and certain part-time employees of the State or public agencies who are not members of another State-administered retirement system.

Membership is mandatory for eligible employees. The vesting and benefit provisions are set by N.J.S.A. 43:15A. PERS provides retirement, death, and disability benefits, including post-retirement health care benefits. All benefits vest after ten years of service, except for health care benefits, which vest after 25 years of service, or under the disability provisions of PERS. Benefits are determined by member's tier (based on date of enrollment), as defined in the PERS plan documents, member's age, years of service, and final compensation.

The contribution policy is set by N.J.S.A. 43:15A and requires contributions by active members and contributing employers. The current employee contribution rate is 7.06% of base salary. Employer contributions are based on an actuarially determined rate. The annual employer contributions include funding for basic retirement allowances and noncontributory death benefits. The State's contribution on behalf of the University (State Contribution) to PERS was \$2,836 and \$736 for the fiscal years ended June 30, 2016 and 2015, respectively, which is recognized as a deferred outflow of resources in the statement of net position.

The University participated in the State's early retirement incentive programs and is responsible for retirement incentive program contributions to PERS, which were \$205 and \$199 for the years ended June 30, 2016 and 2015, respectively.

Police and Firemen's Retirement System

PFRS is a cost-sharing multiple-employer defined benefit pension plan which provides coverage for substantially all permanent, full-time police officers and firemen in the State.

Membership is mandatory for eligible employees. The vesting and benefit provisions are set by N.J.S.A. 43:16A. PFRS provides retirement, death, and disability benefits, including post-retirement health care benefits. All benefits vest after ten years of service, except for health care benefits, which vest after 25 years of service, and disability benefits, which vest after four years of service. Benefits are determined by member's tier (based on date of enrollment), as defined in the PFRS plan documents, member's age, years of service, and final compensation.

The contribution policy is set by N.J.S.A. 43:16A and requires contributions by active members and contributing employers. The current employee contribution rate is 10% of base salary. Employer contributions are based on an actuarially determined rate. The annual employer contributions include funding for basic retirement allowances and noncontributory death benefits. The State Contribution to PFRS was \$551 and \$545 for the fiscal years ended June 30, 2016 and 2015, respectively, which is recognized as a deferred outflow of resources in the statement of net position.

Teachers' Pension and Annuity Fund

TPAF is a cost sharing multiple-employer defined benefit pension plan with a special funding situation, by which the State is responsible to fund 100% of the University's contributions, excluding any of the University's early retirement incentive contributions. The University does not have any active members in TPAF.

Membership is mandatory for eligible employees. The vesting and benefit provisions are set by N.J.S.A. 18A:66. TPAF provides retirement, death, and disability benefits, including post-retirement health care benefits. All benefits vest after ten years of service, except for health care benefits, which vest after 25 years of service or under the disability provisions of TPAF. Members are always fully vested in their own contributions and, after three years of service credit, become vested for 2% of related interest earned on the contributions. In the case of death before retirement, members' beneficiaries are entitled to full interest credited to the members' accounts. Benefits are based on member's tier (based on date of enrollment), as defined in the TPAF plan documents, member's age, years of service, and final compensation.

The contribution policy is set by N.J.S.A. 18A:66 and requires contributions by active members and contributing employers. The State Contribution is based on an actuarially determined rate, and includes funding for basic retirement allowances and noncontributory death benefits for all participating employers. For the fiscal years ended June 30, 2016 and 2015, respectively, the University recognized both state appropriation revenue and pension expense of \$463 and \$453 for contributions by the State.

The University participated in the State's early retirement incentive programs and is responsible for retirement incentive program contributions to TPAF, which were \$57 and \$56 for the years ended June 30, 2016 and 2015, respectively.

Net pension liabilities, pension expense, deferred outflows of resources, and deferred inflows of resources related to pensions

Net pension liabilities, pension expense, deferred outflows of resources, and deferred inflows of resources amounts are reflective of the respective plan's published financial statements and actuarial valuations as of June 30, 2015 and 2014.

The University's respective net pension liability, deferred outflows of resources, deferred inflows of resources, and net pension expense related to PERS and PFRS, at and for the fiscal years ended June 30, 2016 and 2015, are as follows:

Notes to Financial Statements

(Dollars in thousands) June 30, 2016 and 2015

	PERS		PFRS		Total	
Proportionate share of the net pension liability (\$)						
2015	\$	113,033	\$	22,966	\$	135,999
2014	\$	91,665	\$	18,071	\$	109,736
Proportionate share of the net pension liability (%)						
2015		0.476 %		0.535 %		
2014		0.455 %		0.509 %		
Deferred outflows of resources						
2015	\$	17,286	\$	3,737	\$	21,023
2014	\$	3,649	\$	913	\$	4,562
Deferred inflows of resources						
2015	\$	558	\$	978	\$	1,536
2014	\$	2,782	\$	1,443	\$	4,225
Net pension expense						
2015	\$	5,508	\$	1,605	\$	7,113
2014	\$	4,743	\$	679	\$	5,422

The University's proportionate share of each respective plan's 2015 and 2014 net pension liability was based on the State Contribution to the respective plans from July 1, 2014 to June 30, 2015 and July 1, 2013 to June 30, 2014, respectively, relative to the total contributions from all participating employers.

The components of pension related deferred outflows of resources and deferred inflows of resources as of June 30, 2016 and June 30, 2015 are as follows:

Deferred outflows of resources		June 30, 2016							
	PERS		PFRS		Total				
Differences between expected and actual experience	\$	1,580	\$	-	\$	1,580			
Net difference between projected and actual									
earnings on pension plan investments		-		62		62			
Changes in assumption		8,616		2,355		10,971			
Changes in proportion		4,254		769		5,023			
Contributions paid subsequnet to June 30, 2015		2,836		551		3,387			
	\$	17,286	\$	3,737	\$	21,023			

	June 30, 2015						
	I	PERS		PFRS		Fotal	
Changes in assumption	\$	2,022	\$	368	\$	2,390	
Changes in proportion		891		-		891	
Contributions paid subsequent to June 30, 2014		736		545		1,281	
	\$	3,649	\$	913	\$	4,562	

Notes to Financial Statements (Dollars in thousands) June 30, 2016 and 2015

Deferred inflows of resources June 30, 2					6	
	I	PERS	PFRS		r	Fotal
Net difference between projected and actual						
earnings on pension plan investments	\$	558	\$	-	\$	558
Differences between expected and actual experience		-		174		174
Changes in proportion		-		804		804
	\$	558	\$	978	\$	1,536
		j	June	30, 201	5	
	PERS PFRS Tot				Fotal	
Net difference between projected and actual						
earnings on pension plan investments	\$	2,782	\$	446	\$	3,228
Changes in proportion	_	-		997		997

The State is legally obligated to fund TPAF on behalf of the University. The University's proportionate share of deferred outflows of resources, deferred inflows of resources, and the collective net pension liability of \$7,578 and \$8,415 as of June 30, 2015 and 2014, respectively, are reported by the State.

The \$3,387 and \$1,281 reported as deferred outflows of resources related to pensions resulting from State Contributions paid subsequent to June 30, 2015 and 2014, respectively, are recorded as deferred outflows of recourses as of June 30, 2016 and 2015, respectively, and will be recognized as a reduction of the net pension liability in the fiscal years ended June 30, 2017 and 2016. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be reflected in pension expense as follows:

	PERS	PFRS	Total
2017	\$ 2,780	\$ 452	\$ 3,232
2018	2,780	452	3,232
2019	2,780	452	3,232
2020	3,475	563	4,038
2021	2,077	289	2,366
	13,892	2,208	16,100
Contributions paid subsequent to			
June 30, 2015	2,836	551	3,387
	\$16,728	\$ 2,759	\$ 19,487

Actuarial Assumptions as of June 30, 2015

The University's net pension liability as of June 30, 2015 was determined by an actuarial valuation as of July 1, 2014, which was rolled forward to June 30, 2015. The actuarial valuations used the following actuarial assumptions:

	PERS	PFRS	TPAF
Inflation rate	3.04%	3.04%	2.50%
Salary increases: 2012-2021	2.15 - 4.40% based on age	2.60 - 9.48% based on age	Varies based on experience
Thereafter	3.15 - 5.40% based on age	3.60 - 10.48% based on age	Varies based on experience
Investment rate of return	7.90%	7.90%	7.90%

PERS mortality rates were based on the RP-2000 Combined Healthy Male and Female Mortality Tables (setback 1 year for males and females) for service retirement and beneficiaries of former members with adjustments for mortality improvements from the base year 2012 based on Projection Scale AA. The RP-2000 Disabled Mortality Tables (setback 3 years for males and setback 1 year for females) are used to value disabled retirees. PERS actuarial assumptions used in the July 1, 2014 valuation were based on the results of an actuarial experience study for the period July 1, 2008 to June 30, 2011. It is likely that future experience will not exactly conform to these assumptions. To the extent that actual experience deviates from these assumptions, the emerging liabilities may be higher or lower than anticipated. The more experience deviates, the larger the impact on future financial statements.

PFRS mortality rates were based on the RP-2000 Combined Healthy Mortality Tables projected one year using Projection Scale AA and one year using Projection Scale BB for male service retirements with adjustments for mortality improvements from the base year based on Projection Scale BB. Mortality rates were based on the RP-2000 Combined Healthy Mortality Tables projected fourteen years using Projection Scale BB for female service retirements and beneficiaries with adjustments for mortality improvements from the base year of 2014 based on Projection Scale BB. PFRS actuarial assumptions used in the July 1, 2014 valuation were based on the results of an actuarial experience study for the period July 1, 2010 to June 30, 2013.

TPAF mortality rates were based on the RP-2000 Healthy Annuitant Mortality Table for Males or Females, as appropriate, with adjustments for mortality improvements based on Scale AA. Preretirement mortality improvements for active members are projected using Scale AA from the base year of 2000 until the valuation date plus 15 years to account for future mortality improvements. Post-retirement mortality improvements for non-disabled annuitants are projected using Scale AA from the base year of 2000 for males and 2003 for females until the valuation date plus 7 years to account for future mortality improvements. TPAF actuarial assumptions used in the July 1, 2014 valuations were based on the results of an actuarial experience study for the period July 1, 2009 to June 30, 2012.

Actuarial Assumptions as of June 30, 2014

The University's net pension liability as of June 30, 2014 was determined by an actuarial valuation as of July 1, 2013, which was rolled forward to June 30, 2014. The actuarial valuations used the following actuarial assumptions:

	PERS	PFRS	TPAF
Inflation rate	3.01%	3.01%	2.50%
Salary increases: 2012-2021	2.15 - 4.40% based on age	3.95 - 8.62% based on age	Varies based on experience
Thereafter	3.15 - 5.40% based on age	4.95 - 9.62% based on age	Varies based on experience
Investment rate of return	7.90%	7.90%	7.90%

PERS mortality rates were based on the RP-2000 Combined Healthy Male and Female Mortality Tables (setback 1 year for females) with adjustments for mortality improvements from the base year 2012 based on Projection Scale AA. PERS actuarial assumptions used in the July 1, 2013 valuations were based on the results of an actuarial experience study for the period July 1, 2008 to June 30, 2011.

PFRS mortality rates were based on the RP-2000 Combined Healthy Male and Female Mortality Tables with adjustments for mortality improvements from the base year 2011 based on Projection Scale AA. PFRS actuarial assumptions used in the July 1, 2013 valuation were based on the results of an actuarial experience study for the period July 1, 2007 to June 30, 2010.

TPAF mortality rates were based on the RP-2000 Healthy Annuitant Mortality Table for Males or Females, as appropriate, with adjustments for mortality improvements based on Scale AA. Preretirement mortality improvements for active members are projected using Scale AA from the base year of 2000 until the valuation date plus 15 years to account for future mortality improvements. Post-retirement mortality improvements for non-disabled annuitants are projected using Scale AA from the base year of 2000 for males and 2003 for females until the valuation date plus 7 years to account for future mortality improvements. TPAF actuarial assumptions used in the July 1, 2013 valuations were based on the results of an actuarial experience study for the period July 1, 2009 to June 30, 2012.

Long Term Expected Rate of Return

The long term expected rate of return on plan investments is determined by the State Treasurer, after consultation with the Directors of the Division of Investments and the Division of Pensions and Benefits, each pension plan's board of trustees, and the actuaries. Best estimates of real rates of return for each major asset class included in each of PERS, PFRS, and TPAF's target asset allocations as of June 30, 2015 are as follows:

Notes to Financial Statements (Dollars in thousands) June 30, 2016 and 2015

	PERS	and PFRS	Т	'PAF
Asset Class	Target Allocation	Long Term Expected Real Rate of Return	Target Allocation	Long Term Expected Real Rate of Return
Cash	5.00%	1.04%	5.00%	0.53%
Mortgages	2.10%	1.62%	2.10%	2.54%
High yield bonds	2.00%	4.03%	2.00%	4.57%
Inflation-indexed bonds	1.50%	3.25%	1.50%	1.47%
Broad U.S. equities	27.25%	8.52%	27.25%	5.63%
Developed foreign equities	12.00%	6.88%	12.00%	6.22%
Emerging market equities	6.40%	10.00%	6.40%	8.46%
Private equity	9.25%	12.41%	9.25%	9.15%
Hedge funds/absolute return	12.00%	4.72%	-	-
Real estate (property)	2.00%	6.83%	4.25%	3.97%
Real estate (REITS)	4.25%	5.12%	-	-
Commodities	1.00%	5.32%	1.00%	3.58%
U.S. Treasuries	1.75%	1.64%	-	-
Investment Grade Credit	10.00%	1.79%	-	-
Global Debt ex US	3.50%	-0.40%	-	-
U.S. government bonds	-	-	1.75%	1.39%
U.S. credit bonds	-	-	13.50%	2.72%
Timber	-	-	1.00%	4.09%
Farmland	-	-	1.00%	4.61%
Hedge funds - multi-strategy	-	-	4.00%	4.59%
Hedge funds - equity hedge	-	-	4.00%	5.68%
Hedge funds - distressed	-	-	4.00%	4.30%

Discount Rate

The discount rates used to measure the total pension liability for PERS, PFRS, and TPAF were 4.90%, 5.79%, and 4.13% as of June 30, 2015, and 5.39%, 6.32%, and 4.68% as of June 30, 2014, respectively. The single blended discount rate was based on the long-term expected rate of return on pension plan investments of 7.90% and a municipal bond rate of 3.80% and 4.29% as of June 30, 2015 and 2014, respectively, based on the Bond Buyer GO 20-Bond Municipal Bond Index, which includes tax-exempt general obligation municipal bonds with an average rate of AA/Aa or higher for PERS, PFRS, and TPAF. The projection of cash flows used to determine the discount rate assumed that contributions from plan members will be made at the current member contribution rates and that contributions from employers will be made based on the average of the last five years of contributions made in relation to the last five years of recommended contributions. Based on those assumptions, each plan's fiduciary net position was projected to be available to make projected future benefit payments of current plan members through 2033, 2045, and 2027 for PERS, PFRS, and TPAF, respectively. Therefore, the long-term expected rate of return on plan investments was applied to projected benefit payments through 2033, 2045, and 2027 for PERS, PFRS, and TPAF, respectively, and the municipal bond rate was applied to projected benefit payments after these dates in determining the total pension liability.

Discount Rate Sensitivity

The University's proportionate share of the net pension liability as of June 30, 2015 and 2014, calculated using the respective discount rate, as well as what the University's proportionate share of the net pension liability would be if it were calculated using a discount rate that is 1% lower or 1% higher than the current rate are as follows:

			June 30,	2015		
	P	ERS	5	P	FRS	5
	Rate	A	mount	Rate	A	mount
1% decrease	3.90%	\$	132,473	4.79%	\$	27,652
Current discount rate	4.90%		113,033	5.79%		22,966
1% increase	5.90%		96,797	6.79%		19,159
			June 30,	2014		
	P	ERS	5	PFRS		
	Rate	A	mount	Rate	A	mount
10/ 1	1.2004	¢	100 0 (7	5 220/	¢	21,847
1% decrease	4.39%	\$	108,267	5.32%	\$	21,047
1% decrease Current discount rate	4.39% 5.39%	\$	108,267 91,665	5.32% 6.32%	\$	18,071

Defined Contribution Pension Plans

Alternate Benefits Program

ABP is a defined contribution retirement program administered by the Division for eligible full-time employees in accordance with N.J.S.A. 52:18A.

Membership is mandatory for eligible employees. ABP provides retirement, death, and disability benefits, including post-retirement health care benefits. Employee contributions are immediately vested and non-forfeitable. Employer contributions vest after one year of service and become non-forfeitable. Disability benefits vest after one year of service; life insurance benefits vest after ten years of service; and health care benefits vest after 25 years of service. Benefits are determined by the amount of individual accumulations and the retirement income option selected.

The current employee contribution rate is 5% of base salary. Employees may contribute a voluntary additional contribution up to the maximum Federal statutory limit, on a pre-tax basis. Employer contributions are 8% of base salary up to \$141. For the fiscal years ended June 30, 2016 and 2015, the University's contributions to ABP were \$7,017 and \$7,071.

New Jersey Institute of Technology Supplemental Benefit Program and Trust

The Supplemental Program is a defined contribution plan administered by the University's Board of Trustees for ABP participants whose base salary is in excess of \$141, but not in excess of the Federal limit. All plan assets are held in trust. Employer contributions vest after one year of service and become non-forfeitable.

Employer contributions are at the discretion of the University, while employees may not contribute. The University's contribution was \$525 in fiscal year 2016. No contribution was made in fiscal year 2015.

NJII SEP IRA and 401(k) Plans

Eligible employees of NJII participated in the NJII SEP IRA through August 31, 2015 and the NJII 401(k) Plan, which became effective September 1, 2015.

Employees eligible to participate in the NJII 401(k) Plan are able to contribute up to 5% of base salary, with an employer safe harbor matching contribution equal to 160% of the elective deferral that does not exceed the 5% of base compensation. The NJII 401(k) Plan is administered by United of Omaha Life Insurance Company. Employee contributions and employer safe harbor contributions and earnings are immediately 100% vested. NJII's contributions to the NJII 401(k) Plan was \$228 in fiscal year 2016.

The NJII SEP IRA was a defined contribution plan and was administered by Security Benefits. Employer contributions were at the discretion of NJII and were immediately vested and non-forfeitable, while employees were not able to contribute. NJII's contributions to the SEP IRA were \$19 and \$58 in fiscal years 2016 and 2015, respectively.

9. Investment Income

Investment income is comprised of the following for the fiscal years ended June 30:

	 2016	 2015
Interest and dividends	\$ 2,581	\$ 1,827
Realized net gain on sale of investments	615	5,098
Net decrease in the fair value of investments	 (3,179)	 (4,631)
	\$ 17	\$ 2,294

Investment income of \$1,119 and \$91 was capitalized in fiscal years 2016 and 2015, respectively.

10. Condensed Combining Financial Statement Information

The condensed combining statements of net position, of revenues, expenses, and changes in net position, and of cash flows for NJIT, the Foundation, NJII, and the UREs at June 30, 2016 and for the year then ended are as follows:

		June 30, 2016								
	NJIT	Foundation	NJII	UREs	Reclassifications/ Eliminations	Combined				
Cash and cash equivalents	\$ 78,375	\$ 3,806	\$ 1,003	\$ 2	\$ (3,808)	\$ 79,378				
Other current assets	56,205	514	1,769	6	-	58,494				
Due from NJII and UREs	-	-	-	-	-	-				
Due from affiliates	-	-	-	3	(3)	-				
Due from NJIT	-	-	2,117	-	(2,117)	-				
Capital assets, net	369,367	-	43	23,633	-	393,043				
Other noncurrent assets	172,278	98,583	-	-	(2,500)	268,361				
Investment in UREs	23,615	-	-	-	(23,615)					
Total assets	699,840	102,903	4,932	23,644	(32,043)	799,276				
Deferred outflows of resources	22,719					22,719				
Due to Foundation	3,806	-	-	-	(3,806)	-				
Due to NJIT	-	-	-	-	-	-				
Due to NJII and UREs	2,119	-	-	-	(2,119)	-				
Other current liabilities	74,271	166	2,364	29	(3)	76,827				
Noncurrent liabilities	485,685	745	2,500	-	(2,500)	486,430				
Total liabilities	565,881	911	4,864	29	(8,428)	563,257				
Deferred inflows of resources	1,808					1,808				
Net investment in capital assets	115,162	-	43	23,633	-	138,838				
Restricted nonexpendable	-	71,366	-	-	-	71,366				
Restricted expendable	41,313	16,514	195	-	-	58,022				
Unrestricted	(1,605)	14,112	(170)	(18)	(23,615)	(11,296)				
Total net position	\$ 154,870	\$ 101,992	\$ 68	\$ 23,615	\$ (23,615)	\$ 256,930				

Notes to Financial Statements

(Dollars in thousands) June 30, 2016 and 2015

	For the Year Ended June 30, 2016							
	NJIT	Foundation	NJII	UREs	Reclassifications/ Eliminations	Combined		
Gifts and bequests	\$-	\$ 5,580	\$ 285	\$-	\$ (5,865)	\$-		
Grants from Foundation	8,555	-	-	-	(8,555)	-		
Other operating revenues	254,614	2,728	11,372	1,517	(7,009)	263,222		
Total operating revenues	263,169	8,308	11,657	1,517	(21,429)	263,222		
Depreciation	24,651	-	3	914	-	25,568		
Grants to NJIT	-	8,555	-	-	(8,555)	-		
Grants to NJIT student fraternities	-	126	-	-	(126)	-		
Grants to NJII	-	595	-	-	(595)	-		
Other operating expenses	316,628	2,839	11,477	1,909	(8,586)	324,267		
Total operating expenses	341,279	12,115	11,480	2,823	(17,862)	349,835		
Operating (loss) profit	(78,110)	(3,807)	177	(1,306)	(3,567)	(86,613)		
Gifts and bequests	-	-	-	-	2,468	2,468		
Investment income (loss)	1,624	(1,607)	-	-	-	17		
Other nonoperating revenues, net	83,273	33	-	422	(1,247)	82,481		
Capital grants and gifts	10	-	-	-	3,230	3,240		
Additions to permanent endowments		4,185			-	4,185		
Increase (decrease) in net position	6,797	(1,196)	177	(884)	884	5,778		
Net position, beginning of year	148,073	103,188	(109)	24,499	(24,499)	251,152		
Net position, end of year	\$ 154,870	\$ 101,992	\$ 68	\$ 23,615	\$ (23,615)	\$ 256,930		

				For	the Year E	nded J	lune 30, 20)16			
	 NJIT	Fo	undation		NJII		UREs		assifications/ minations	0	ombined
Net cash proviced by (used by):											
Operating activities	\$ (1,869)	\$	(2,979)	\$	(1,325)	\$	(422)	\$	5,453	\$	(1,142)
Noncapital financing activities	67,066		4,053		2,000		422		(7,371)		66,170
Capital financing activities	(48,486)		-		(46)		-		1,025		(47,507)
Investing activities	 1,380		(183)		-		-		-		1,197
Net increase (decrease) in cash	 										
and cash equivalents	18,091		891		629		-		(893)		18,718
Cash and cash equivalents, beginning of year	 60,284		2,915		374		2		(2,915)		60,660
Cash and cash equivalents, beginning of year	\$ 78,375	\$	3,806	\$	1,003	\$	2	\$	(3,808)	\$	79,378

Notes to Financial Statements (Dollars in thousands) June 30, 2016 and 2015

The condensed combining statements of net position, of revenues, expenses, and changes in net position, and of cash flows for NJIT, the Foundation, NJII, and the UREs at June 30, 2015 and for the year then ended are as follows:

			Ju	ne 30, 2015		
					Reclassification	s/
	NJIT	Foundation	NJII	UREs	Eliminations	Combined
Cash and cash equivalents	\$ 60,284	\$ 2.915	\$ 374	\$ 2	\$ (2,915)	\$ 60,660
Other current assets	53,753	¢ 2,913 981	336	¢ <u>1</u> 3	¢ (2,915) -	55,083
Due from NJII and UREs	120	-	-	-	(120)	-
Capital assets, net	314,437	-	-	24,547	-	338,984
Other noncurrent assets	216,155	100,271	-	-	(500)	315,926
Investment in UREs	24,499	-	-	-	(24,499)	-
Total assets	669,248	104,167	710	24,562	(28,034)	770,653
Deferred outflows of resources	6,534					6,534
Due to Foundation	2,915	-	-	-	(2,915)	-
Due to NJIT	-	-	95	25	(120)	-
Other current liabilities	56,311	167	224	38	-	56,740
Noncurrent liabilities	463,912	812	500		(500)	464,724
Total liabilities	523,138	979	819	63	(3,535)	521,464
Deferred inflows of resources	4,571					4,571
Net investment in capital assets	93,812	-	-	24,547	-	118,359
Restricted nonexpendable	-	67,766	-	-	-	67,766
Restricted expendable	58,897	20,639	100	-	-	79,636
Unrestricted	(4,636)	14,783	(209)	(48)	(24,499)	(14,609)
Total net position	\$ 148,073	\$ 103,188	\$ (109)	\$ 24,499	\$ (24,499)	\$ 251,152

Notes to Financial Statements

(Dollars in thousands) June 30, 2016 and 2015

	For the Year Ended June 30, 2015						
	NJIT	Foundation	NJII	UREs	Reclassifications Eliminations	Combined	
Gifts and bequests	\$-	\$ 5,269	\$ 573	\$ -	\$ (5,842)	\$-	
Grants from Foundation	6,372	-	-	-	(6,372)	-	
Other operating revenues	232,286	2,318	1,699	1,255	(3,094)	234,464	
Total operating revenues	238,658	7,587	2,272	1,255	(15,308)	234,464	
Depreciation	21,264	-	-	914	-	22,178	
Grants to NJIT	-	6,216	-	-	(6,216)	-	
Grants to NJIT student fraternities	-	153	-	-	(153)	-	
Other operating expenses	280,402	3,132	2,381	819	(3,980)	282,754	
Total operating expenses	301,666	9,501	2,381	1,733	(10,349)	304,932	
Operating (loss) profit	(63,008)	(1,914)	(109)	(478)	(4,959)	(70,468)	
Gifts and bequests	-	-	-	-	3,672	3,672	
Investment income	660	1,634	-	-	-	2,294	
Other nonoperating revenues, net	74,565	55	-	(4,686)	4,981	74,915	
Capital grants and gifts	20,000	-	-	-	1,470	21,470	
Additions to permanent endowments	-	2,971	-	-	-	2,971	
Increase (decrease) in net position	32,217	2,746	(109)	(5,164)	5,164	34,854	
Net position, beginning of year	219,833	100,442	-	29,663	(29,663)	320,275	
Cumulative effect of change in accounting principle	(103,977)					(103,977)	
Net position, end of year	\$ 148,073	\$ 103,188	\$ (109)	\$ 24,499	\$ (24,499)	\$ 251,152	

				For	the Year l	Ended	June 30, 2015		
	NJIT	Fo	oundation		NJII		UREs	ssifications	s/ Combined
Net cash provided by (used by):									
Operating activities	\$ (14,588)	\$	(3,113)	\$	(126)	\$	520	\$ 2,878	\$ (14,429)
Noncapital financing activities	59,354		2,887		500		(851)	(4,212)	57,678
Capital financing activities	(37,188)		-		-		-	1,049	(36,139)
Investing activities	 (6,041)		844		-		-	 -	(5,197)
Net increase (decrease) in cash and cash									
equivalents	1,537		618		374		(331)	(285)	1,913
Cash and cash equivalents, beginning of year	 58,747		2,297		-		333	 (2,630)	58,747
Cash and cash equivalents, end of year	\$ 60,284	\$	2,915	\$	374	\$	2	\$ (2,915)	\$ 60,660

11. Net Position

The components of unrestricted net position are as follows:

	 Jun	ie 30	,
	 2016		2015
Designated unrestricted net position:			
Quasi-endowments	\$ 12,384	\$	13,141
Instructional and other	2,902		3,790
Construction and capital programs	31,770		22,265
Wellness and Events Center construction	10,000		5,000
State bond funds required match	9,925		16,140
Debt service	6,546		4,804
Outstanding purchase orders	 7,398		5,000
	80,925		70,140
Undesignated unrestricted net position:			
Pension related	(116,512)		(109,399)
Operations	 24,291		24,650
	\$ (11,296)	\$	(14,609)

12. Commitments and Contingencies

At June 30, 2016, open purchase orders totaled \$100,687, primarily for construction and capital program and research expenditures.

In the normal course of business, the University is subject to various lawsuits and claims. Management believes that the ultimate resolution of these matters will not have a significant effect on the University's financial position.

Required Supplementary Information

Schedules of Proportionate Share of the Net Pension Liability – Last 10 Years

> Schedules of Employer Contributions – Last 10 Years

NEW JERSEY INSTITUTE OF TECHNOLOGY Required Supplementary Information

Schedules of Proportionate Share of the Net Pension Liability – Last 10 Years* (Dollars in thousands)

June 30, 2016

Reporting fiscal year (Actuarial Valuation Date, June 30,)	NJIT's pro- net pen- %			e	NJIT's covered mployee payroll	prop share pensio as a p of its en	scovered	Plan fiduciary net position as a percentage of the total pension liability
Public Employee	s' Retireme	nt Sy	stem (PER	S)				
2016 (2015) 2015 (2014)	0.476% 0.455%	\$ \$	113,033 91,665	\$ \$	24,038 23,781		20.23% 35.45%	24.96% 30.06%
Police and Firer	nen's Retire	emer	nt System (PFRS)			
2016 (2015) 2015 (2014)	0.535% 0.509%	\$ \$	22,966 18,071	\$ \$	2,391 2,249		50.52% 13.51%	29.07% 34.70%
Reporting fiscal year (Actuarial Valuation Date, June 30,)			tion of the liability \$	pro shar pens att	State's portionate re of the net ion liability ributable to NJIT	NJIT's covered employee payroll	NJIT's proportionate share of the ne pension liabilit as a percentag of its covered employee payroll	t y Plan fiduciary

June 30,)	%		\$	 o NJIT	ayroll	payroll	liability
Teachers' Pension and A	Annuity Fund (TPA	AF)					
2016 (2015)	0.000%	\$	-	\$ 7,578	\$ -	0.00%	28.71%
2015 (2014)	0.000%	\$	-	\$ 8,415	\$ -	0.00%	33.64%

* This schedule is intended to show information for 10 years. Additional years will be displayed as they become available.

NEW JERSEY INSTITUTE OF TECHNOLOGY Required Supplementary Information Schedules of Employer Contributions – Last 10 Years* (Dollars in thousands) June 30, 2016

Reporting fiscal year	r	ntractually required ntribution	rela con re	ributions in tion to the tractually equired ntribution	de	tribution ficiency excess)	e	NJIT's covered mployee payroll	Contributions as a percentage of employee covered payroll
Public Emp	loyees	s' Retiremen	it Syste	em (PERS)					
2016	\$	9,452	\$	2,836	\$	6,616	\$	24,111	11.76%
2015	\$	736	\$	736	\$	-	\$	24,038	3.06%
Police and F	Firem	en's Retiren	ient Sy	stem (PFRS)				
2016	\$	1,838	\$	551	\$	1,287	\$	2,654	20.76%
2015	\$	545	\$	545	\$	-	\$	2,391	22.79%

*This schedule is intended to show information for 10 years. Additional years will be displayed as they become available.

Schedule of Expenditures of Federal Awards

Federal Grantor/Pass-Through Grantor/Program or Cluster Title	Federal CFDA Numbe	Ide ntifying Numbe r	Current Year Expenditures	Subrecipient's Share of Total Expenditures
Research and Development Cluster:	Tumbe	T tulliber	Expenditures	Expenditures
U.S. Department of Agriculture:				
Bio-Based Bisphenol - A Free Epoxides for Paint, Coating, and Adhesive Applications	10.200	2013-38202-21247	\$ 72,660 \$	5 17,450
Managing Critical Source Areas for Enhancing Ecosystem Services in Agricultural Landscapes	10.310	2012-67019-19348	120,884	-
Total U.S. Department of Agriculture			193,544	17,450
U.S. Department of Commerce:				
Synthesis on the Feasibility of Bioremediation for Enhancing Biodegradation of Linger Exxon Valdez Oil				
in Prince William Sound Beaches	11.UNK	AB-133F-13-CN-0076	88,426	20,676
Passed through New Jersey Sea Grant Consortium:				
Facilitating Natural Dune Building	11.417	NA14OAR4170085	78,934	-
At Risk: Healthy Coastal Ecosystem and Resilient Communities & Economies in an Era of Climate				
Change: A Balanced Approach to Protecting People, Property and Nature in Historic Greenwich Township, NJ	11.417	NA14OAR4170085	12,044	
	11.417	NA140AR4170085		
Total U.S. Department of Commerce			179,404	20,676
U.S. Department of the Navy:				
Efficient Inversion in Ocean Acoustics with Iterative, Sequential, and Analytical Methods	12.300	N00014-13-1-0077	96,836	-
Fundamental Understanding of the Mechanism of Cavitation, One of Possible Mechanisms of Blast-Induced Traumatic Brain Injury using Surrogate Models	12.300	N00014-15-1-2637	77,809	
Tool Shadowing Tool Control Program	12.300 12.UNK		1,421	-
Passed through Drexel University:	12.0141	1100555 14 1 0405	1,421	
Drexel HAMSII Data Fusion	12.300	N00014-14-1-0771	33,178	-
Drexel HAMSII Data Fusion	12.300	N00014-16-1-2209	2,068	-
Passed through Dymas Research, Inc.:				
Photonic True-Time Delay Line	12.UNK	N68335-10-C-0022	7,210	-
Passed through Reactive Metals International, Inc.:				
Reactive Metal Composite Materials with Enhanced Ignition/Deflagration Efficiencies	12.UNK		23,262	-
Reactive NanoComposite Materials for Enhanced Lethality Kinetic Warheads Passed through Mathematical Systems & Solutions, Inc.:	12.UNK	HQ0147-16-C-7560	33,095	-
Innovative Physics-Based Modeling Tool for Application to Passive Radio Frequency Identification				
System on Rotorcraft	12.UNK	N68335-15-C-0226	4,326	-
Total U.S. Department of the Navy			279,205	
			219,205	
U.S. Department of Defense: Reactive Nanocomposite Materials for Advanced Weapons Systems	12.351	HDTRA1-11-1-0060	81,243	
Combustion of Reactive Materials in Gas Flows with Turbulent Mixing	12.351	HDTRA1-14-1-0024	167,884	-
Reactive Materials with Staged Release of Energy and Biocidal Products	12.351	HDTRA1-15-1-0024	338,031	136,579
Novel Membrane-Based Fabrics and Materials for Chemical and Biological Protection	12.351	HDTRA1-16-1-0028	14,131	-
A Combination Tissue Engineering Strategy for Schwann Cell-Induced Spinal Cord Repair	12.420	W81XWH-14-1-0482	110,101	35,526
Preventing Attempted Exfilt and InfiltrAtion Using EncryPtED Singa Tures	12.902	H98230-15-1-0274	186,954	-
Intergovernmental Personnel Act (IPA)	12.UNK	IPA	298,882	-
Passed through The University of Cincinnati:				
Neutralization of Aerosolized Bio-Agents by Filled Nanocomposite Materials through Thermal and				
Chemical Inactivation Mechanisms	12.351	HDTRA1-11-1-0017	28,558	-
Passed through Vencore Labs, Inc.: Safeware	12.UNK	W911NF-15-C-0233	69,662	
	12.UNK	W9111NF-15-C-0255		
Total U.S. Department of Defense			1,295,446	172,105
U.S. Department of the Army:				
Electrical Properties of Novel Nanomaterials	12.351	W15QKN-13-1-1116	2,257	-
Primary Blast Injury Criteria for Animal/Human TBI Models Using Field Validated Shock Tubes	12.420	W81XWH-15-1-0303	736,925	-
Electro-Static Discharge (ESD) Sensitivity of Reactive Powders and Its Mitigation Fundamental Understanding of the Mechanism of Blast-Induced Traumatic Brain Injury Using in	12.431	W911NF-12-1-0161	60,561	-
Vitro Neuronal Models	12.431	W911NF-15-2-0128	9,052	_
Design & Development of Grip Recognition Integration Program (GRIP)		W15QKN-10-D-0503-0008	12,488	-
Nitrocellulose (NC) Nitration Model Development (UNCLASSIFIED)		W15QKN-10-D-0503-0009	48,968	47,421
Optimization of Training Facilities & Capabilities for Joint Base - MDL		W15QKN-10-D-0503-0012	30,324	10,201
Life Cycle Assessment of Technologies and Systems for Armament Recapitalization	12.UNK	W15QKN-10-D-0503-0011	209,973	209,973
Advanced Materials & Technology Assessment of Additive Manufacturing	12.UNK	W15QKN-10-D-0503-0010	1,287,439	1,030,580
Characterization of LO Coating Durability Using Time-Domain Terahertz Reflectivity	12.UNK	W912HQ-14-C-0061-0001	120,844	2,000
Program Obfuscation Advancement with Lattice Implementation for Scalable Application				
Demonstration of Efficiency (PALISADE)	12.UNK	W911NF-15-C-0226	630,482	462,024
Development, Integration, Testing, and Training (DITT) of Systems and Processes for Systems &	12 UNIV	W150KN 10 D 0502 0012	2 600 200	1.050.760
Facilities Optimization	12.UNK	W15QKN-10-D-0503-0013	2,600,200	1,059,769
Passed through The Henry M. Jackson Foundation: A Military-Relevant Model of Closed Concussive Head Injury: Longitudinal Studies Characterizing and				
Validating Single and Repetitive mTBI	12.420	W81XWH-14-2-0134	353,892	-
Passed through The University of Texas at El Paso:				
Efficient and Safe Chemical Gas Generators with Nanocomposite Reactive Materials	12.431	W911NF-12-1-0056	2,977	-
Passed through Academy of Applied Science:				
2015 Research & Engineering Apprenticeship Program	12.431	W911NF-10-2-0076	5,484	-
2015 Research & Engineering Apprenticeship Program	12.431	W911NF-10-2-0076	4,000	-
Passed through The Regents of the University of California, Riverside:			==	
ARL CRA: MACRO: Models for Enabling Continuous Reconfigurability of Secure Missions	12.630	W911NF-13-2-0045	8,673	-
Passed through Battelle Memorial Institute: Precision Source Localization in Multinath Environments	12.UNK	W911NF-11-D-0001	99,646	
Precision Source Localization in Multipath Environments	12.UNK	W 7111NF-11-D-UUU1	99,040	-
			,	

Schedule of Expenditures of Federal Awards

Federal Grantor/Pass. Through Grantor/Program or Cluster Title	Federal CFDA Numbe	Identifying Number	Current Year Expenditures	Subrecipient's Share of Total Expenditures
CFDA Identifying Cu	Experiment	Expenditures		
Technology Advancement and Retention Center (TARC)	12.UNK	2009-272 TO 23	\$ 1,971,974 5	\$ 1,404,350
-	12.UNK	Email Dated 1-28-16	2,091	-
	12 UNK	5//3005-194.294	33,738	_
-	12.010K	343003-17A27A		4 226 210
			8,231,988	4,226,319
1	12 000	EA 0550 12 1 0400	26.772	
			26,772 48,183	-
			74,218	-
			185,411	80,477
Passed through Mathematical Systems & Solutions, Inc.:				
	12.UNK	FA9550-14-C-0027	53,191	-
	10.10.00	EL 0200 07 C 0022	44.551	
	12.UNK	FA9300-06-C-0023	44,651	-
	12 UNK	FA8650-14-D-1722	86,095	_
	12.014	140050-14-15-1722		
-			518,521	80,477
	15 (50)	F154 C01117	54.124	
			54,134 130,893	- 4,980
			146,690	4,980
	10.01.11		110,050	
	15.945	H4503090700	73	-
Total U.S. Department of Interior			331,790	4,980
-				
via Membrane Distillation	15.805	G11AP20094	4,993	-
Novel Algae Based Multifunctional Biomaterials for the Removal of Heavy Metals from Water	15.805	G16AP00071	522	
Total U.S. Geological Survey			5,515	
U.S. Department of Justice:				
Hand-Held Multispectral Camera for Crime Scene Investigation	16.560	2014-DN-BX-K003	132,186	
Total U.S. Department of Justice			132,186	-
U.S. Department of Transportation:				
Development of a Transportation, Economic, and Land Use System (TELUS)	20.200	DTFH61-07-H-00020	263,060	-
			14,700	-
			53,524 19,286	-
			23,784	-
			19,499	-
			38,411	-
1 3 6 6 6 9			149,274	-
			153,471	-
North Jersey Transportation Planning Authority FY2013 Unified Planning Work Program	20.205		2,866	-
		L23EC00S358		
		L40EC00S355		
		L23EC00S359		
North Jersey Transportation Planning Authority FY2014 Unified Planning Work Program	20.205	M450C00S496	1,596,728	1,491,475
		L450C00S496		
		77F0C00S496		
		M230C00S497		
		L40EC00S494 M450C00S495		
		M230C00S495		
		M230C00S498		
		HSPC00S546		
North Jersey Transportation Planning Authority FY2015 Unified Planning Work Program	20.205	M450C00S633	3,385,970	2,331,174
		77FEC00S633		
		M77DC00S633		
		M230C00S633		
		M400C00S632		
		M230C00S630		

Schedule of Expenditures of Federal Awards

Fadaral Crantar/Dece Theorych Counter/Decourse on Objector Title	Federal CFDA Numbe	Ide ntifying Numbe r	Current Year Expenditures	Subrecipient' Share of Tota
Federal Grantor/Pass-Through Grantor/Program or Cluster Title	Numbe	Number	Expenditures	Expenditures
esearch and Development Cluster, continued: U.S. Department of Transportation, continued:				
Passed through N.J. Department of Transportation, continued:				
NJTPA FY15 Local Engineering Assistance Program	20.205	HSP-7811(120)	\$ 1,202,931	\$ 1,202,931
No IT A T T IS Local Englicering Assistance T logram	20.205	HSP-7871(106)	φ 1,202,951	\$ 1,202,751
		HSP-7811(121)		
		HSP-7200(102)		
		HSP-0272(101)		
		HSP-7831(102)		
		HSP-7846(101)		
		HSP-7641(105)		
		HSP-7831(101)		
		HSP-7460(101)		
		HSP-7840(108)		
NJTPA FY17 Admin	20.205	Z450C00S934	1,737	-
		M45EC00S934	,	
		Z230C00S934		
North Jersey Transportation Planning Authority FY2016 Unified Planning Work Program	20.205	M45EC00S795	18,443,249	7,937,013
		M23EC00S795		
		M77DC00S795		
		M450C00S795		
		M45EC00S795		
		M23EC00S798		
		M45EC00S796		
		M23EC00S797		
		L40EC00S794		
		M23EC00S799		
Intelligent Transportation Systems Resource Center	20.205	LZ2EC00S426	32,358	32,40
Intelligent Transportation Systems Resource Center	20.205	LZ2EC00S426	2,708,981	745,70
Feasibility of Lane Closures Using Probe Data	20.205	L56E0010044	233,993	27,78
Increasing Representation of Minorities, Females and Underrepresented Individuals in Journey Level	20.215	10000110106	c1 005	
Jobs on Highway Construction Projects	20.215	M4900110126	61,905	-
Passed through N.J. Department of Law and Public Safety: Safety Belt Usage Study	20.600	OP-16-11-02-01	38,745	
Safety Belt Usage Study	20.600	OP-15-11-02-01	55,057	
Passed through Rutgers, The State University of New Jersey:	20.000	01 15 11 02 01	55,057	
Center for Advanced Infrastructure and Transportation (CAIT) Tier I UTC Consortium	20.701	DTRT12-G-UTC16	52,998	-
Center for Advanced Infrastructure and Transportation National UTC Consortium	20.701	DTRT13-G-UTC28	15,578	-
Passed through Leidos, Inc.:				
Technical Support and Tasks for the Saxton Transportation Operations Laboratory	20.UNK	DTFH61-12-D-00020	35,882	-
Technical Support and Tasks for the Saxton Transportation Operations Laboratory	20.UNK	DTFH61-12-D-00020	2,635	-
Total U.S. Department of Transportation			28,606,622	13,768,48
National Aeronautics and Space Administration:				
High-Spatial and High Spectral Resolution Study of Small Scale Jets	43.001	NNX11AO70G	57,945	-
Linking Photospheric Dynamic Magnetic Fields to Chromospheric Jetting Activity	43.001	NNX11AO73G	6,490	-
Forecasting of Solar Eruptive Events	43.001	NNX11AQ55G	32,475	-
Research Opportunities in Space and Earth Science - 2011	43.001	NNX13AF76G	113,849	-
Energy Release, Acceleration and Escape of Solar Energetic Particles	43.001	NNX13AE41G	19,339	-
Studies of the Solar Atmosphere Using Coordinated Observations with NASA Solar Missions and the				
1.6m New Solar Telescope at Big Bear	43.001	NNX13AG14G	235,793	-
Study of Flare Footpoint Emissions Using Advanced Observing Tools	43.001	NNX13AG13G	168,590	-
NASA Space Technology Research Fellowship (NSTRF) - 2013	43.001	NNX13AL56H	80,280	-
Characterization of Sunquake Signatures in Terms of Energy and Momentum, and Their Relationship	12 001	NRW144 D coc	77.021	
with the Flare Impulsive Phase Probing Particle Energization and Transport in Flares with Imaging Spectroscopy and Observation Research	43.001	NNX14AB68G	77,931	-
Probing Particle Energization and Transport in Flares with Imaging Spectroscopy and Observation-Based 3D Modeling	43.001	NNX14AC87G	133,007	-
Integrated Global - Sun Model of Magnetic Flux Emergence and Transport	43.001	NNX14AC870 NNX14AB70G	89,184	-
Electro-Hydrodynamic Control of Two-Phase Heat Transfer in Microgravity	43.001	NNX12AM26G	24,613	-
Kinetics of Electric Field-Driven Phase Transitions in Polarized Colloids	43.001	NNX13AQ53G	209,282	_
Exploring Small-Scale Jets from Photosphere through Chromosphere to Corona	43.001	NNX14AC12G	131,791	_
EOVSA Operations in Support of NASA Solar and Heliospheric Missions - HIDEE	43.001	NNX14AK66G	99,738	-
	43.001	NNX15AN48G	89.038	-
Multi-instrument Database of Solar Flares Radiation Belt Storm Probes Science Investigations (RB Spice) - Phase B	43.001 43.002	NNX15AN48G NAS5-01072	89,038 1,565,756	- 1,012,16

Schedule of Expenditures of Federal Awards

Federal Grantor/Pass-Through Grantor/Program or Cluster Title	Federal CFDA Numbe	Ide ntifying Numbe r	Current Year Expenditures	Subrecipient's Share of Total Expenditures
esearch and Development Cluster, continued:				
National Aeronautics and Space Administration, continued:				
Passed through The Johns Hopkins University - Applied Physics Laboratory:				
Extended Efforts for the Advanced Composition Explorer (ACE) Phase E - MO&DA for the ULEIS	43.001	NINV12AD20C	\$ 22,839	\$ -
and EPAM Instruments Passed through Rutgers, The State University of New Jersey:	45.001	NNX13AR20G	\$ 22,839	5 -
New Jersey Space Grant Consortium	43.008	NNX10AR62H	3,336	
National Space Grant College and Fellowship Program (SPACE Grant) Training Grant 2015-2018	43.008	NNX15AK05H	6,150	
Passed through Mesa Photonics LLC:	45.000	1111111111110011	0,150	
Cloud Droplet Characterization System for Unmanned Aircraft	43.UNK	NNX15CG28P	10,000	-
			3,227,426	1,012,163
Total National Aeronautics and Space Administration National Science Foundation:			5,227,420	1,012,105
Collaborative Research: I/UCRC - Membrane Science, Engineering and Technology Center	47.041	IIP-1034710	58,928	_
Collaborative Research: Using Electric Field and Capillarity for Particle Self-Assembly into Adjustable		111 1051/10	56,726	
Monolayers	47.041	CBET-1067004	76,793	-
Collaborative Research: Using Cell Phone Data to Analyze the Continuum and Life Cycle of Disaster				
in Spatio-Temporal Movements	47.041	CMMI-1162482	39,416	-
Collaborative Research: Experimental and Computational Study of the Instabilities, Transport, and Self				
Assembly of Nanoscale Metallic Thin Films and Nanostructures	47.041	CBET-1235710	50,223	-
Collaborative Research: Development of Novel Two-Photon Fluorescence Polymer Probes for High				
Resolution Deep Tissue Intravital Imaging	47.041	CBET-1517273	53,324	-
Collaborative Research: Optimizing Incentives for Carbon Capture and Storage Systems	47.041	CMMI-1535762	46,990	-
MRI: Development of Visual and Neural Assessment Equipment	47.041	CBET-1228254	9,364	-
MRI: Development of fNIRS Equipment for Assessing Functional Connectivity in Brain Injury	47.041	CBET-1428425	121,777	-
MRI - Head Injury Biomechanics Measurement System	47.041	CBET-1428925	10,952	-
Spontaneous Dispersion of Particles in Liquid Surfaces	47.041	CBET-1236035	38,150	-
Safe Implementation of Nano Materials and Technology	47.041	CBET 1560529	3,037	-
I-Corps: Data Communication via the Vector Components of the Acoustic Field	47.041	IIP-1340415	1,487	-
I-Corps: Formation of Thin Films with Self-Assembled Monolayers Embedded on Their Surfaces	47.041	IIP-1522607	26,061	-
I-Corps Site: New Jersey Institute of Technology	47.041	IIP-1450182	85,053	-
PFI: AIR - TT: A Novel Vector Acoustic Communication Technology for High Speed				
Underwater Modems	47.041	IIP-1500123	66,106	-
Silicon-Germanium Nanopillar Heterojunctions for Novel Transferred Electron Devices	47.041	ECCS-1027770	12,147	-
Efficient Simulation of Risk and Performance Measures, with Applications to the Design and Operation				
of Nuclear Power Plants	47.041	CMMI-1200065	80,798	-
Efficient Monte Carlo Methods for Characterization of Safety Margins of Nuclear Power Plants	47.041	CMMI-1537322	27,338	-
Integrated Experiments and Modeling of Smart Polymeric Gels	47.041	CMMI-1463121	49,797	-
Self Sustainable Networking of Survivability - Heterogeneous Sensors	47.041	ECCS-1128369	8,871	-
Atmospheric Effects on Terahertz Wireless Communications	47.041	ECCS-1102222	11,291	-
CCSS: An Architecture for Joint Integration of Inter and Intrasession Network Coding in Lossy Wireless				
Multihop Network	47.041	ECCS-1331018	36,198	16,626
KAUST - NSF Research Conference on Electronic Materials, Devices and Systems for a Sustainable Future		ECCS-1503446	139	-
REU Site: Optics and Photonics: Technologies, Systems, and Devices	47.041	EEC-1560131	31,665	-
AIR Option 1: Technology Translation - Proof-of-Concept Testing and Technology Translation for	17 0 11	HD 1212125	10 500	
Engineered Nanocomposites	47.041	IIP-1312125	49,589	-
RET Site for Structured Organic Particulates Interdisciplinary Undergraduate Program in Nanotechnology at NJIT: Linking K-12 through Graduate	47.041	EEC-1301071	83,055	-
	47.041	EEC 1242716	46 207	
Education via Nanotechnology Conferences on Frontiers in Applied and Computational Mathematics: 2015-2017	47.041 47.049	EEC-1343716 DMS-1517152	46,207	-
Collaborative Research: Mathematical and Computational Methods for Stochastic Systems in	47.049	DIVIS-131/132	20,000	-
	47.049	DMS-1109278	2 772	
Nonlinear Optics Collaborative Research: New Directions for Research on Some Large-Scale Multiple Testing Problems	47.049	DMS-1309162	3,772 20,418	-
Collaborative Research. New Directions for Research on Some Large-Scale Multiple Testing Problems Collaborative Proposal: Mathematical and Experimental Study of Lipid Bilayer Shape and Dynamics	47.049	DIVIS-1309102	20,418	-
Mediated by Surfactants and Proteins	47.049	DMS-1222550	28,126	
Modeling & Analysis of Nematic Films: Flow-Substrate Interactions	47.049	DMS-1222550	27,807	_
Modeling Steep Surface Waves Evolving Under Wind Forcing and Energy Dissipation Due to	47.042	DWI3-1211/15	27,007	_
Wave Breaking	47.049	DMS-1517456	35,505	_
A Biologically Inspired Material for Stem-Cell Induced Cartilage Repair	47.049	DMR-1207173	36,814	-
Modeling Circadian Clock Mechanisms from Synapse to Gene	47.049	DMS-1412877	95,655	
	47.049	DMS-1412789	149,391	
		DMS-1412789 DMS-1122291	21,512	-
Numerical Methods and Analysis for Induced-Charge Electrokinetic Flow with Deformable Interfaces	17 010	DW13-11222/1	209,906	
Numerical Methods and Analysis for Induced-Charge Electrokinetic Flow with Deformable Interfaces Linear Conductance-Based Mechanisms Underlying Oscillations in Neuronal Networks	47.049	DMS-1313687		
Numerical Methods and Analysis for Induced-Charge Electrokinetic Flow with Deformable Interfaces Linear Conductance-Based Mechanisms Underlying Oscillations in Neuronal Networks Deterministic and Stochastic Magnetization Dynamic in Thin Ferromagnetic Films and Devices	47.049	DMS-1313687		_
Numerical Methods and Analysis for Induced-Charge Electrokinetic Flow with Deformable Interfaces Linear Conductance-Based Mechanisms Underlying Oscillations in Neuronal Networks Deterministic and Stochastic Magnetization Dynamic in Thin Ferromagnetic Films and Devices Efficient Integral Equation Solvers for Large-Scale Frequency Domain Electromagnetic Scattering Problems	47.049 47.049	DMS-1312169	76,687	-
Numerical Methods and Analysis for Induced-Charge Electrokinetic Flow with Deformable Interfaces Linear Conductance-Based Mechanisms Underlying Oscillations in Neuronal Networks Deterministic and Stochastic Magnetization Dynamic in Thin Ferromagnetic Films and Devices Efficient Integral Equation Solvers for Large-Scale Frequency Domain Electromagnetic Scattering Problems Efficient Methods for Electromagnetic and Acoustic Problems	47.049			-
Numerical Methods and Analysis for Induced-Charge Electrokinetic Flow with Deformable Interfaces Linear Conductance-Based Mechanisms Underlying Oscillations in Neuronal Networks Deterministic and Stochastic Magnetization Dynamic in Thin Ferromagnetic Films and Devices Efficient Integral Equation Solvers for Large-Scale Frequency Domain Electromagnetic Scattering Problems Efficient Methods for Electromagnetic and Acoustic Problems EXTREEMS-QED: Research and Training in Computational and Data-Enabled Science and Engineering for	47.049 47.049 47.049	DMS-1312169 DMS-1319720	76,687 67,162	-
Numerical Methods and Analysis for Induced-Charge Electrokinetic Flow with Deformable Interfaces Linear Conductance-Based Mechanisms Underlying Oscillations in Neuronal Networks Deterministic and Stochastic Magnetization Dynamic in Thin Ferromagnetic Films and Devices Efficient Integral Equation Solvers for Large-Scale Frequency Domain Electromagnetic Scattering Problems Efficient Methods for Electromagnetic and Acoustic Problems EXTREEMS-QED: Research and Training in Computational and Data-Enabled Science and Engineering for Undergraduates in the Mathematical Sciences at NJIT	47.049 47.049 47.049 47.049	DMS-1312169 DMS-1319720 DMS-1331010	76,687 67,162 132,100	-
 Numerical Methods and Analysis for Induced-Charge Electrokinetic Flow with Deformable Interfaces Linear Conductance-Based Mechanisms Underlying Oscillations in Neuronal Networks Deterministic and Stochastic Magnetization Dynamic in Thin Ferromagnetic Films and Devices Efficient Integral Equation Solvers for Large-Scale Frequency Domain Electromagnetic Scattering Problems Efficient Methods for Electromagnetic and Acoustic Problems EXTREEMS-QED: Research and Training in Computational and Data-Enabled Science and Engineering for Undergraduates in the Mathematical Sciences at NJIT Mechanisms of Frequency Preference in Neurons and Networks: Biophysics and Dynamics 	47.049 47.049 47.049 47.049 47.049	DMS-1312169 DMS-1319720 DMS-1331010 DMS-1313861	76,687 67,162 132,100 78,839	
Numerical Methods and Analysis for Induced-Charge Electrokinetic Flow with Deformable Interfaces Linear Conductance-Based Mechanisms Underlying Oscillations in Neuronal Networks Deterministic and Stochastic Magnetization Dynamic in Thin Ferromagnetic Films and Devices Efficient Integral Equation Solvers for Large-Scale Frequency Domain Electromagnetic Scattering Problems Efficient Methods for Electromagnetic and Acoustic Problems EXTREEMS-QED: Research and Training in Computational and Data-Enabled Science and Engineering for Undergraduates in the Mathematical Sciences at NJIT Mechanisms of Frequency Preference in Neurons and Networks: Biophysics and Dynamics A New Computational Method for Viscoelastic Two-Phase Flows	47.049 47.049 47.049 47.049 47.049 47.049	DMS-1312169 DMS-1319720 DMS-1331010 DMS-1313861 DMS-1320037	76,687 67,162 132,100 78,839 83,875	-
Numerical Methods and Analysis for Induced-Charge Electrokinetic Flow with Deformable Interfaces Linear Conductance-Based Mechanisms Underlying Oscillations in Neuronal Networks Deterministic and Stochastic Magnetization Dynamic in Thin Ferromagnetic Films and Devices Efficient Integral Equation Solvers for Large-Scale Frequency Domain Electromagnetic Scattering Problems Efficient Methods for Electromagnetic and Acoustic Problems EXTREEMS-QED: Research and Training in Computational and Data-Enabled Science and Engineering for Undergraduates in the Mathematical Sciences at NJIT Mechanisms of Frequency Preference in Neurons and Networks: Biophysics and Dynamics A New Computational Method for Viscoelastic Two-Phase Flows Operation of the Expanded Owens Valley Solar Array	47.049 47.049 47.049 47.049 47.049 47.049 47.049	DMS-1312169 DMS-1319720 DMS-1331010 DMS-1313861 DMS-1320037 AST-1312802	76,687 67,162 132,100 78,839 83,875 287,430	- - - - - - - - - - - - -
 Numerical Methods and Analysis for Induced-Charge Electrokinetic Flow with Deformable Interfaces Linear Conductance-Based Mechanisms Underlying Oscillations in Neuronal Networks Deterministic and Stochastic Magnetization Dynamic in Thin Ferromagnetic Films and Devices Efficient Integral Equation Solvers for Large-Scale Frequency Domain Electromagnetic Scattering Problems Efficient Methods for Electromagnetic and Acoustic Problems EXTREEMS-QED: Research and Training in Computational and Data-Enabled Science and Engineering for Undergraduates in the Mathematical Sciences at NJIT Mechanisms of Frequency Preference in Neurons and Networks: Biophysics and Dynamics A New Computational Method for Viscoelastic Two-Phase Flows Operation of the Expanded Owens Valley Solar Array Solar Multi-Conjugate Adaptive Optics Experiments on 1.6 Meter Solar Telescope in Big Bear 	47.049 47.049 47.049 47.049 47.049 47.049 47.049 47.049	DMS-1312169 DMS-1319720 DMS-1331010 DMS-1313861 DMS-1320037 AST-1312802 AST-1407597	76,687 67,162 132,100 78,839 83,875 287,430 246,781	- - - 70,910
 Numerical Methods and Analysis for Induced-Charge Electrokinetic Flow with Deformable Interfaces Linear Conductance-Based Mechanisms Underlying Oscillations in Neuronal Networks Deterministic and Stochastic Magnetization Dynamic in Thin Ferromagnetic Films and Devices Efficient Integral Equation Solvers for Large-Scale Frequency Domain Electromagnetic Scattering Problems Efficient Methods for Electromagnetic and Acoustic Problems EXTREEMS-QED: Research and Training in Computational and Data-Enabled Science and Engineering for Undergraduates in the Mathematical Sciences at NJIT Mechanisms of Frequency Preference in Neurons and Networks: Biophysics and Dynamics A New Computational Method for Viscoelastic Two-Phase Flows Operation of the Expanded Owens Valley Solar Array Solar Multi-Conjugate Adaptive Optics Experiments on 1.6 Meter Solar Telescope in Big Bear Analysis of Survival Data Using Copula Models 	47.049 47.049 47.049 47.049 47.049 47.049 47.049	DMS-1312169 DMS-1319720 DMS-1331010 DMS-1313861 DMS-1320037 AST-1312802	76,687 67,162 132,100 78,839 83,875 287,430	
 Numerical Methods and Analysis for Induced-Charge Electrokinetic Flow with Deformable Interfaces Linear Conductance-Based Mechanisms Underlying Oscillations in Neuronal Networks Deterministic and Stochastic Magnetization Dynamic in Thin Ferromagnetic Films and Devices Efficient Integral Equation Solvers for Large-Scale Frequency Domain Electromagnetic Scattering Problems Efficient Methods for Electromagnetic and Acoustic Problems EXTREEMS-QED: Research and Training in Computational and Data-Enabled Science and Engineering for Undergraduates in the Mathematical Sciences at NJIT Mechanisms of Frequency Preference in Neurons and Networks: Biophysics and Dynamics A New Computational Method for Viscoelastic Two-Phase Flows Operation of the Expanded Owens Valley Solar Array Solar Multi-Conjugate Adaptive Optics Experiments on 1.6 Meter Solar Telescope in Big Bear Analysis of Survival Data Using Copula Models Collaborative Research: Expanding Links with Industry through Collaborative Research and Education in 	47.049 47.049 47.049 47.049 47.049 47.049 47.049 47.049 47.049 47.049	DMS-1312169 DMS-1319720 DMS-13131010 DMS-1313861 DMS-1320037 AST-1412802 AST-1407597 DMS-1343889	76,687 67,162 132,100 78,839 83,875 287,430 246,781 3,542	- - - 70,910 -
 Numerical Methods and Analysis for Induced-Charge Electrokinetic Flow with Deformable Interfaces Linear Conductance-Based Mechanisms Underlying Oscillations in Neuronal Networks Deterministic and Stochastic Magnetization Dynamic in Thin Ferromagnetic Films and Devices Efficient Integral Equation Solvers for Large-Scale Frequency Domain Electromagnetic Scattering Problems Efficient Integral Equation Solvers for Large-Scale Frequency Domain Electromagnetic Scattering Problems Efficient Methods for Electromagnetic and Acoustic Problems EXTREEMS-QED: Research and Training in Computational and Data-Enabled Science and Engineering for Undergraduates in the Mathematical Sciences at NJIT Mechanisms of Frequency Preference in Neurons and Networks: Biophysics and Dynamics A New Computational Method for Viscoelastic Two-Phase Flows Operation of the Expanded Owens Valley Solar Array Solar Multi-Conjugate Adaptive Optics Experiments on 1.6 Meter Solar Telescope in Big Bear Analysis of Survival Data Using Copula Models Collaborative Research: Expanding Links with Industry through Collaborative Research and Education in Applied Mathematics 	47.049 47.049 47.049 47.049 47.049 47.049 47.049 47.049 47.049 47.049 47.049	DMS-1312169 DMS-1319720 DMS-1331010 DMS-1313861 DMS-1320037 AST-1312802 AST-1407597 DMS-1343889 DMS-1261596	76,687 67,162 132,100 78,839 83,875 287,430 246,781 3,542 4,383	70,910
 Numerical Methods and Analysis for Induced-Charge Electrokinetic Flow with Deformable Interfaces Linear Conductance-Based Mechanisms Underlying Oscillations in Neuronal Networks Deterministic and Stochastic Magnetization Dynamic in Thin Ferromagnetic Films and Devices Efficient Integral Equation Solvers for Large-Scale Frequency Domain Electromagnetic Scattering Problems EXTREEMS-QED: Research and Training in Computational and Data-Enabled Science and Engineering for Undergraduates in the Mathematical Sciences at NJIT Mechanisms of Frequency Preference in Neurons and Networks: Biophysics and Dynamics A New Computational Method for Viscoelastic Two-Phase Flows Operation of the Expanded Owens Valley Solar Array Solar Multi-Conjugate Adaptive Optics Experiments on 1.6 Meter Solar Telescope in Big Bear Analysis of Survival Data Using Copula Models Collaborative Research: Expanding Links with Industry through Collaborative Research and Education in Applied Mathematics 	47.049 47.049 47.049 47.049 47.049 47.049 47.049 47.049 47.049 47.049 47.049	DMS-1312169 DMS-1319720 DMS-1313010 DMS-1313861 DMS-1320037 AST-1312802 AST-1407597 DMS-1343889 DMS-1261596 DMS-1261596	76,687 67,162 132,100 78,839 83,875 287,430 246,781 3,542 4,383 32,056	
 Numerical Methods and Analysis for Induced-Charge Electrokinetic Flow with Deformable Interfaces Linear Conductance-Based Mechanisms Underlying Oscillations in Neuronal Networks Deterministic and Stochastic Magnetization Dynamic in Thin Ferromagnetic Films and Devices Efficient Integral Equation Solvers for Large-Scale Frequency Domain Electromagnetic Scattering Problems Efficient Methods for Electromagnetic and Acoustic Problems EXTREEMS-QED: Research and Training in Computational and Data-Enabled Science and Engineering for Undergraduates in the Mathematical Sciences at NJIT Mechanisms of Frequency Preference in Neurons and Networks: Biophysics and Dynamics A New Computational Method for Viscoelastic Two-Phase Flows Operation of the Expanded Owens Valley Solar Array Solar Multi-Conjugate Adaptive Optics Experiments on 1.6 Meter Solar Telescope in Big Bear Analysis of Survival Data Using Copula Models Collaborative Research: Expanding Links with Industry through Collaborative Research and Education in Applied Mathematics 	47.049 47.049 47.049 47.049 47.049 47.049 47.049 47.049 47.049 47.049 47.049	DMS-1312169 DMS-1319720 DMS-1331010 DMS-1313861 DMS-1320037 AST-1312802 AST-1407597 DMS-1343889 DMS-1261596	76,687 67,162 132,100 78,839 83,875 287,430 246,781 3,542 4,383	- - - 70,910 - - -

Schedule of Expenditures of Federal Awards

Federal Grantor/Pass-Through Grantor/Program or Cluster Title	Federal CFDA Identifying Numbe Number		Current Year Expenditures		
× ×	Numbe	Number	Expenditures	Expenditures	
lesearch and Development Cluster, continued: National Science Foundation, continued:					
Spatio-Temporal Dynamics of Cell Calcium	47.049	DMS-1517085	\$ 83,224	¢	
CAREER: Developing High Resolution Infrared Instrumentation to Explore Solar Activity	47.050	ATM-0847126	41,959	φ - -	
CAREER: Molecular Mechanism of Atmospheric Mercury through Speciation-Resolved Experiments	47.050	AGS-1554777	36,992	-	
Searching for Photospheric Causes of Small-Scale Chromospheric Activity	47.050	AGS-1146896	54,108	-	
Exploring Large-Scale Current Sheets Associated with Coronal Mass Ejections	47.050	AGS-1153226	60,066	-	
Coronal Magnetography of Solar Active Regions via 3D Modeling and Radio Imaging Spectroscopy	47.050	AGS-1250374	124,160	-	
High Resolution Studies of the Sun Using the New Solar Telescope (NST)	47.050	AGS-1250818	319,834	-	
Probing Solar Flares Using Radio Imaging Spectroscopy and Advanced Modelling	47.050	AGS-1262772	165,330	-	
Laboratory, Observational and Modeling Investigations of the Torus Instability and Associated Solar					
Corona Eruptive Phenomena	47.050	AGS 1348513	63,986	-	
High Resolution Observations of Evolution of Magnetic Fields and Flows Associated with Solar Eruptions	47.050	AGS-1408703	52,537	-	
Understanding Storm-Time Electromagnetic Ion Cyclotron (EMIC) Wave Occurrences and Their					
Relationship to Ground Signatures	47.050	AGS-1547252	123,697	-	
Scientific Studies from a Network of Sustainable, Robotic Observatories Across the Antarctic					
Ice-shelf: A New Approach to Polar Research	47.050	PLR-1443507	173,561	-	
Collaborative Research: Synoptic Geospace Systems Analysis Utilizing Instrumentation from South Pole					
and McMurdo Stations	47.050	PLR-1247975	102,452	-	
Collaborative Research: Kinetics and Mechanism of Restructuring of Atmospheric Soot and					
Associated Impact on Light Absorption	47.050	AGS-1463702	68,598	-	
CIF: Small: Collaborative Research: New Approaches to the Design of Joint Source-Channel Codes	47.070	CCF-1439465	125,405	-	
CIF: Small: Collaborative Research: Communicating While Computing: Mobile Fog Computing					
Over Wireless Heterogeneous Networks	47.070	CCF-1525629	74,854	-	
CIF: Small: Collaborative Research: Coordination and Cooperation in Networked Multi-Agent Systems	47.070	CCF-1440014	13,034	-	
CIF: Medium: Collaborative Research: Spatially Coupled Sparse Codes on Graphs - Theory,					
Practice, and Extensions	47.070	CCF-1440001	24,568	-	
NeTS: Small: GATE: Greening at the Edges	47.070	CNS-1218181	91,227	-	
NeTS: Small: FreeNet: Cognitive Wireless Networking Powered by Green Energy	47.070	CNS-1320468	103,948	-	
CHS: Small: Context-Aware Mobile Systems to Facilitate Synergistic Face-to-Face Interactions	47.070	IIS-1422696	259,684	-	
CAREER: Analyzing and Exploiting Meta-Information for Keyword Search on Semi-Structured Data	47.070	IIS-1322406	163,408	-	
CAREER: Secure and Reliable Outsourced Storage Systems Using Remote Data Checking	47.070	CNS-1054754	81,311	-	
CSR: Small : Collaborative Research: An Integrated Approach to Performance Modeling and					
Optimization of Big-Data Scientific Workflows	47.070	CNS-1560698	64,592	-	
CSR: Medium: Mobile Distributed Computing in the Cloud	47.070	CNS-1409523	179,054	-	
Collaborative Research: Neural Mechanisms for a Cooperative Behavior	47.074	IOS-1264439	95,476	-	
Collaborative Research: Neural Mechanisms of Active Sensing	47.074	IOS-1557895	7,150	-	
EAGER: Climate Change and Phenological Mismatch - an Experimental Test with Cavity Nesting Bees,	47.074	DED 1221265	6 700		
Cleptoparasites, and Floral Resources	47.074	DEB-1321265	6,792	-	
Collaborative Project: Integrating Learning Resources for Information Security Research and	17.076	DUE 1041076	20.205		
Education (iSECURE)	47.076 47.076	DUE-1241976	30,205	-	
NJIT Secure Computing Initiative	47.076	DGE-1565478 DUE-1547345	69,865	-	
I-Corps: Taking Microfluidic Design, Fabrication, and Test to the Classroom Bench	47.076	DUE-1547545	17,690	-	
MRI: Instrument Development of the South Pole, Antarctica, Solar Radio Telescope (SPASRT):	47.078	A NIT 100000C	40 121		
Advancing Our Understanding of the Solar-Terrestrial Environment	47.078	ANT-1229286	40,131	-	
Passed through Rutgers, The State University of New Jersey:	47.041	EEC-0540855	226 772		
ERC for Structured Organic Composites Pharmaceutical, Nutraceutical, and Agrochemical Applications	47.041	EEC-0540855	326,772	-	
Passed through Georgia Institute of Technology: Mothed Davalement for Quantification of Division homized Properties of Engineered Nanoparticles					
Method Development for Quantification of Physicochemical Properties of Engineered Nanoparticles and Their Local-Scale Biological Effects	17.047	CDET 1025166	027		
Passed through Rutgers, The State University of New Jersey:	47.047	CBET-1235166	837	-	
INSPIRE: Nonlinear Data Reduction Applied to Dense Granular Media	47.049	DMS-1248071	4,496		
Passed through Association of Universities for Research in Astronomy, Inc.:	47.049	DIVIS-12460/1	4,490	-	
	47.049	N58419B-N	39,678		
On-Site Technical Support of Global Oscillation Network Group (GONG) Passed through New Mexico State University:	47.049	IN36419D-IN	59,078	-	
CIF: Medium: Assessment and Modeling of Temporal Variation in Perceived Audio and Video Quality Using Direct Brainwave Measurement	47.070	CCF-1065603	16,451		
Passed through University of North Texas:	47.070	CC1-1005005	10,451	-	
EESE: Graduate Virtue Ethics Education in Science and Engineering	47.070	IIS-1338739	15,180		
EAGER: Research on the Broader Impacts of Basic Science: Gauging the State of the Art	47.075	SMA-1445121	5,016	-	
Passed through Drexel University:	47.075	51417-1445121	5,010	-	
Greater Philadelphia Region Louis Stokes Alliance for Minority Participation (Philadelphia AMP)					
Initiative (Senior-Level Alliance) - Phase V	47.076	HRD-1408052	1,706		
	47.070	HKD-1408032		-	
Total National Science Foundation			6,173,916	87,535	
U.S. Environmental Protection Agency:					
Low Cost Family Water Filter for Developing Countries	66.516	SU-83599401-0	8,039	8,039	
Community Based Pollution Prevention Program	66.708	NP-96287513-0	45,860	15,039	
Technical Assistance to Brownfields Communities in EPA Regions 1 and 3	66.814	TR-83544801-0	414,244	-	
Passed through Pegasus Technical Services, Inc .:					
		ED 0 11 000	26111		
Determine Mixing Energy in the Baffled Flasks	66.UNK	EP-C-11-006	26,111	-	

Schedule of Expenditures of Federal Awards

Federal Grantor/Pass-Through Grantor/Program or Cluster Title	Federal CFDA Numbe	Identifying Number	Current Year Expenditures	Subrecipient's Share of Total Expenditures
Research and Development Cluster, continued:	Tumbe	rumber	Expenditures	Experimentes
U.S. Department of Energy:				
Understanding the Spin/Lattice Coupling in Multiferroic Oxides	81.049	DE-FG02-07ER46402	\$ 15,342	s -
Passed through Rutgers, The State University of New Jersey:			, .,.	
Improper Ferroelectricity and Frustrated Magnetism in Hexagonal Multiferroics: Neutron				
and Ellipsometry Studies	81.049	DE-FG02-07ER46382	81,462	-
Non-Reciprocal Effects in Polar/Chiral/Ferroaxial Magnets: Neutron and Optical Studies	81.049	DE-FG02-07ER46382	22,578	-
Passed through National Renewable Energy Laboratory/Midwest Research Institute:				
Data-Base for Wafer/Cell Test Results Using Equipment for Solar Cell Fabrication Process	81.049	DE-AC36-08GO28308	25,064	-
Passed through The Pennsylvania State University:				
Consortium for Building Energy Innovation (CBEI)	81.086	DE-EE0004261	361,867	-
Passed through N.J. Board of Public Utilities:	01.110	DD DD0000005	16015	
New Jersey Public Building Energy Efficiency Program (NJEEP)	81.119	DE-EE0005855	46,847	-
Passed through Lawrence Livermore National Laboratory:	01 LINUZ	DE A CE2 07NA 27244	20.002	15 (50)
Constitutive Behavior of Polymers	81.UNK	DE-AC52-07NA27344	39,992	15,650
Passed through Southern Research Institute: Biomass Conversion to Acrylonitrile Monomer-Precursor for Production of Carbon Fibers	81.UNK	DE-EE0006781FOA	72,182	
Passed through UT-Battelle, LLC:	01.UNK	DE-LE00007811'OA	72,182	-
Cyber-Informatics Research Support	81.UNK	DE-AC05-00OR22725	55,002	_
Robust Network Fusion Algorithms for Detection and Localization of Radiation Sources	81.UNK	DE-AC05-00OR22725	110,655	
Passed through Alliance for Sustainable Energy, LLC:	01.0141	DE 11005 0001(22/25	110,055	
Modeling/Experimental Evaluation of the Effect of Surface Damage on Texturing of Diamond				
Wire Sawn Silicon Wafers and Verification of Precipitate Dissolution by Flash Annealing	81.UNK	DE-AC36-08GO28308	54,238	-
				15 650
Total U.S. Department of Energy			885,229	15,650
U.S. Department of Education:				
EU/US International Bachelor Degree in Engineering Management	84.116J	P116J100055	44,301	-
GAANN Fellowship Program in Neural and Neuromuscular Engineering	84.200A	P200A120226	50,138	
Total U.S. Department of Education			94,439	-
U.S. Department of Health and Human Services:				
Development of Regulatory Science for Continuous Manufacturing of Strip-Film Based Drug Dosage Forms	3			
Capable of Real-Time Release	93.103	1U01FD005521-01	112,084	-
The Role of Sound Deprivation on Central Processing of Masking	93.173	7R03DC014008-03	18,984	-
Regulation of Neuronal Oscillations by Synaptic Dynamics	93.242	2R01MH060605-11	287,636	-
Mechanisms of Atherosclerosis in Alcohol Intake	93.273	1R21AA02273401A1	188,294	-
CRCNS: Neurophysiological Basis of Brain Connectivity	93.279	1R01DA038895-01	76,413	-
A Family-Based Framework of Quality Assurance for Biomedical Ontologies	93.393	1R01CA190779-01	504,797	27,398
Rehabilitation Engineering Research Center on Wearable Robots for Independent Living	93.433	90RE5021-01-00	133,250	-
Spinal Cord-to-Computer Interface	93.853	1R01NS072385-01A1	191,442	-
The Role of Axons in Neural Coding	93.853	5R01NS083319-03	322,607	72,382
Engineering Multifunctional Microspheres for Brain Injury Repair	93.853	1R15NS087501-01	121,895	-
Ionic Conductance Correlations Tune Neuronal Network Activity to Natural Inputs	93.853	1R56NS08533001A1	209,312	-
Spores as a Protein Display Platform for Directed Evolution of Membrane Proteins	93.859	1R15GM101610-01	71,060	-
Functional MRI of Aging: Biophysical Characterization	93.866	7R01AG032088-04	338,729	-
Functional Mechanisms of Neural Control in Convergence Insufficiency	93.867	1R01EY023261-01A1	361,695	10,643
Passed through University of Montana:	02 112	10.010002200014.1	123.244	
Bioactivity and Mechanistic Studies Using a Comprehensive and Well Characterized Nanotube Library Passed through University of Cape Town:	93.113	1R01ES02320901A1	125,244	-
Longitudinal, Multimodal Analysis of HIV and ART Effects on Brain Metabolism, Structure and				
Connectivity in Young Children	93.242	1R21MH108346-01	37,171	_
Passed through Mount Sinai School of Medicine:	<i>)3.242</i>	1121011100540 01	57,171	
NIOSH Region II Educational Resource Center	93.262	5T42OH008422-10	125,780	_
Passed through Medical College of Wisconsin:	<i>)</i> <u>)</u>	51 12011000122 10	120,700	
FMRI Technology and Analysis	93.286	5R01EB000215-26	14,642	-
Passed through The Wistar Institute:			,-	
Cell-Cell Communication During Melanoma Development	93.395	2R001CA076674-13	13,012	-
Targeted Therapies in Melanoma	93.395	2P01CA114046-06	992	-
The Role of Genetic Susceptibility in Melanoma Development	93.396	1R01CA182890-01	23,872	-
Elucidating Neural Crest-Like Reprogramming in Melanoma	93.396	1R21CA191742-01	21,823	-
Passed through Rutgers, The State University of New Jersey:				
Planning and Updating in Frontoparietal Networks for Grasping	93.853	1R01NS085122-01	25,765	-
Passed through Northeastern University:				
Planning and Updating in Frontoparietal Network for Grasping	93.853	7R01NS085122-03	67,789	
Total U.S. Department of Health and Human Services			3,392,288	110,423
-				
Total Research and Development Cluster			54,041,773	19,539,615
Student Financial Assistance Cluster:				
U.S. Department of Education:	o	D0074		
Federal Supplemental Educational Opportunity Grants	84.007	P007A152589	291,511	-
Federal Work-Study Program	84.033	P033A152589	404,300	-
Federal Perkins Loan	84.038	P038A042589	2,194,142	-
Endarral Dall Creant Dragram				
Federal Pell Grant Program Federal Pell Grant Program	84.063 84.063	P063P150269 P063P140269	12,880,276 2,103	-

Schedule of Expenditures of Federal Awards

For the year ended June 30, 2016

Eadawd CwystawDaga Thwasach Counter-Decouver on Objector 784	Federal CFDA Number	Ide ntifying Numbe r	Current Year Expenditures	Subrecipient's Share of Total
Federal Grantor/Pass-Through Grantor/Program or Cluster Title	Number	Number	Expenditures	Expenditures
Student Financial Assistance Cluster, continued: U.S. Department of Education, continued:				
William D. Ford Federal Direct Student Loan Program	84.268	P268K150269	38,750,936	\$ _
William D. Ford Federal Direct Student Loan Program	84.268	P268K140269	224,816	
	04.200	12001(14020)	54,748,084	
Total Student Financial Assistance Cluster - Department of Education			54,748,084	
Other Federal Assistance:				
U.S. Defense Logistics Agency:	12.002	CD 1000 11 0 1100	60 0 1 6	
Defense Procurement Agreement FY14-15	12.002	SP4800-14-2-1423	60,216	-
Defense Procurement Agreement FY15-16	12.002	SP4800-15-2-1523	521,013	
Total U.S. Defense Logistics Agency - Other			581,229	
U.S. Department of Defense:				
Economic Adjustment Activities in State of New Jersey - New Jersey Market Shift	12.617	HQ00051410035	4,100,449	1,597,789
Total U.S. Department of Defense - Other			4,100,449	1,597,789
U.S. Department of Labor:				
H-1B Technical Skills Training Grants	17.268	FG-22709-12-60-A-34	1,061,022	403,281
Passed through N.J. Department of Labor and Workforce Development:				
WIA Cluster:				
Advanced Manufacturing Talent Network	17.278	131-134 (29 U.S.C. 2861)	124,719	-
Advanced Manufacturing Talent Network	17.278	06-1820423	107,825	-
Technology Talent Network	17.278 17.278	131-134 (29 U.S.C. 3171-4) Letter Dated 10-08-14	26,865 43,027	- 8,188
Technology and Entrepreneurship Talent Network Total WIA Cluster	17.278	Letter Dated 10-08-14		
			302,436	8,188
Total U.S. Department of Labor - Other			1,363,458	411,469
U.S. Department of Energy:				
Student Support for EIPBN 2015 Conference	81.049	DE-SC0013773	5,000	
Total U.S. Department of Energy - Other			5,000	-
U.S. Department of Education:				
TRIO Cluster:		D0 10 1 100500	co 201	
Student Support Services Program	84.042A	P042A100720	68,384	-
Student Support Services - STEM Educational Talent Search Program	84.042A 84.044A	P042A101323 P044A110683	100,908 253,398	-
Upward Bound Program	84.044A 84.047A	P047A121489	442,543	-
Upward Bound Freglish Language Learners (ELLs)	84.047A	P047A121474	222,034	
New Jersey Institute of Technology Ronald E. McNair Postbaccalaureate Achievement Program	84.217A	P217A120008	211,555	-
Total TRIO Cluster			1,298,822	_
Passed through N.J. Commission on Higher Education:			1,270,022	
The Consortium for Pre-College Education in Greater Newark/GEAR UP at New Jersey Institute of T	Tecl 84.334	P334S110034	559,044	-
The Consortium for Pre-College Education in Greater Newark/GEAR UP at New Jersey Institute of T		P334S110034-15	217,151	-
Consortium for Pre-College Education in Greater Newark/GEARUP, Activity Grant	84.334	P334S110034-15	17,193	-
Gaining Early Awareness and Readiness for Undergraduate Programs	84.334	P334S050027	28,875	-
Total U.S. Department of Education - Other			2,121,085	-
U.S. Department of Health and Human Services:				
Transforming Clinical Practice Initiative	93.638	1L1CMS331458-01	2,707,051	321,183
NJ Health Information Network Shared Services Platform	93.719	901X0010/01	333,648	139,062
Passed through N.J. Department of Human Services:				
New Jersey Electronic Health Record (EHR) Incentive Program	93.778	05-1305NJIMPL	961,835	12,500
Total U.S. Department of Health and Human Services - Other			4,002,534	472,745
U.S. Department of Health and Human Services, Center for Disease Control:				
American Recovery and Reinvestment Act (ARRA) Grants:				
ARRA - New Jersey Health Information Technology Extension Center	93.718	90RC0037-01	268,892	-
Passed through The University of Texas Health Science Center at Houston:				
ARRA 2009: Texas Gulf Coast HITEC Extension Center	93.718	90RC0064-01	66,193	-
Passed through The Fund for Public Health in New York, Inc.:	0.2 = 1.0	oop coort-		
ARRA - Assist to Establish a Regional Extension Center for City of NY	93.718	90RC0015	5,718	-
Passed through N.J. Department of Health:	02 074	MOA	17 (70	
Health Alert Network/Training for Bioterrorism	93.074 93.074	MOA MOA DATED 08/04/2015	17,678 571 307	-
Health Alert Network/Training for Bioterrorism	95.074	MOA DATED 08/04/2015	571,307	
Total U.S. Department of Health and Human Services, Center for Disease Control - Other			929,788	
Total Other Federal Assistance			13,103,543	2,482,003
Total Expenditures of Federal Awards		S	121,893,400	\$ 22,021,618

The accompanying notes to the schedule of expenditures of federal awards and state of New Jersey awards should be read in conjunction with this schedule.

Schedule of Expenditures of State of New Jersey Awards

State of New Jersey	Identifying	Grant	Grant	Period	Current Year	Subrecipient's Share of Total	
Grantor/Pass-Through Grantor/Program or Cluster Title	Number	Amount	From	То	Expenditures	Expenditures	
Research and Development Cluster:							
N.J. Department of Transportation:							
Customization of TELUS for NJDOT'S Interactive Website for the							
Display of Capital Programming Projects	TASK ORDER 78 \$	1,918,008	10/01/07	06/30/17	\$ 179,686 \$	-	
NJDOT Federal Funding Accountability and Transparency Act (FFATA)	TARK OPPER 110	49.045	11/12/12	06/20/15	10.406	0.100	
Reporting Passed through Rutgers, The State University of New Jersey:	TASK ORDER 110	48,245	11/13/13	06/30/15	12,426	9,100	
Bridge Resource Program 2015	TASK ORDER 323	10,000	10/01/15	12/31/15	10,000	-	
Passed through Research Foundation - CUNY:					-,		
Drainage Identification and Analysis Mapping, Phase 2	16-60105	91,828	08/01/15	10/31/16	82,005	-	
Passed through Jacobs Engineering Group Inc .:							
Development of Freight Performance Measures Report Card	TASK ORDER 12	19,663	03/16/15	06/30/16	19,583	-	
Development of Freight Management System Tool	TASK ORDER 11	90,252	03/16/15	06/30/16	89,379		
Total N.J. Department of Transportation		2,177,996			393,079	9,100	
N.J. Department of Health:							
Spinal Cord - Fellowship 2014	CSCR14FEL004	60,000	06/15/14	06/30/16	29,126	-	
Spinal Cord - Exploratory Research Grant 2014 Spinal Cord - Fellowship 2015	CSCR14ERG002 CSCR15FEL002	199,997 60,000	06/15/14 07/01/15	06/30/17 06/30/17	84,140 23,590	-	
Investigation of Physiological Dysfunction from Repetitive Mild Head Injury	CBIR11PJT003	1,639,524	06/01/11	11/30/15	148,817	129.447	
Intra-Day Repetitive Sub-Concussive Injuries Will Manifest in Structural	Obinitino1000	1,009,021	00/01/11	11,00,10	110,017	127,117	
Alterations and Behavioral Deficits	CBIR14FEL005	100,500	04/30/14	05/29/17	26,012	-	
Brain Injury Research Projects (Individual) 2015	CBIR15IRG022	347,617	06/01/15	05/31/17	117,241	-	
Passed through Rutgers, The State University of New Jersey:							
The Effects of Diffuse Axon Injury on Myelin and Myelinated Axons	CBIR11PJT012	122,265	06/01/11	05/31/16	315		
Total N.J. Department of Health		2,529,903			429,241	129,447	
N.J. Meadowlands Commission:							
Statistical Data Analysis	MOU	80,000	11/01/06	12/31/15	10,642		
Total N.J. Meadowlands Commission		80,000			10,642		
N.J. Board of Public Utilities:							
The Clean Energy Learning Center	71D-082-2014-003	375,000	10/08/15	12/31/16	101,028	-	
Total N.J. Board of Public Utilities		375,000			101,028		
N.J. Transit:							
Superstorm Sandy Recovery Plan	15-024	150,000	02/03/15	12/31/15	63,542		
Total N.J. Transit		150,000			63,542	-	
N.J. Department of State Historical Commission:							
HC ProMini 2016 Application	HC-PROMINI-2016-019	13,500	08/01/15	12/31/16	6,849	-	
Total N.J. Department of State Historical Commission		13,500			6,849	-	
N.J. Commission on Higher Education:	•	- ,					
Common Core State Standard (CCSS) Online Modules	MOU DATED 05/18/15	1,070,000	05/18/15	11/30/15	1,063,251	501,051	
Governmental Employee Interchange Act Agreement	Employee Interchange Act	56,230	12/01/15	06/30/16	56,230		
Total N.J. Commission on Higher Education		1,126,230			1,119,481	501,051	
N.J. Economic Development Authority:							
New Jersey Unmanned Aircraft System Test Site Technical & Business							
Support Services	MOA - 03/30/2016	298,644	01/01/16	06/30/17	257,016	133,097	
Total N.J. Economic Development Authority		298,644			257,016	133,097	
Total Research and Development Cluster		6,751,273			2,380,878	772,694	
Student Financial Assistance Cluster:	•	-,,					
N.J. Higher Education Student Assistance Authority:							
New Jersey College Loans to Assist State Students	_	2,908,435	07/01/15	06/30/16	2,908,435	-	
Total N.J. Higher Education Student Assistance Authority		2,908,435			2,908,435		
N.J. Commission on Higher Education:	-	_,. 50,100					
Tuition Aid Grant	2405-100-074-2405-007	18,104,848	07/01/15	06/30/16	18,104,848	-	
NJ Star II	2405-100-074-2405-313	64,967	07/01/15	06/30/16	64,967	-	
Educational Opportunity Fund - Undergraduate	2401-100-074-2401-001	474,950	07/01/15	06/30/16	474,950	-	

Schedule of Expenditures of State of New Jersey Awards

For the year ended June 30, 2016

State of New Jersey	Identifying	Grant	Grant Period		Current Year	Subrecipient's Share of Total
Grantor/Pass-Through Grantor/Program or Cluster Title	Number	Amount	From	То	Expenditures	Expenditures
Student Financial Assistance Cluster, continued: N.J. Commission on Higher Education, continued:						
Educational Opportunity Fund - Summer - Article III (FY2015)	2401-100-074-2401-001	\$ 524,151	06/01/15	09/30/15 \$	515,931 \$	-
Educational Opportunity Fund - Summer - Article IV (FY2015)	2401-100-074-2401-001	62,548	06/01/15	09/30/15	62,548	-
Educational Opportunity Fund - Summer - Article III (FY2016)	2401-100-074-2401-001	402,168	06/01/16	09/30/16	14	-
Governor's Urban Scholarship Program	2405-100-074-2405-329	25,000	07/01/15	06/30/16	25,000	-
Total N.J. Commission on Higher Education		19,664,332			19,253,958	-
Total Student Financial Assistance Cluster		22,572,767			22,162,393	-
Other State of New Jersey Assistance: N.J. Commission on Higher Education: Educational Opportunity Fund - Academic Year - Article IV (FY2016)	2401-100-074-2401-002	559,189	07/01/15	06/30/16	559,189	_
The Consortium for Pre-College Education in Greater Newark/GEAR UP						
at New Jersey Institute of Technology The Consortium for Pre-College Education in Greater Newark/GEAR UP	15YR4-809170-0003	471,771	09/26/14	09/25/15	16,198	-
at New Jersey Institute of Technology	16YR5-809170-0003	471,771	09/26/15	09/25/16	471,469	-
Total N.J. Commission on Higher Education		1,502,731			1,046,856	-
N.J. Office of Management & Budget:						
State Appropriations	16-100-074-2430-001	35,440,000	07/01/15	06/30/16	35,440,000	-
FICA and Fringe Benefits paid by the State of New Jersey	Various	52,091,538	07/01/15	06/30/16	52,091,538	-
Total N.J. Office of Management & Budget		87,531,538			87,531,538	-
N.J. Educational Facilities Authority:						
Higher Education Technology Infrastructure Fund 35-01	—	2,575,524	07/01/13	06/30/16	915,369	-
Higher Education Technology Infrastructure Fund 35-03	—	500,000	07/01/13	06/30/16	4,675	-
Higher Education Equipment Leasing Fund 35-01	—	3,107,902	01/01/14 01/01/14	06/30/16	471,323 41,509	-
Higher Education Equipment Leasing Fund 35-03 Higher Education Facilities Trust Fund		4,000,000 20,000,000	01/01/14 09/01/14	06/30/16 06/30/16	2,231,316	-
Total N.J. Educational Facilities Authority		30,183,426	0)/01/14	00/30/10	3,664,192	
N.J. Office of the Secretary of Higher Education:		50,105,420		•	5,004,172	
Building Our Future General Obligation Bonds 35-01	_	30,659,497	03/01/14	06/30/16	13.721.965	-
Building Our Future General Obligation Bonds 35-03	_	9,000,000	03/01/14	06/30/16	2,033,066	-
Total N.J. Office of the Secretary of Higher Education		39.659.497		•	15,755,031	-
N.J. Department of Health:				•		
Identity Management and Clinical Data Exchange Deliverables	MOA - 09/29/2015	1,000,000	10/01/15	06/30/16	809.477	599,566
Information Technology Infrastructure Process and Projects Assessment	MOA - 10/01/2015	575,000	10/01/15	06/30/16	200,000	-
Total N.J. Department of Health		1,575,000			1,009,477	599,566
N.J. Department of Human Services:	MOA 07/20/2014	402.000	10/01/14	00/20/19	1 220	
New Jersey Electronic Health Record (EHR) Incentive Program	MOA - 07/29/2014	402,000	10/01/14	09/30/18	1,339	-
Total N.J. Department of Human Services		402,000		-	1,339	-
N.J. Department of Labor and Industry:		10.05-	04/40/4 -	00/00/14 5		
On The Job Training Contract	2015_WFSN_SN_NE_4012	12,285	01/19/15	08/03/15	1,238	-
Technology and Entrepreneurship Talent Network	Letter Dated 10-08-14	75,000	07/01/14	12/31/15	61,993	-
Total N.J. Department of Labor and Industry		87,285			63,231	-
Total Other State of New Jersey Assistance		160,941,477			109,071,664	599,566
Total Expenditures of State of New Jersey Awards				\$	133,614,935 \$	1,372,260

The accompanying notes to the schedule of expenditures of federal awards and state of New Jersey awards should be read in conjunction with this schedule.

1. Basis of Presentation

The accompanying schedules of expenditures of Federal awards and State of New Jersey awards, respectively, have been prepared in accordance with the requirements stipulated by Title 2 U.S. Code of Federal Regulations (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance) and, the State of New Jersey Department of the Treasury Circular 15-08, *Single Audit Policy for Recipients of Federal Grants, State Grants, and State Aid* (NJ Treasury Circular 15-08), respectively. The purpose of these schedules is to present the respective expenditures of sponsored activities of New Jersey Institute of Technology (the University) for the year ended June 30, 2016, which have been financed by either the Federal government or the State of New Jersey.

For purposes of the accompanying schedules, Federal and State of New Jersey awards include any assistance provided by a Federal or State agency directly or indirectly in the form of grants, contracts, cooperative agreements, direct appropriations, loan and loan guarantees, and other noncash assistance to the University, an entity defined in Note 1 of the University's basic financial statements. Included within the accompanying schedules of expenditures of Federal awards and State of New Jersey awards are expenditures of \$5,012,674 and \$258,254, respectively, related to grants awarded to and expended by New Jersey Innovation Institute, Inc., a component unit of New Jersey Institute of Technology. Because the accompanying schedules present only a selected portion of the activities of the University, as required by Uniform Guidance and NJ Treasury Circular 15-08, they are not intended to, and do not, present either the net position of the University at June 30, 2016 or the changes in net position and cash flows for the year then ended.

The accounting principles followed by the University in preparing the accompanying schedules, follow:

- Expenditures for direct and indirect costs are recognized as incurred under the accrual basis of accounting in accordance with the provisions of Uniform Guidance and NJ Circular 15-08, respectively, pursuant to which certain types of expenditures are not allowable or are limited as to reimbursement.
- The University has negotiated the following indirect cost (F&A) rates and fringe benefit rates, that were finalized on November 3, 2015 and effective for the period from July 1, 2015 through June 30, 2017. Consequently, the University did not utilize the 10% de minimus indirect cost rate, as provided by §200.414 Indirect (F&A) Costs of the Uniform Guidance.

NEW JERSEY INSTITUTE OF TECHNOLOGY Notes to Schedules of Expenditures of Federal and State of New Jersey Awards For the year ended June 30, 2016

Indirect Cost Rates:

Location	Applicable To	Rate
On-Campus	Research	53.50%
Off-Campus	Research	26.00%
On-Campus	Instruction and Training	53.70%
Off-Campus	Instruction and Training	26.00%

Fringe Benefit Rates:

Location	Applicable To	Rate
All	Full-Time Employees	48.30%
All	Part-Time Non-Summer Faculty	8.90%

2. Direct and Other Loan Programs

The University is responsible only for the performance of certain administrative duties with respect to the Federal Direct Student Loan Program and the New Jersey College Loans to Assist State Students Program and, accordingly, these loans are not included in its basic financial statements. It is not practical to determine the balance of loans outstanding to students of the University under these programs at June 30, 2016.

Additionally, the accompanying Schedule includes \$2,194,142 related to the Federal Perkins Loan Program (Perkins), which is comprised of the value of new loans made along with loan payments received during fiscal 2016, plus the beginning of year Perkins balance for which the University retains continuing compliance requirements, as stipulated by \$200.502 of the Uniform Guidance.

The following presents the Perkins related activity for the year ended June 30, 2016:

	Balance at			Pa	yments	ts Balance a		
Federal CFDA Number	Ju	July 1, 2015 Loans Issue		s Issued	Received		Jun	e 30, 2016
Perkins Loan Program 84.038	\$	2,194,142	\$	-	\$	333,745	\$	1,860,397

3. Matching

Matching costs, i.e., the nonfederal share and nonstate share of program costs, are not included in the accompanying schedules.



Grant Thornton LLP 186 Wood Avenue Iselin, NJ 08830 T 732.516.5500 F 732.516.5502 GrantThornton.com linkd.in/GrantThorntonUS twitter.com/GrantThorntonUS

REPORT OF INDEPENDENT CERTIFIED PUBLIC ACCOUNTANTS ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS REQUIRED BY *GOVERNMENT AUDITING STANDARDS*

To the Board of Trustees of **New Jersey Institute of Technology**:

We have audited, in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States of America, the financial statements of the business-type activities of New Jersey Institute of Technology (the "University"), a component unit of the State of New Jersey, as of and for the years ended June 30, 2016 and 2015, and the related notes to the financial statements, which collectively comprise the University's basic financial statements, and have issued our report thereon dated October 21, 2016.

Internal control over financial reporting

In planning and performing our audit of the financial statements, we considered the University's internal control over financial reporting (internal control) to design audit procedures that are appropriate in the circumstances for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of internal control. Accordingly, we do not express an opinion on the effectiveness of the University's internal control.

A deficiency in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A material weakness is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the University's financial statements will not be prevented, or detected and corrected, on a timely basis. A significant deficiency is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in the University's internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

Compliance and other matters

As part of obtaining reasonable assurance about whether the University's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

Intended purpose

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the University's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the University's internal control and compliance. Accordingly, this report is not suitable for any other purpose.

GRANT THORNTON LLP

Iselin, New Jersey October 21, 2016



Grant Thornton LLP 186 Wood Avenue Iselin, NJ 08830 T 732.516.5500 F 732.516.5502 GrantThornton.com linkd.in/GrantThorntonUS twitter.com/GrantThorntonUS

REPORT OF INDEPENDENT CERTIFIED PUBLIC ACCOUNTANTS ON COMPLIANCE FOR EACH MAJOR PROGRAM (UNIFORM GUIDANCE AND STATE OF NEW JERSEY DEPARTMENT OF THE TREASURY CIRCULAR 15-08) AND ON INTERNAL CONTROL OVER COMPLIANCE

To the Board of Trustees of New Jersey Institute of Technology:

Report on compliance for each major program

We have audited the compliance of New Jersey Institute of Technology (the "University") with the types of compliance requirements described in the U.S. Office of Management and Budget's *OMB Compliance Supplement* and State of New Jersey Department of the Treasury Circular 15-08, *Single Audit Policy for Recipients of Federal Grants, State Grants, and State Aid*, respectively, that could have a direct and material effect on each of its major Federal and State of New Jersey programs for the year ended June 30, 2016. The University's major Federal and State of New Jersey programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

Management's responsibility

Management is responsible for compliance with the statutes, regulations, and the terms and conditions of its federal and state awards applicable to the University's Federal and State of New Jersey programs.

Auditor's responsibility

Our responsibility is to express an opinion on compliance for each of the University's major Federal and State of New Jersey programs based on our audit of the types of compliance requirements referred to above. We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States of America; the audit requirements of Title 2 U.S. Code of Federal Regulations ("CFR") Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* ("Uniform Guidance"); and, State of New Jersey Department of the Treasury Circular 15-08, *Single Audit Policy for Recipients of Federal Grants, State Grants, and State Aid* ("NJ Treasury Circular 15-08").

The aforementioned standards, the Uniform Guidance and NJ Treasury Circular 15-08, require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major Federal or State of New Jersey program occurred. An audit includes examining, on a test basis, evidence about the University's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

We believe that our audit provides a reasonable basis for our opinion on compliance for each major Federal and State of New Jersey program. However, our audit does not provide a legal determination of the University's compliance.

Opinion on each major program

In our opinion, the University complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major Federal and State of New Jersey programs for the year ended June 30, 2016.

Other matters

The results of our audit procedures disclosed an instance of noncompliance, described in the accompanying schedule of findings and questioned costs as item 2016–001, that is required to be reported in accordance with the Uniform Guidance. Our opinion on each major Federal program is not modified with respect to this matter.

The University's response to our noncompliance finding identified in our audit, which is described in the accompanying schedule of findings and questioned costs, was not subjected to the auditing procedures applied in the audit of compliance, and accordingly, we express no opinion on the University's response.

Report on internal control over compliance

Management of the University is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements referred to above. In planning and performing our audit of compliance, we considered the University's internal control over compliance with the types of compliance requirements that could have a direct and material effect on each major Federal and State of New Jersey program to design audit procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance for each major Federal and State of New Jersey program and to test and report on internal control over compliance in accordance with the Uniform Guidance and NJ Treasury Circular 15-08, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the University's internal control over compliance.

A deficiency in internal control over compliance exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a Federal or a State of New Jersey program on a timely basis. A material weakness in internal control over compliance is a deficiency, or a combination of deficiencies, in internal control over compliance requirement of a Federal or a State of New Jersey program will not be prevented, or detected and corrected, on a timely basis. A significant deficiency in internal control over compliance is a deficiencies, in internal control over compliance is a deficiencies, in internal control over compliance with a type of compliance requirement of a Federal or a State of New Jersey program will not be prevented, or detected and corrected, on a timely basis. A significant deficiency in internal control over compliance is a deficiencies, in internal control over compliance is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a Federal or a State of New Jersey program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

Our consideration of internal control over compliance was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies and therefore, material weaknesses or significant deficiencies may exist that were not identified. We did not identify any deficiencies in the University's internal control over compliance that we consider to be material weaknesses. However, we identified a deficiency in internal control over compliance, described in the accompanying schedule of findings and questioned costs as item 2016-001, that we consider to be a significant deficiency in the University's internal control over compliance.

The University's response to our finding on internal control over compliance identified in our audit, which is described in the accompanying schedule of findings and questioned costs, was not subjected to the auditing procedures applied in the audit of compliance, and accordingly, we express no opinion on the University's response.

The purpose of this Report on Internal Control Over Compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of the Uniform Guidance and NJ Treasury Circular 15-08. Accordingly, this report is not suitable for any other purpose.

GRANT THORNTON LLP

Iselin, New Jersey March 28, 2017

SECTION I - SUMMARY OF AUDITOR'S RESULTS

Type of auditor's report issued:	Unmodified
Internal control over financial reporting:	
• Material weakness(es) identified?	<u>yes X</u> no
• Significant deficiencies identified that are not considered to be material weakness(es)?	<u>yes X</u> none reported
• Noncompliance material to financial statements noted?	<u>yes X</u> no
Federal and State of New Jersey Awards:	
Internal control over the major programs:	
• Material weakness(es) identified?	<u>yes X</u> no
• Significant deficiencies identified that are not considered to be material weakness(es)?	\underline{X} yes none reported
Type of auditor's report issued on compliance for each major program:	Unmodified
Any audit findings disclosed that are required to be reported in accordance with the Uniform Guidance or State of New Jersey Department of the Treasury Circular 15-08?	<u>X</u> yes no
Identification of the major programs:	Federal CFDA number or
Program or Cluster Title	State of NJ identifying number
Federal: Research and Development Cluster Economic Adjustment Assistance for State Governments State of New Jersey:	Various 12.617
Research and Development Cluster	Various
Dollar threshold used to distinguish between type A and type B program	s - Federal: \$3,000,000
Dollar threshold used to distinguish between type A and type B program	s - State of NJ: \$3,000,000
Auditee qualified as low-risk auditee?	<u>X</u> yes no

SECTION II – Findings Relating to the Financial Statements Reported in Accordance with *Government Auditing Standards*

None identified.

SECTION III – Findings and Questioned Costs Relating to Federal Awards or State of New Jersey Awards

Finding Reference: 2016 – 001

Federal Research and Development Cluster

Federal Agency: U.S. Department of the Army (CFDA # 12.420)

Federal Award Number: W81XWH-15-1-0303Federal Award Years: 2015-2016

Type of Finding: Financial Reporting Compliance and Internal Control Significant Deficiency

Criteria:

As stipulated by 2 CFR section 200.327, the Federal awarding agency may solicit the collection of financial information as incurred by the University during the grant period, as required by the terms and conditions of the Federal award.

Condition and Effect:

The University did not file the quarterly financial report for one of the University's Research and Development grants on a timely basis. The late filing of this report potentially resulted in the respective Federal awarding agency's inability to effectively monitor its program.

Context and Cause:

The University has established policies and procedures governing preparation, review, approval and the timely submission of financial reports to its respective awarding agencies. However, in our sample of 40 reports subject to testing, we noted that one quarterly financial report was filed forty-four (44) days late.

Questioned Costs:

None identified as the required financial report was eventually submitted.

NEW JERSEY INSTITUTE OF TECHNOLOGY Schedule of Findings and Questioned Costs

For the year ended June 30, 2016

Recommendation:

We recommend that the University reemphasize and, as appropriate, strengthen its policies and procedures governing timely submission of all financial reports to its respective awarding agencies.

Views of Responsible Official and Planned Corrective Action:

The Research Office at NJIT has established an effective monitoring process which includes expense report generation for review by research administration management and monthly meetings of officials from both Finance and Research Administration in which time is devoted to reporting on the expense reports. We are confident in our ability to maintain regular monitoring and timely submission of all financial reports and other requirements.

SECTION IV – Summary Schedule of the Status of Prior Year Audit Findings

Finding 2015-001 (Student Financial Assistance Cluster) was resolved for the year ended June 30, 2016, as the University reported graduating students to NSLDS (*OMB No. 1845-0035*) before the required filing date.