



Manchester University

Independent Auditor's Report and Financial Statements

June 30, 2023 and 2022



Manchester University

June 30, 2023 and 2022

Contents

Independent Auditor's Report	1
---	----------

Financial Statements

Statements of Financial Position	3
Statements of Activities	4
Statements of Cash Flows	5
Notes to Financial Statements	6



111 E. Wayne Street, Suite 600 / Fort Wayne, IN 46802

P 260.460.4000 / F 260.426.2235

forvis.com

Independent Auditor's Report

Board of Trustees
Manchester University
North Manchester, Indiana

Opinion

We have audited the financial statements of Manchester University (University), which comprise the statements of financial position as of June 30, 2023 and 2022, and the related statements of activities and cash flows for the years then ended, and the related notes to the financial statements.

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

Basis for Opinion

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

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America, and for 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.

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

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with GAAS, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the University's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the University's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

FORVIS,LLP

Fort Wayne, Indiana
December 21, 2023

Manchester University
Statements of Financial Position
June 30, 2023 and 2022

	2023	2022
Assets		
Cash and cash equivalents	\$ 8,365,107	4,166,230
Student accounts receivable, less allowance for doubtful accounts of \$801,000 for 2023 and \$1,343,000 for 2022	1,936,265	1,459,971
Contributions receivable, net	1,972,755	2,473,258
Receivable due from Department of Education	267,241	2,029,197
Other receivables	192,592	596,846
Prepaid expenses and other assets	1,342,611	724,017
Inventory	191,242	214,104
Right-of-use assets - operating leases	67,557	136,490
Right-of-use assets - finance leases	1,519,484	-
U.S. Government student loans receivable	374,039	444,045
Investments	80,850,771	84,455,500
Investment in educational properties, net	71,161,322	71,801,971
	\$ 168,240,986	\$ 168,501,629
Liabilities and Net Assets		
Accounts payable	\$ 1,681,153	1,038,909
Accrued wages and other benefits	1,249,080	1,948,229
Student and organization deposits	554,330	599,333
Accrued interest	168,206	172,519
Deferred revenue	2,460,059	2,726,441
Other liabilities	385,718	223,745
Operating lease liabilities, net	70,390	136,490
Finance lease liabilities, net	1,452,969	-
Long-term debt	16,332,480	16,673,219
Asset retirement obligations	710,384	726,964
Annuities and uni-trusts	813,229	906,084
U.S. Government student loan funds	480,889	550,435
Total liabilities	26,358,887	25,702,368
Net Assets		
Without donor restriction	61,377,309	66,776,589
With donor restriction	80,504,790	76,022,672
Total net assets	141,882,099	142,799,261
Total liabilities and net assets	\$ 168,240,986	\$ 168,501,629

Manchester University
Statements of Activities
Years Ended June 30, 2023 and 2022

	2023		
	Without Donor Restrictions	With Donor Restrictions	Total
Revenue and Other Support			
Tuition and fees, net of discounts	\$ 20,898,896	\$ -	\$ 20,898,896
Student services and extra-curricular functions	30,544	-	30,544
Interest and dividends, net of fees	439,229	1,343,129	1,782,358
Contributions and grants	2,754,246	4,472,420	7,226,666
Federal and state grants	-	245,106	245,106
Other sources	431,870	-	431,870
Auxiliary enterprises	9,045,158	-	9,045,158
Net assets released from restrictions	4,530,643	(4,530,643)	-
Total operating revenue and other support	<u>38,130,586</u>	<u>1,530,012</u>	<u>39,660,598</u>
Expenses			
Instructional	16,495,650	-	16,495,650
Academic support	5,039,640	-	5,039,640
Student services	8,096,289	-	8,096,289
Auxiliary enterprises	6,728,800	-	6,728,800
Institutional support	7,263,352	-	7,263,352
Fund raising	1,152,522	-	1,152,522
Total expenses	<u>44,776,253</u>	<u>-</u>	<u>44,776,253</u>
Change in Net Assets From Operating Activities	<u>(6,645,667)</u>	<u>1,530,012</u>	<u>(5,115,655)</u>
Nonoperating			
Realized and unrealized gains (losses)	371,756	3,826,737	4,198,493
Net capital assets released from restriction	874,631	(874,631)	-
Total nonoperating	<u>1,246,387</u>	<u>2,952,106</u>	<u>4,198,493</u>
Change in Net Assets	<u>(5,399,280)</u>	<u>4,482,118</u>	<u>(917,162)</u>
Net Assets at Beginning of Year	<u>66,776,589</u>	<u>76,022,672</u>	<u>142,799,261</u>
Net Assets at End of Year	<u>\$ 61,377,309</u>	<u>\$ 80,504,790</u>	<u>\$ 141,882,099</u>

2022

Without Donor Restrictions	With Donor Restrictions	Total
\$ 21,872,571	\$ -	\$ 21,872,571
13,870	-	13,870
337,955	1,406,132	1,744,087
1,852,275	12,587,902	14,440,177
-	283,127	283,127
337,215	-	337,215
9,395,495	-	9,395,495
12,085,992	(12,085,992)	-
<u>45,895,373</u>	<u>2,191,169</u>	<u>48,086,542</u>
14,811,624	-	14,811,624
6,822,409	-	6,822,409
7,350,626	-	7,350,626
7,027,980	-	7,027,980
7,708,388	-	7,708,388
1,165,058	-	1,165,058
<u>44,886,085</u>	<u>-</u>	<u>44,886,085</u>
<u>1,009,288</u>	<u>2,191,169</u>	<u>3,200,457</u>
(1,568,604)	(6,645,005)	(8,213,609)
479,610	(479,610)	-
<u>(1,088,994)</u>	<u>(7,124,615)</u>	<u>(8,213,609)</u>
(79,706)	(4,933,446)	(5,013,152)
<u>66,856,295</u>	<u>80,956,118</u>	<u>147,812,413</u>
<u>\$ 66,776,589</u>	<u>\$ 76,022,672</u>	<u>\$ 142,799,261</u>

Manchester University
Statements of Cash Flows
Years Ended June 30, 2023 and 2022

	2023	2022
Cash Flows From Operating Activities		
Change in net assets	\$ (917,162)	\$ (5,013,152)
Adjustments to reconcile change in net assets to net cash from operating activities		
Depreciation and amortization	4,138,411	4,074,745
(Credit) provision for doubtful accounts	(542,000)	86,219
Noncash operating lease expense	68,933	-
Unrealized and realized (gains) losses on investments	(4,198,493)	8,213,609
Contributions restricted for financing activities	(2,926,821)	(2,837,848)
Changes in assets and liabilities		
Accounts, contributions, loans, and other receivables	2,802,425	(3,003,260)
Prepaid expenses and other assets	(618,594)	3,250
Inventory	22,862	15,670
Accounts payable	180,425	87,072
Accrued wages and other benefits	(699,149)	424,447
Operating lease liability	(66,100)	-
Student and organization deposits	(45,003)	(87,410)
Accrued interest	(4,313)	-
Deferred revenue	(266,382)	(4,850,528)
Asset retirement obligations	(16,580)	(219,625)
Other liabilities	161,973	28,059
Net cash used in operating activities	(2,925,568)	(3,078,752)
Cash Flows From Investing Activities		
Capital expenditures	(3,031,682)	(1,140,247)
Purchase of investments	(20,019,155)	(37,504,472)
Proceeds from liquidation of investments	27,835,768	36,050,978
Net cash provided by (used in) investing activities	4,784,931	(2,593,741)
Cash Flows From Financing Activities		
Proceeds from contributions restricted for		
Investment in educational properties	1,180,274	1,694,716
Long-term investment	1,746,547	1,143,132
	2,926,821	2,837,848
Other financing activities		
U.S. Government student loan funds	(69,546)	(83,644)
Payments on line of credit	(2,500,000)	-
Proceeds from line of credit	2,500,000	-
Principal payments on bonds payable	(345,000)	-
Principal payments on finance lease liabilities	(66,515)	-
Payments to annuitants	(106,246)	(133,159)
	(587,307)	(216,803)
Net cash provided by financing activities	2,339,514	2,621,045
Net Change in Cash and Cash Equivalents	4,198,877	(3,051,448)
Cash and Cash Equivalents, Beginning of Year	4,166,230	7,217,678
Cash and Cash Equivalents, End of Year	\$ 8,365,107	\$ 4,166,230
Supplemental Disclosure of Cash Flows Information		
Cash paid during the year for interest	\$ 673,042	\$ 696,326
Capital project expenditures included in accounts payable at June 30	586,383	124,564
Right-of-use assets obtained in exchange for new operating lease liabilities	-	136,490
Right-of-use assets obtained in exchange for new finance lease liabilities	1,519,484	-

Manchester University
Notes to Financial Statements
June 30, 2023 and 2022

Note 1: Organization and Summary of Significant Accounting Policies

Organization

Manchester University (University) is an independent, co-educational private liberal arts university offering undergraduate and graduate degrees in various fields of study and a Pharm. D. Degree. The University is exempt from income taxes under Section 501(c)(3) of the Internal Revenue Code. The University's revenues and other support are derived principally from tuition, room and board, contributions, and federal and state grants.

Use of Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues, expenses, gains, losses, and other changes in net assets during the reporting period. Actual results could differ from those estimates.

Cash and Cash Equivalents

This includes all deposits in financial institutions and temporary cash investments in highly liquid debt instruments with a maturity of three months or less at purchase. These deposits are insured by an agency of the U.S. Government in the amount of \$250,000. Cash and cash equivalents in the investment portfolio are reported as investments and not considered to be cash and cash equivalents for purpose of the statements of cash flows. At June 30, 2023, the University's cash accounts exceeded federally insured limits by approximately \$8,069,000.

Cash in the amount of \$116,664 and \$106,390 for 2023 and 2022, respectively, represents cash restricted for use in governmental student loan programs.

Investments and Investment Return

Investments are valued at their fair values in the statements of financial position. Investments in private equity funds and hedge funds are recorded at net asset value (NAV), as a practical expedient, to determine the fair value of the investments. Investments in equity and debt securities, which are marketable, are valued by obtaining quoted prices on nationally recognized securities exchanges. Other investments, which are traded in less active markets, are valued using quoted prices for similar assets, or other corroborative, observable market data, which represents fair value. See Notes 6 and 7 for additional disclosures on the nature of the University's investments and fair value measurements.

Investment return that is initially restricted by donor stipulation and for which the restriction will be satisfied in the same year is initially included in net assets with donor restrictions, but then shown as net assets released from restrictions in the same year. Other investment returns are reflected in the statements of activities with or without donor restrictions based upon the existence and nature of any donor or legally imposed restrictions.

Manchester University

Notes to Financial Statements

June 30, 2023 and 2022

The University maintains pooled investment accounts for its endowments. Investment income and realized and unrealized gains and losses from securities in the pooled investment accounts are allocated monthly to the individual endowments based on the relationship of the fair value of the interest of each endowment to the total fair value of the pooled investments accounts, as adjusted for additions to or deductions from those accounts.

Accounts and U.S. Government Student Loans Receivable

Accounts receivable primarily represents the amount of consideration from students of which the University has an unconditional right to receive. No interest is charged on unpaid balances. The allowance for doubtful accounts is determined by management based on the University's historical losses, specific student circumstances, and general economic conditions. Periodically, management reviews accounts receivable and records an allowance for specific students based on current circumstances and charges off the receivable against the allowance when all attempts to collect the receivable have failed.

U.S. Government student loans receivable consist primarily of amounts due under the Federal Perkins Loan Program, and is stated at the outstanding principal amount. Loans are made to students based on demonstrated financial need and satisfaction of federal eligibility requirements for the Federal Perkins Loan Program. Principal and interest payments on loans generally do not commence until after the borrower graduates or otherwise ceases enrollment. Loans that are delinquent continue to accrue interest. Loans that are past due for at least one payment are considered delinquent. The principal amount of loans delinquent greater than 90 days and accruing interest was approximately \$306,969 and \$323,668 at June 30, 2023 and 2022, respectively.

Inventory

Inventory is stated at the lower of cost, determined under the average cost method, or net realizable value.

Tuition and Auxiliary Services Revenue

Tuition revenue is recognized over the term of the semester as the University provides services to students. Revenue is reported at the amount of consideration which the University expects to be entitled in exchange for providing tuition and auxiliary services. The University determines the transaction price based on standard charges for goods and services provided, reduced by discounts provided for scholarships and other price concessions provided to students.

Manchester University
Notes to Financial Statements
June 30, 2023 and 2022

Contributions

Contributions are provided to the University either with or without restrictions placed on the gift by the donor. Revenues and net assets are separately reported to reflect the nature of those gifts – with or without donor restrictions. The value recorded for each contribution is recognized as follows:

Nature of the Gift	Value Recognized
<i>Conditional gifts, with or without restriction</i>	
Gifts that depend on the University overcoming a donor-imposed barrier to be entitled to the funds	Fair value once the gift becomes unconditional, <i>i.e.</i> , the donor-imposed barrier is met
<i>Unconditional gifts, with or without restriction</i>	
Received at date of gift – cash and other assets	Fair value
Received at date of gift – property, equipment and long-lived assets	Estimated fair value
Expected to be collected within one year	Net realizable value
Collected in future years	Initially reported at fair value determined using the discounted present value of estimated future cash flows technique

In addition to the amount initially recognized, revenue for unconditional gifts to be collected in future years is also recognized each year as the present value discount is amortized using the level-yield method.

When a donor stipulated time restriction ends or purpose restriction is accomplished, net assets with donor restrictions are reclassified to net assets without donor restrictions and reported in the statements of activities as net assets released from restrictions. Absent explicit donor stipulations for the period of time that long-lived assets must be held, expirations of restrictions for gifts of land, buildings, equipment, and other long-lived assets are reported when those assets are placed in service.

Gifts and investment income having donor stipulations which are satisfied in the period the gift is received are recorded as revenue with donor restrictions and then released from restriction.

Conditional contributions having donor stipulations which are satisfied in the period the gift is received are recorded as revenue with donor restrictions and then released from restriction.

Manchester University
Notes to Financial Statements
June 30, 2023 and 2022

Investment in Educational Properties

Land, buildings, and equipment are stated at cost at date of acquisition or fair value at date of gift. Additions and improvements exceeding \$5,000 are capitalized and normal repairs and maintenance are recorded as expenses without donor restrictions. Depreciation is provided on the straight-line method over the assets estimated useful lives as follows:

	<u>Years</u>
Land improvements	5 - 20 years
Buildings and improvements	5 - 50 years
Furniture and equipment	3 - 20 years
Automotive vehicles	5 - 7 years

Bond Issuance Costs

Bond issuance costs (including bond issue costs and bond premiums) represent amounts amortized by the University in connection with the issuance of the 2018 Indiana Finance Authority Bonds. See Note 10 for further discussion.

The remaining unamortized portion of bond issuance costs is reported (per FASB ASU 2015-03, Subtopic 835-30, *Simplifying the Presentation of Debt Issuance Costs*) as a contra bonds payable liability account and is included in bonds payable on the statements of financial position. Amortization is calculated using a method that approximates the effective yield over the life of the bonds.

Long-lived Asset Impairment

On an ongoing basis, the University reviews long-lived assets for impairment whenever events or circumstances indicate that the carrying amounts may be overstated. The University recognizes impairment losses if the undiscounted cash flows expected to be generated by the asset are less than the carrying value of the related asset. The impairment loss adjusts the assets to fair value. As of June 30, 2023 and 2022, management believes that no impairments existed.

Deferred Revenue

Deferred revenue consists primarily of prepayments of tuition and fees related to future academic semesters, which is recognized over the periods to which the tuition and fees relate. Deferred revenue also includes an agreement with a vendor that has a period of benefit and return provision if the agreement is exited early.

Manchester University
Notes to Financial Statements
June 30, 2023 and 2022

Net Assets – Basis of Presentation

Net assets, revenue, expenses, gains and losses are classified based on the existence or absence of donor or grantor-imposed restrictions. The definitions used to clarify and report net assets are as follows:

Net Assets without Donor Restrictions – Net assets that are not subject to donor-imposed stipulations and are available for use in general operations or are part of what is invested in property, plant, and equipment (net of related debt). The governing board may designate any of these funds for specific purposes (*i.e.*, specific purpose reserves or endowments).

Net Assets with Donor Restrictions – Net assets subject to donor-imposed stipulations (1) that will be met either by actions of the University or the passage of time or (2) that are to be perpetually maintained by the University. Generally, the donors of these assets permit the University to use all or part of the income earned on related investments for general or specific purposes.

Right-of-Use (ROU) Assets and Lease Liabilities

The University determines if an arrangement is a lease or contains a lease at inception. Leases result in the recognition of ROU assets and lease liabilities on the statements of financial position. ROU assets represent the right to use an underlying asset for the lease term, and lease liabilities represent the obligation to make lease payments arising from the lease, measured on a discounted basis. The University determines lease classification as operating or finance at the lease commencement date.

The University combines lease and nonlease components, such as common area and other maintenance costs, and accounts for them as a single lease component in calculating the ROU assets and lease liabilities for its office buildings and equipment.

At lease commencement, the lease liability is measured at the present value of the lease payments over the lease term. The ROU asset equals the lease liability adjusted for any initial direct costs, prepaid or deferred rent, and lease incentives. The University uses the implicit rate when readily determinable. As most of the leases do not provide an implicit rate, the University uses its incremental borrowing rate based on the information available at the commencement date to determine the present value of lease payments. Incremental borrowing rates used to determine the present value of lease payments were derived by reference to the University's secured-debt yields corresponding to the lease commencement date.

The lease term may include options to extend or to terminate the lease that the University is reasonably certain to exercise. Lease expense is generally recognized on a straight-line basis over the lease term.

The University has elected not to record leases with an initial term of 12 months or less on the statements of financial position. Lease expense on such leases is recognized on a straight-line basis over the lease term.

Manchester University

Notes to Financial Statements

June 30, 2023 and 2022

Functional Allocation of Expenses

The costs of supporting the various programs and other activities have been summarized on a functional basis in the statements of activities. Note 21 presents the natural classification detail of expenses by function. Certain costs have been allocated among program services, institutional support and fund raising categories based on total operating costs, square footage, or time and effort.

Advertising

The University expenses advertising costs when they are incurred. During the years ended June 30, 2023 and 2022, advertising costs totaled \$670,783 and \$529,458, respectively.

Income Taxes

The University is exempt from federal income taxes under Section 501(a) of the Internal Revenue Code (IRC) as an organization described in Section 501(c)(3) of the IRC, except to the extent of unrelated business income tax under Sections 511 through 515 of the IRC. Unrelated business income tax is insignificant or nonexistent and, therefore, no tax provision has been made.

Accounting principles generally accepted in the United States of America require the University's management to evaluate tax positions taken by the University and recognize a tax liability (or asset) if the University has taken an uncertain position that more likely than not would not be sustained upon examination by the Internal Revenue Service. Management has analyzed tax positions taken by the University and has concluded that as of June 30, 2023 and 2022, there are no uncertain positions taken or expected to be taken that would require recognition of a liability (or asset) or disclosure in the financial statements. The University is subject to routine audits by taxing jurisdictions; however, there are currently no audits for any tax periods in progress. The University's management believes it is no longer subject to income tax examinations for years prior to 2020.

Note 2: Revenue From Contracts With Students

Net tuition revenues consist primarily of tuition, net of scholarships, and fees derived from academic programs taught by the University. Tuition revenue is recognized pro-rata over the applicable period of instruction. The University enters into a contract with a student, which covers a course or semester. Revenue recognition occurs once a student starts attending a course. The University had no costs that were capitalized to obtain or to fulfill a contract with a student.

Non-tuition related revenue is recognized as services are performed or goods are delivered.

Manchester University
Notes to Financial Statements
June 30, 2023 and 2022

The following table presents revenues disaggregated by the nature of transfer of services for the years ended June 30, 2023 and 2022, respectively:

	<u>2023</u>	<u>2022</u>
Undergraduate programs	\$ 29,941,016	\$ 30,450,063
Less: tuition discounts	<u>18,749,925</u>	<u>20,413,027</u>
Net undergraduate programs	11,191,091	10,037,036
Graduate programs	9,800,455	11,953,785
Less: tuition discounts	<u>92,650</u>	<u>118,250</u>
Net graduate programs	<u>9,707,805</u>	<u>11,835,535</u>
Net tuition revenues	20,898,896	21,872,571
Non-tuition related revenues	<u>9,045,158</u>	<u>9,395,495</u>
Total revenues from contracts with students	<u>\$ 29,944,054</u>	<u>\$ 31,268,066</u>

For the years ended June 30, 2023 and 2022, the University recognized revenue within the scope of ASC 606 of \$26,126,378 and \$27,492,400, respectively, from goods and services that transfer to the students over time and \$3,817,676 and \$3,775,666, respectively, from goods and services that transfer to students at a point in time.

Tuition discounts represent discounts allowed to students to reduce the student's overall cost for tuition. These discounts are given to students in the course of providing educational services and the amount of discount, as well as the individual recipient, are decided by the University. The University utilizes earnings on investments restricted for scholarships and other sources to finance the tuition discounts. Tuition discounts are reported as a reduction to tuition revenue as the University does not receive any goods or services in exchange for the discount.

The University's receivables represent unconditional rights to consideration from its contracts with students. Students are billed when they start attending a course and the revenue recognition process has commenced. Once a student has been billed, payment is due immediately. Included in each bill to the student are all educational related items including tuition, net of scholarships, housing, fees, etc. The University's contract liabilities are reported as deferred revenue in the statements of financial position. Deferred revenue in any period represents the excess of tuition, fees, and other student payments received as compared to amounts recognized as revenue on the statements of activities. The University's educational programs have beginning and ending dates that differ from its fiscal year. Therefore, at the end of the fiscal year, a portion of revenue from these programs was not yet earned.

Manchester University

Notes to Financial Statements

June 30, 2023 and 2022

The University identified a performance obligation associated with the provision of its educational instruction and other educational services, housing services, and other academic related services and used the period of time over which the services were provided to students as the output measure for recognition. The University identified performance obligations related to its dining services, fees, and other non-tuition related services and recognized revenue at the point in time goods or services were provided. The University maintains an institutional tuition refund policy which provides for all or a portion of tuition to be refunded if a student withdraws during stated refund periods. If a student withdraws at a time when only a portion or none of the tuition is refundable then in accordance with its revenue recognition policy, the University continues to recognize the tuition that was not refunded pro-rata over the applicable period of instruction. The University did not record revenue on amounts that may be refunded.

However, for students that had taken out financial aid to pay their tuition and for which a return of such money to the Department of Education under Title IV was required as a result of his or her withdrawal, the University reassessed collectability for these students each quarter for the estimated revenue that will be returned and recognized the revenue in future periods when payment was received. The University elected the short-term contract exemption with respect to its performance obligations under its contracts with students as all such contracts had original terms of less than one year.

Transaction Price and Recognition

The University determines the transaction price based on standard charges for goods and services provided, reduced by certain institutional scholarships and aid in accordance with the University's policies for granting certain merit-based aid. The University determines its estimates of explicit price concessions based on its discount policies and merit awards.

From time to time the University will incur student credit balances and student deposits which represent the excess of tuition and fees and other student payments received as compared to amounts recognized as revenue. These amounts are excluded from revenues and are recorded as liabilities until they are refunded. As of June 30, 2023 and 2022, the University has a liability for refunds or deposits from students recorded of approximately \$222,000 and \$201,000, respectively.

The University has determined that the nature, amount, timing, and uncertainty of revenue and cash flows are affected by the following factors:

- Payers (for example, students, governmental programs, and others) that have different reimbursement and payment methodologies
- Demographic and enrollment trends
- Institutional aid and federal and state aid programs

Manchester University
Notes to Financial Statements
June 30, 2023 and 2022

Contract Balances

The following table provides information about the University's receivables:

	2023	2022
Accounts receivable, beginning of the year	\$ 1,459,971	\$ 978,409
Accounts receivable, end of the year	1,936,265	1,459,971

Deferred revenue from contracts with students represents payments received in advance for which services had not yet been performed as of year-end. A summary of changes in contract liabilities is as follows:

	July 1, 2022	Revenue Recognized	Additions	Balance at June 30, 2023
Tuition related	\$ 1,170,191	\$ (1,170,191)	\$ 1,128,809	\$ 1,128,809
Non-tuition related	1,556,250	(225,000)	-	1,331,250
Total	\$ 2,726,441	\$ (1,395,191)	\$ 1,128,809	\$ 2,460,059

	July 1, 2021	Revenue Recognized	Additions	Balance at June 30, 2022
Tuition related	\$ 1,292,419	\$ (1,292,419)	\$ 1,170,191	\$ 1,170,191
Non-tuition related	6,284,550	(4,728,300)	-	1,556,250
Total	\$ 7,576,969	\$ (6,020,719)	\$ 1,170,191	\$ 2,726,441

The non-tuition related deferred revenue does not fall under the scope of ASC 606.

Note 3: Contributions Receivable, Net

Contributions receivable are unconditional promises to give from various donors. Unconditional promises to give that are expected to be collected within one year are recorded at their net realizable value. Unconditional promises to give that are expected to be collected in future years are recorded at the present value of their estimated future cash flows. The discounts on those amounts are computed using an interest rate range between 0.6% and 4.6%. Amortization of the discount is included in contribution revenue. Conditional promises to give are not included as revenue and support until the conditions are substantially met.

Manchester University
Notes to Financial Statements
June 30, 2023 and 2022

Payments are to be made pursuant to contribution agreements and are due as follows:

	2023	2022
Due within one year	\$ 744,598	\$ 384,343
Due in one to five years	1,194,131	2,036,545
Due in more than five years	535,000	570,000
	2,473,729	2,990,888
Less: Unamortized discount	(489,474)	(488,630)
Total net present value	1,984,255	2,502,258
Less: Allowance for doubtful pledges	(11,500)	(29,000)
Net unconditional promises to give, as of June 30	\$ 1,972,755	\$ 2,473,258

As of June 30, 2023 and 2022, the net present value of related party pledge receivables from board members was \$272,514 and \$417,419, respectively.

Note 4: Collections

The University follows a policy not to record or capitalize its collections of works of art, historical treasures, and similar assets. These collections are held for public exhibition, education, and research in furtherance of the University's educational and public service mission. The collections are appropriately cared for and preserved and subject to a University policy that requires the proceeds from sales, if any, of collection items to be used to acquire other items for the collection. The policy also requires disclosure in the audited financial statements of any items acquired, sold, destroyed, or otherwise disposed of during the year just completed. At June 30, 2023 and 2022, there were no reportable activities in collections.

Note 5: Student Loans Receivable and U.S. Government Loan Funds

The University made uncollateralized loans to students based upon financial need, and these loans were funded through the Perkins federal revolving loan program. As of June 30, 2023 and 2022, the University has outstanding loans receivable of \$374,039 and \$444,045 which represented 0.2% and 0.3% of total assets at June 30, 2023 and 2022, respectively. Amounts due under the Perkins Loan program are guaranteed by the federal government, and, therefore, no reserves are placed on any past due balances under the program. Management monitors the cohort default rate and has concluded that the University is in compliance with the related federal requirements for the years ended June 30, 2023 and 2022.

As of June 30, 2023 and 2022, funds outstanding from the federal Government of \$480,889 and \$550,435, respectively, are ultimately refundable to the government and are classified as liabilities in the statements of financial position. Outstanding loans cancelled under the program result in a decrease in the liability to the Government.

Manchester University
Notes to Financial Statements
June 30, 2023 and 2022

Note 6: Investments

Investments consist of the following at June 30:

	<u>2023</u>	<u>2022</u>
Cash and cash equivalents	\$ 627,458	\$ 958,111
Equity securities	32,917,151	31,606,026
Fixed income securities	18,812,636	24,068,498
Alternative investments		
Open-end private real-estate funds	8,049,841	9,916,999
Open-end private equity funds	8,153,925	7,160,828
International small cap public equities	1,929,743	1,737,508
Defensive equity funds	<u>10,360,017</u>	<u>9,007,530</u>
Total investments	<u>\$ 80,850,771</u>	<u>\$ 84,455,500</u>

Interest and dividends have been recorded net of related investment expenses.

The University is also the beneficiary of certain other investments that are held by others. These investments have certain donor-imposed conditions which prevent the University from including them within its investments and the University's net assets. The University is, however, receiving annual income from these investments held by others. As of June 30, 2023 and 2022, the amount of these unaudited investments approximates \$689,461 and \$655,978, respectively.

Note 7: Disclosures About Fair Value of Financial Instruments

GAAP defines fair value as the price that would be received for an asset or paid to transfer a liability (an exit price) in the University's principal or most advantageous market for the asset or liability in an orderly transaction between market participants on the measurement date.

GAAP establishes a fair value hierarchy which requires an entity to maximize the use of observable inputs and minimize the use of unobservable inputs when measuring fair value. The standard describes three levels of inputs that may be used to measure fair value:

- Level 1** Quoted prices for identical assets or liabilities in active markets that the entity has the ability to access as of the measurement date.
- Level 2** Significant other observable inputs other than Level 1 prices such as quoted prices for similar assets or liabilities; quoted prices in markets that are not active; or other inputs that are observable or can be corroborated by observable market data.
- Level 3** Significant unobservable inputs shall reflect the reporting entity's own assumptions about the assumptions that market participants would use in pricing an asset or liability.

In many cases, a valuation technique used to measure fair value includes inputs from multiple levels of the fair value hierarchy. The lowest level of significant input determines the placement of the entire fair value measurement in the hierarchy.

Manchester University
Notes to Financial Statements
June 30, 2023 and 2022

Inputs and Valuation Techniques

The fair values of common and preferred stock, equity index and mutual funds, fixed income mutual funds, balanced mutual funds, and U.S. Treasury notes, which are all readily marketable, are determined by obtaining quoted prices on nationally recognized securities exchanges (Level 1). Certain types of fixed income securities, such as corporate bonds, government agency securities, and foreign government securities, are valued using quoted market prices of similar securities with similar due dates or matrix pricing, which is a mathematical technique widely used in the industry to value debt securities without relying exclusively on quoted prices for the specific securities but rather by relying on the securities' relationship to other benchmark quoted securities (Level 2).

The fair values of cash and cash equivalents, which include money market accounts and cash and brokered certificates of deposit are estimated to approximate deposit account balances, payable on demand or due at maturity, as no discounts for credit quality or liquidity were determined to be applicable (Level 1).

The fair value of other alternative investments is based upon the financial reporting of the entities, and additional analysis performed by management, as such investments may have significant unobservable valuation inputs. To the extent that a legal or contractual restriction is specific to (and an attribute of) the investment and, therefore, would transfer with the investments upon sale to another market participant, it is considered as part of the investment's fair value determination.

The fair value of such investments can be determined using Net Asset Value (NAV), unless it is probable that the asset will be sold at something other than NAV. The University uses NAVs, under the market approach, as determined by the fund managers to determine fair value. These managers utilize standard valuation procedures and policies to assess the fair value of the underlying investment holdings in the funds. NAV is also used to determine the fair value of the limited partnership investments of the University.

Manchester University
Notes to Financial Statements
June 30, 2023 and 2022

Assets Measured on a Recurring Basis

Assets measured at fair value on a recurring basis at June 30, 2023 and 2022, are summarized below:

	2023				
	Total Value	Fair Value Measurements Using			
		Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)	Investments Measured at NAV (A)
Assets					
Investments					
Cash and cash equivalents	\$ 627,458	\$ 627,458	\$ -	\$ -	\$ -
Equity securities					
Common stock					
Consumer discretionary	143,547	143,547	-	-	-
Consumer staples	163,112	163,112	-	-	-
Energy	43,974	43,974	-	-	-
Financials	266,172	266,172	-	-	-
Healthcare	364,581	364,581	-	-	-
Industrials	207,087	207,087	-	-	-
Information technology	424,247	424,247	-	-	-
Materials	107,902	107,902	-	-	-
Telecommunications	98,604	98,604	-	-	-
Utilities	56,179	56,179	-	-	-
Real estate	61,797	61,797	-	-	-
Total common stock	1,937,202	1,937,202	-	-	-
Equity index and mutual funds	30,979,949	30,979,949	-	-	-
Fixed income securities					
Corporate bonds	6,037,951	-	6,037,951	-	-
U.S. treasury notes	1,603,398	1,603,398	-	-	-
U.S. Government agency securities	2,541,205	2,541,205	-	-	-
Foreign government securities	384,272	-	384,272	-	-
Fixed income mutual funds	8,245,810	8,245,810	-	-	-
Alternative investments	28,493,526	-	-	-	28,493,526
Total investments	<u>\$ 80,850,771</u>	<u>\$ 45,935,022</u>	<u>\$ 6,422,223</u>	<u>\$ -</u>	<u>\$ 28,493,526</u>

Manchester University
Notes to Financial Statements
June 30, 2023 and 2022

	2022					
	Fair Value Measurements Using					
	Total Value	Quoted Prices in Active Markets for Identical Assets (Level 1)		Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)	Investments Measured at NAV (A)
Assets						
Investments						
Cash and cash equivalents	\$ 958,111	\$ 958,111	\$ -	\$ -	-	
Equity securities						
Common stock						
Consumer discretionary	88,539	88,539	-	-	-	
Consumer staples	100,605	100,605	-	-	-	
Energy	27,123	27,123	-	-	-	
Financials	164,171	164,171	-	-	-	
Healthcare	224,869	224,869	-	-	-	
Industrials	127,728	127,728	-	-	-	
Information technology	261,670	261,670	-	-	-	
Materials	66,553	66,553	-	-	-	
Telecommunications	60,817	60,817	-	-	-	
Utilities	34,650	34,650	-	-	-	
Real estate	38,115	38,115	-	-	-	
Total common stock	1,194,840	1,194,840	-	-	-	
Equity index and mutual funds	30,411,186	30,411,186	-	-	-	
Fixed income securities						
Corporate bonds	6,627,379	-	6,627,379	-	-	
U.S. treasury notes	942,087	942,087	-	-	-	
U.S. Government agency securities	2,555,728	-	2,555,728	-	-	
Foreign government securities	408,255	-	408,255	-	-	
Fixed income mutual funds	13,535,049	13,535,049	-	-	-	
Alternative investments	27,822,865	-	-	-	27,822,865	
Total investments	\$ 84,455,500	\$ 47,041,273	\$ 9,591,362	\$ -	\$ 27,822,865	

(A) Certain investments that are measured at fair value using the net asset value per share (or its equivalent) practical expedient have not been classified in the fair value hierarchy. The fair value amounts included above are intended to permit reconciliation of the fair value hierarchy to the amounts presented in the statements of financial position

The open-end private real estate funds consist of Shares of a fund owning equity in diversified real estate properties which are primarily located in the United States and in the four major core property segments, namely Office, Apartment, Industrial, and Retail. Redemptions from these funds may be made quarterly, after a 90 day notice period. There were no unfunded commitments at June 30, 2023.

Manchester University
Notes to Financial Statements
June 30, 2023 and 2022

The open-end private equity funds invest in early stage, high-growth private companies, growth equity financing, leverage buyouts, securities, and other obligations of distressed business and financially troubled companies. Redemptions from these funds may be made monthly, after a one year notice period. There were no unfunded commitments at June 30, 2023.

The international small cap public equities fund consists of units of a fund owning a diversified portfolio of publicly-traded, non-U.S. stocks focused on small capitalization companies. Redemptions from this fund may be made monthly, after a 10 day notice period. There were no unfunded commitments at June 30, 2023.

The defensive equity fund consists of units of a fund owning U.S. Treasuries, U.S. Stocks, and liquid features and derivatives linked to those assets. The fund's strategy includes selling fully covered put and call options. Redemptions of this fund may be made monthly, after a 5 day notice period. There were no unfunded commitments at June 30, 2023.

Note 8: Investment in Educational Properties, Net

Investment in educational properties consists of the following at June 30:

	<u>2023</u>	<u>2022</u>
Land	\$ 2,541,772	\$ 2,541,772
Land improvements	7,025,436	6,988,299
Buildings and improvements	111,579,440	111,173,296
Equipment	27,754,699	27,342,218
Vehicles	366,574	555,033
Construction in progress	<u>2,223,279</u>	<u>407,755</u>
	151,491,200	149,008,373
Less accumulated depreciation	<u>(80,329,878)</u>	<u>(77,206,402)</u>
	<u>\$ 71,161,322</u>	<u>\$ 71,801,971</u>

Depreciation expense is \$4,134,150 and \$4,070,485 for the years ended June 30, 2023 and 2022, respectively. The University had remaining construction commitments of approximately \$13,281,000 at June 30, 2023, which represents costs for refurbishment of equipment and expansion of facilities.

Note 9: Short-Term Line of Credit

The University has a \$4,000,000 line of credit with First Financial Bank with a maturity date of January 15, 2024. The interest rate is calculated at the First Financial Prime Rate less 1% (7.25% and 3.75% at June 30, 2023 and 2022, respectively). As of June 30, 2023 and 2022, the University had no borrowings against this line of credit.

Manchester University
Notes to Financial Statements
June 30, 2023 and 2022

The line of credit agreement requires the University to provide the lender annually audited financial statements within 120 days of the fiscal year-end and quarterly financial statements within 30 days of the end of each quarter.

Note 10: Long-Term Debt

Long-term debt consists of the following as of June 30:

	2023	2022
Series 2018 Indiana Finance Authority Educational Facilities Revenue Bonds. Fixed interest rates between 3% and 5% payable on the last business day prior to April 1 and October 1 through 2048. Annual principal payments beginning September 30, 2022, payable on the last business day prior to October 1 each year. The bonds are secured by certain assets and revenues in accordance with the terms of the loan agreement and trust indenture.	\$ 16,440,000	\$ 16,785,000
Less unamortized bond issue cost and bond premiums	(107,520)	(111,781)
	\$ 16,332,480	\$ 16,673,219

Principal payments for the next five fiscal years and thereafter are as follows:

	Principal
2024	\$ 360,000
2025	380,000
2026	400,000
2027	410,000
2028	425,000
Thereafter	14,465,000
	\$ 16,440,000

The Series 2018 bonds contain certain covenants regarding the maintenance of security interests, issuance of financial statements, and other general provisions. The Series 2018 Bonds also require the maintenance of a debt service coverage ratio.

Interest expense incurred for years ended June 30, 2023 and 2022, was \$683,562 and \$696,326, respectively, and \$52,608 and \$0, respectively, were capitalized into construction in progress.

Manchester University
Notes to Financial Statements
June 30, 2023 and 2022

Note 11: Post-Retirement Benefits

The University has a defined contribution retirement plan covering substantially all full time employees with one year or more of service. This plan is funded through individually owned annuities issued by Teachers Insurance and Annuity Association. The University contributes a percentage of employee wages depending on length of service. In January 2020, the University changed its contribution percentages to 5% for three through five years of employment and 7% thereafter. The University's contributions during the years ended June 30, 2023 and 2022, totaled \$1,056,536 and \$1,099,789, respectively.

Note 12: Annuities and Uni-Trusts

At June 30, 2023 and 2022, the University is required to make annual annuity payments of approximately \$102,900 and \$110,600, respectively, reflecting rates of return ranging from 4.6% to 12.1% per annum, determined by both life expectancy and market conditions existing at the time of issue. As of June 30, 2023 and 2022, the actuarial present values of the annuity contracts and uni-trusts are as follows:

	2023	2022
Annuities	\$ 621,642	\$ 716,402
Uni-trusts	191,587	189,682
	\$ 813,229	\$ 906,084

As of June 30, 2023 and 2022, total assets for annuities and uni-trusts were \$3,671,738 and \$3,547,801, respectively.

Manchester University
Notes to Financial Statements
June 30, 2023 and 2022

Note 13: Net Assets With Donor Restrictions

Substantially all of the net assets with donor restrictions as of June 30, 2023 and 2022, relate to contributions or grants given to the University for specific purposes and scholarships to students from governmental and private sources. Cash and promises to give, as well as earnings on the investment of such support, are restricted according to the timing and nature of the donor's restrictions. Net assets with donor restrictions as of June 30, 2023 and 2022, are as follows:

	<u>2023</u>	<u>2022</u>
Subject to the passage of time or expenditure for specified purpose		
Scholarships and specific operations	\$ 5,309,721	\$ 4,573,491
Property additions and improvements	4,052,490	3,490,947
	<u>9,362,211</u>	<u>8,064,438</u>
Endowments		
Subject to appropriation and expenditure when a specified event occurs		
Scholarships and specific operations	21,536,755	20,207,414
Underwater endowments	(67)	(108,524)
	<u>21,536,688</u>	<u>20,098,890</u>
Subject to endowment spending policy or appropriation		
Scholarships and specific operations	49,605,891	47,859,344
Total endowments	<u>71,142,579</u>	<u>67,958,234</u>
Total net assets with donor restrictions	<u>\$ 80,504,790</u>	<u>\$ 76,022,672</u>

Net assets were released from donor restrictions by incurring expenses satisfying the restricted purposes or by occurrence of other events specified by donors:

	<u>2023</u>	<u>2022</u>
Purpose restrictions accomplished		
Student services and specific operations	\$ 2,130,085	\$ 8,167,716
Scholarships and awards	2,400,558	3,918,276
Property, plant, and equipment	874,631	479,610
	<u>5,405,274</u>	<u>12,565,602</u>
Total net assets released from restrictions	<u>\$ 5,405,274</u>	<u>\$ 12,565,602</u>

Note 14: Endowment Composition

The University's endowment includes both donor-restricted endowment funds and funds designated by the Board of Trustees to function as endowments. As required by applicable standards, net assets associated with endowment funds, including funds designated by the Board of Trustees to function as endowments, are classified and reported based on the existence or absence of donor-imposed restrictions.

Manchester University
Notes to Financial Statements
June 30, 2023 and 2022

Endowment net asset composition by type of fund as of June 30, 2023:

	2023		
	Without Donor Restrictions	With Donor Restrictions	Total
Donor-restricted endowment funds	\$ -	\$ 71,142,579	\$ 71,142,579
Board-designated endowment funds	4,945,253	-	4,945,253
Total endowment net assets	\$ 4,945,253	\$ 71,142,579	\$ 76,087,832

Endowment net asset composition by type of fund as of June 30, 2022:

	2022		
	Without Donor Restrictions	With Donor Restrictions	Total
Donor-restricted endowment funds	\$ -	\$ 67,958,234	\$ 67,958,234
Board-designated endowment funds	4,856,796	-	4,856,796
Total endowment net assets	\$ 4,856,796	\$ 67,958,234	\$ 72,815,030

Changes in endowment net assets for the years ended June 30, 2023 and 2022, are as follows:

	Without Donor Restrictions	With Donor Restrictions	Total
Endowment net assets, July 1, 2021	\$ 5,385,518	\$ 74,465,355	\$ 79,850,873
Investment return			
Investment income, net	102,649	1,406,206	1,508,855
Net realized and unrealized losses	(475,123)	(6,622,335)	(7,097,458)
Total investment return	(372,474)	(5,216,129)	(5,588,603)
Contributions/designations	-	1,143,132	1,143,132
Appropriation of endowment assets for expenditure	(156,248)	(2,434,124)	(2,590,372)
Endowment net assets, June 30, 2022	4,856,796	67,958,234	72,815,030
Investment return			
Investment income, net	97,083	1,354,533	1,451,616
Net realized and unrealized gains	273,769	3,817,305	4,091,074
Total investment return	370,852	5,171,838	5,542,690
Contributions/designations	-	1,746,547	1,746,547
Appropriation of endowment assets for expenditure	(282,395)	(3,734,040)	(4,016,435)
Endowment net assets, June 30, 2023	\$ 4,945,253	\$ 71,142,579	\$ 76,087,832

Manchester University

Notes to Financial Statements

June 30, 2023 and 2022

SPMIFA: The Board of Trustees of the University has considered the State Prudent Management of Institutional Funds Act (SPMIFA) and has elected to preserve the fair value of the original gift as of the gift date of the donor-restricted endowment funds absent explicit donor stipulations to the contrary.

Accordingly, the University classifies as net assets with donor restrictions (a) the original value of gifts donated to the permanent endowment, (b) the original value of subsequent gifts to the permanent endowment, and (c) accumulations to the permanent endowment made in accordance with the direction of the applicable donor gift instrument at the time the accumulation is added to the fund. The remaining portion of the donor-restricted endowment fund is classified as net assets with donor restrictions until those amounts are appropriated for expenditure by the University in a manner consistent with the standard of prudence prescribed by SPMIFA. In accordance with SPMIFA, the University considers the following factors in making a determination to appropriate or accumulate donor-restricted endowment funds:

- (1) The duration and preservation of the fund
- (2) The purposes of the University and the donor-restricted endowment fund
- (3) General economic conditions
- (4) The possible effect of inflation and deflation
- (5) The expected total return from income and the appreciation of investments
- (6) Other resources of the University
- (7) The investment policies of the University

Return Objectives and Risk Parameters: The University has adopted investment and spending policies for endowment assets that attempt to provide a predictable stream of funding to programs supported by its endowment while seeking to maintain the purchasing power of the endowment assets. Endowment assets include those assets of donor-restricted funds that the University must hold in perpetuity or for a donor-specified period(s) as well as Board-designated funds. Under this policy, as approved by the Board of Trustees, the endowment assets are invested in a manner that is intended to produce results consistent with the University's spending policy plus inflation.

Strategies Employed for Achieving Objectives: The purpose of the Endowment Fund is to facilitate donors' desires to make substantial long-term gifts to the University and to develop a new and significant source of revenue for the University. In so doing, the Endowment Fund will provide a secure, long-term source of funds to: (a) fund student scholarships; support other donor requested expenditures, or (b) support the operational expenses of the University as deemed appropriate.

Spending Policy and How the Investment Objectives Relate to Spending Policy: In the year following the attainment of the endowment at a level of \$25,000 or greater, distributions will average no more than 4.5% of the average market value of the endowment for the past 12 quarters ending on December 31. Effective for fiscal years June 30, 2023 and 2024, the Board of Trustees has approved an additional 2% endowment distribution. The amount of the distribution will not reduce the individual endowment below its Historical Dollar Value (HDV) using the most recent December 31 value. Within these parameters, the amount of the disbursement shall be determined annually by the University Board of Trustees, who may also elect to take no distribution in any given year.

Manchester University

Notes to Financial Statements

June 30, 2023 and 2022

Funds with Deficiencies: From time to time, the fair value of assets associated with individual donor-restricted endowment funds may fall below the level that the donor or SPMIFA requires the University to retain as a fund of perpetual duration. As of June 30, 2023, deficiencies existed in 2 donor-restricted endowment funds, which together had an original gift value of \$40,000, a current fair value of \$39,933, and a deficiency of \$67 as of June 30, 2023. As of June 30, 2022, deficiencies existed in 13 donor-restricted endowment funds, which together had an original gift value of \$3,004,808, a current fair value of \$2,896,284, and a deficiency of \$108,524 as of June 30, 2022. These deficiencies resulted from unfavorable market fluctuations.

Note 15: Medical Benefits

From July 1 through December 31, 2022, the University elected to be self-insured for its group health plan for its employees. The University had purchased stop-loss insurance. Accordingly, the University was responsible for all claims up to \$110,000 per individual per policy year. Medical benefits under this plan and for the period ended June 30, 2023 and 2022 was \$1,517,480 and \$2,780,853, respectively. A liability of \$75,450 was recorded on June 30, 2022 for the uninsured portion of pending medical claims, both known and incurred but not reported.

On January 1, 2023 the University terminated its group insurance plan and moved to individualized plans purchased through The Marketplace established under the *Affordable Care Act of 2010*. The University has partnered with an outside service provider to assist with managing the employees' individualized plans. The University accrues for the shared responsibility penalty required under the Act for employers who do not offer a qualified group insurance plan. A liability of \$185,400 has been recorded at June 30, 2023. Medical benefits under this plan are for the period ended June 30, 2023 was \$1,206,622.

Note 16: Asset Retirement Obligations

GAAP states that conditional asset retirement obligations (AROs) meet the definition of liabilities and should be recognized when incurred if their fair values can be reasonably estimated. The University has recorded conditional ARO liabilities of \$710,384 and \$726,964 as of June 30, 2023 and 2022, respectively, related to the estimated cost of asbestos remediation for its campus buildings.

The resulting conditional AROs are primarily related to the encapsulated structural fireproofing that is not subject to abatement unless the buildings are demolished and non-encapsulated asbestos that the University would remediate only if it performed major renovations of certain existing buildings. This makes developing a reasonable estimate of their fair values difficult. The University will continue to assess its ability to better estimate fair value for asbestos remediation at each future reporting date.

Manchester University
Notes to Financial Statements
June 30, 2023 and 2022

A summary of changes in asset retirement obligations for the years ended June 30, 2023 and 2022, is included in the table below:

	<u>2023</u>	<u>2022</u>
Liability, beginning of year	\$ 726,964	\$ 946,589
Liabilities incurred	-	-
Liabilities settled	(76,150)	(279,195)
Accretion expense	<u>59,570</u>	<u>59,570</u>
Liability, end of year	<u>\$ 710,384</u>	<u>\$ 726,964</u>

Note 17: Liquidity and Availability

Net financial assets available for general expenditure, after reduction for donor-imposed restrictions, board-designated net assets, and other restrictions, within one year of June 30, 2023 and 2022, respectively, comprise the following:

	<u>2023</u>	<u>2022</u>
Financial assets, at year-end		
Cash and cash equivalents	\$ 6,104,387	\$ 4,059,840
Student accounts receivable	1,936,265	1,446,871
Contributions receivable	151,433	166,106
Other receivables	192,592	591,421
Investments	1,235,777	5,686,301
Anticipated endowment draw for next fiscal year	<u>4,608,648</u>	<u>4,544,579</u>
	<u>\$ 14,229,102</u>	<u>\$ 16,495,118</u>

Manchester University
Notes to Financial Statements
June 30, 2023 and 2022

As part of the University's liquidity management, the University invests its financial assets to be available as its general expenditures, liabilities, and other obligations come due. To help manage unanticipated liquidity needs, the University has a line of credit in the amount of \$4,000,000 which it could draw upon. The use of this line of credit is generally restricted to the extent that the University is in need of liquidity to fund program-related obligations. Board-designated endowments of \$4,945,253 at June 30, 2023, could be made available, if necessary, for liquidity needs.

Note 18: Leases

Nature of Leases

The University has entered into the following lease arrangements:

Operating Leases

This lease consists of educational space that expires in various years through 2024. These lease generally requires the University to pay all executory costs (property taxes, maintenance, and insurance). Termination of the lease generally is prohibited unless there is a violation under the lease agreement.

Finance Leases

These leases mainly consist of certain technology equipment and expire at various points in time through 2028. Termination of the leases generally are prohibited unless there is a violation under the lease agreement.

All Leases

The University has no material related-party leases. The University's lease agreements do not contain any material residual value guarantees or material restrictive covenants.

Quantitative Disclosures

The lease cost and other required information for the years ended June 30, 2023 and 2022, is:

	<u>2023</u>	<u>2022</u>
Lease cost		
Finance lease cost		
Amortization of right-of-use asset	\$ -	\$ -
Interest cost on lease liabilities	11,700	-
Operating lease cost	<u>68,933</u>	<u>68,933</u>
Total lease cost	<u>\$ 80,633</u>	<u>\$ 68,933</u>

Manchester University
Notes to Financial Statements
June 30, 2023 and 2022

Future minimum lease payments for operating leases and reconciliation to the statements of financial position at June 30, 2023:

	2023	2022
Other information		
Cash paid for amounts included in the measurements of lease liabilities		
Operating cash flows from finance leases	\$ 11,700	\$ -
Financing cash flows from finance leases	49,457	-
Operating cash flows from operating leases	68,933	68,933
Weighted-average-remaining lease term		
Finance leases	4.8 yrs	-
Operating leases	0.8	1.8
Weighted-average-discount rate		
Finance leases	4.25%	-
Operating leases	4.10%	4.10%

Future minimum lease payments and reconciliation to the statements of financial position at June 30, 2023, are as follows:

	Finance Leases	Operating Leases
2024	\$ 333,981	\$ 70,591
2025	333,981	-
2026	333,981	-
2027	333,981	-
2028	272,824	-
	1,608,748	70,591
Total future undiscounted lease payments		
Less interest	(155,779)	(201)
	\$ 1,452,969	\$ 70,390
Lease liabilities		

Note 19: Internal Borrowings

During 2023, the Board of Trustees approved the University borrowing up to \$19,000,000 from the endowment for certain capital projects. The borrowings from the endowment fund totaled \$4,000,000 at June 30, 2023 and of the \$4,000,000, approximately \$2,400,000 is included within cash and cash equivalents on the statements of financial position. The loan is being used for renovations to the Pharmacy School. The loan has a draw period of 18 months or completion of the project, whichever period is shorter. This loan bears interest monthly at 6% which starts accruing the day funds are drawn, and is due in full 5 years from the date of the final day of the draw period.

Manchester University
Notes to Financial Statements
June 30, 2023 and 2022

Note 20: Concentrations and Contingencies

The University receives and expends money under federal grant programs and is subject to audits by cognizant governmental agencies. Management believes that any liabilities arising from such audits will not have a material effect on the University.

Contributions

Approximately 32% and 30% of all contributions receivable were due from two donors at June 30, 2023 and 2022, respectively.

Approximately 39% of all contributions received were from two donors for the year ended June 30, 2023. There was no such concentration for the year ended June 30, 2022.

Investments

The University invests in various investment securities. The underlying 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 and the level of uncertainty related to changes in the value of investment securities, it is at least reasonably possible that changes in the values of investment securities will occur in the near term and that such changes could materially affect the amounts reported in the statements of financial position.

Litigation

The University is subject to claims and lawsuits that arise primarily in the ordinary course of its activities. It is the opinion of management that the disposition or ultimate resolution of such claims and lawsuits will not have a material adverse effect on the financial position, change in net assets and cash flows of the University. Events could occur that would change this estimate materially in the near term.

Manchester University
Notes to Financial Statements
June 30, 2023 and 2022

Note 21: Expenses by Nature

The statements of activities report certain categories of expenses attributable to the programs and supporting functions of the University. The table below presents these functional expenses by their natural classification for the years ended June 30, 2023 and 2022:

	Program Services					Supporting Services			Total
	Instructional	Academic Support	Student Services	Auxiliary Enterprises	Total Program	Institutional Support	Fundraising		
2023									
Salaries and benefits	\$ 12,428,178	\$ 2,822,305	\$ 4,446,021	\$ 401,800	\$ 20,098,304	\$ 3,702,208	\$ 967,339	\$	24,767,851
Outside services	237,952	642,460	1,131,350	2,911,494	4,923,256	1,266,101	56,087		6,245,444
Other operating expenses	578,683	376,655	765,865	599,976	2,321,179	1,618,794	54,361		3,994,334
Depreciation	1,611,850	473,203	513,102	1,278,845	3,877,000	244,112	13,038		4,134,150
Operation and maintenance	1,178,747	362,391	464,050	861,139	2,866,327	231,604	23,327		3,121,258
Interest	200,111	-	136,756	299,815	636,682	46,880	-		683,562
Travel	74,321	51,475	572,367	3,475	701,638	44,685	38,120		784,443
Supplies	185,808	299,218	66,778	2,416	554,220	84,137	250		638,607
Utilities	-	11,933	-	369,840	381,773	24,831	-		406,604
Total	\$ 16,495,650	\$ 5,039,640	\$ 8,096,289	\$ 6,728,800	\$ 36,360,379	\$ 7,263,352	\$ 1,152,522	\$	44,776,253
	Program Services					Supporting Services			
	Instructional	Academic Support	Student Services	Auxiliary Enterprises	Total Program	Institutional Support	Fundraising		Total
2022									
Salaries and benefits	\$ 11,078,174	\$ 2,338,210	\$ 4,267,326	\$ 437,782	\$ 18,121,492	\$ 4,088,950	\$ 990,250	\$	23,200,692
Outside services	228,601	1,031,486	823,962	2,828,726	4,912,775	1,362,954	62,785		6,338,514
Other operating expenses	522,077	2,382,719	672,702	695,801	4,273,299	1,542,882	32,155		5,848,336
Depreciation	1,521,613	459,684	483,524	1,337,607	3,802,428	257,229	10,828		4,070,485
Operation and maintenance	1,039,767	317,674	409,953	1,022,279	2,789,673	352,445	20,872		3,162,990
Interest	236,074	-	152,754	305,508	694,336	1,990	-		696,326
Travel	35,286	27,411	429,908	8,464	501,069	40,591	46,441		588,101
Supplies	150,032	251,525	110,497	4,908	516,962	47,006	1,727		565,695
Utilities	-	13,700	-	386,905	400,605	14,341	-		414,946
Total	\$ 14,811,624	\$ 6,822,409	\$ 7,350,626	\$ 7,027,980	\$ 36,012,639	\$ 7,708,388	\$ 1,165,058	\$	44,886,085

The allocations of certain categories of expenses attributable to more than one program or supporting function are described in Note 1.

Manchester University
Notes to Financial Statements
June 30, 2023 and 2022

Note 22: Higher Education Emergency Relief Funds and Other Coronavirus Events

Federal relief efforts have been created to help offset revenue losses and expense increases that colleges and universities faced because of COVID-19. The CARES Act created a Higher Education Emergency Relief Fund (HEERF) to provide financial relief to students and institutions who were impacted by the COVID-19 pandemic. The *Coronavirus Response and Relief Supplemental Appropriations Act (CRRSAA)* and the *American Rescue Plan (ARP)* provided additional rounds of HEERF (II and III). The HEERF funds contained two components, an institutional award, and a student aid award. The student aid portion must be distributed to students in the form of emergency financial aid grants to generally cover any component of the cost of attendance for the distribution of education or emergency costs that arose due to COVID-19. The institutional portion can be used for multiple items, but largely to cover lost revenue, defray and pay for expenses related to the disruption of campus operations due to COVID-19, and reimburse for costs associated with a transition to distance education environment, among other items.

The following cumulative amounts have been awarded from the HEERF as of June 30, 2023 and 2022:

	June 30, 2023			June 30, 2022		
	Student Portion	Institutional Portion	Total	Student Portion	Institutional Portion	Total
Awarded						
HEERF I	\$ 755,726	\$ 755,726	\$ 1,511,452	\$ 755,726	\$ 755,726	\$ 1,511,452
HEERF II	755,726	1,432,315	2,188,041	755,726	1,432,315	2,188,041
HEERF III	1,926,574	1,926,572	3,853,146	1,926,574	1,926,572	3,853,146
	\$ 3,438,026	\$ 4,114,613	\$ 7,552,639	\$ 3,438,026	\$ 4,114,613	\$ 7,552,639

The University expended HEERF III student and institutional portions of \$1,926,574 and \$1,264,141, respectively, for the year ending June 30, 2022. As of June 30, 2022, all HEERF I, II, and III awards had been fully expended.

On April 16, 2020, the University received a loan in the amount of \$4,503,300 pursuant to the Paycheck Protection Program. The University has elected to account for the funding as a conditional contribution by applying ASC Topic 958-605, *Revenue Recognition*. Revenue is recognized when conditions are met, which include meeting FTE and salary reduction requirements and incurring eligible expenditures. As of June 30, 2021, the entire amount received was recorded in deferred revenue on the statement of financial position. PPP loans are subject to audit and acceptance by the U.S. Department of Treasury, Small Business Administration, or lender; as a result of such audit, adjustments could be required to the recognition of revenue. On August 26, 2021, the University received notice from the SBA that the balance of the loan had been forgiven. Accordingly, the University removed the liability and recorded grant revenue to reflect this forgiveness within the statement of activities for the year ended June 30, 2022.

Manchester University
Notes to Financial Statements
June 30, 2023 and 2022

Note 23: U.S. Department of Education Financial Responsibility Ratio Information

The following information is required by the U.S. Department of Education for the year ended June 30, 2023:

	<u>2023</u>
Property, plant, and equipment, net of accumulated depreciation pre-implementation	\$ 57,186,580
Property, plant, and equipment, net of accumulated depreciation post-implementation without outstanding debt for purchase	11,751,463
Construction in progress	2,223,279

Note 24: Related Party Transactions

The University maintains business relationships with companies owned or operated by trustee members. These relationships are disclosed to the organization and other trustee members. The University maintains a policy requiring trustees to abstain from voting on matters regarding business operations where potential conflicts of interest exist. See Note 3 for disclosure of contributions receivable from related parties. Management believes all other related party transactions to be immaterial.

Note 25: Subsequent Events

Subsequent events have been evaluated through December 21, 2023, which is the date the financial statements were issued.

Manchester University
 Bond Covenants Disclosures
 Fiscal Year Ended June 30, 2022

Enrollment Data

	Fall 17	Fall 18	Fall 19	Fall 20	Fall 21	Fall 22	Fall 23
Headcount	1572	1530	1421	1441	1303	1217	1175
Bachelors	1268	1191	1078	1082	994	938	912
Masters	17	51	67	91	78	57	44
PharmD	289	288	276	274	243	222	219
Full Time Equivalent (FTE)	1154	1488	1377	1409	1299	1154	1145

Undergrad Retention Data

	Began Fall 16	Began Fall 17	Began Fall 18	Began Fall 19	Began Fall 20	Began Fall 21	Began Fall 22
Fresh to Second Year Retention	64.0%	60.2%	61.2%	71.3%	59.6%	66.0%	74.6%
Rating Five Year Average	68.8%	66.2%	65.6%	66.2%	64.3%	65.1%	61.3%

Graduate Retention Data

	Began Fall 16	Began Fall 17	Began Fall 18	Began Fall 19	Began Fall 20	Began Fall 21	Began Fall 22
MAI Fresh to Second Year Retention	80.0%	100.0%	100.0%	100.0%	92.9%	80.0%	100.0%
PharmD Fresh to Second Year Retention	89.5%	81.3%	91.9%	93.9%	92.9%	83.4%	84.0%

Student Profile & Geographic Data-Undergrad

Count	Fall 17	Fall 18	Fall 19	Fall 20	Fall 21	Fall 22	Fall 23
Enrollment	40	35	29	26	23	18	18
Students of Color	290	290	250	283	230	205	180
International	46	41	30	17	9	3	5
First Generation	355	364	335	347	279	253	224
Men	616	559	498	548	503	444	489
Women	850	632	574	534	481	470	426
Percent of Total	Fall 17	Fall 18	Fall 19	Fall 20	Fall 21	Fall 22	Fall 23
% Enrollment	2.6%	2.3%	2.1%	1.8%	1.7%	1.5%	1.5%
% Students of Color	23.0%	24.3%	23.2%	25.3%	22.4%	21.8%	20.8%
% International	3.7%	3.4%	2.8%	1.6%	0.9%	0.3%	0.5%
% First Generation	28%	32%	33%	32%	28%	27%	26%
% Men	49.0%	46.9%	46.4%	50.7%	51.1%	47.3%	51.6%
% Women	51.0%	53.1%	53.6%	49.3%	48.9%	50.1%	48.4%
Count	Fall 17	Fall 18	Fall 19	Fall 20	Fall 21	Fall 22	Fall 23
Indiana	1038	945	859	878	799	760	744
Ohio	49	49	43	35	31	18	21
Michigan	35	34	35	39	40	22	18
Illinois	25	30	27	31	23	16	16
International	53	47	33	17	9	3	5
All Other	61	69	73	82	82	117	106
Percent of Total	Fall 17	Fall 18	Fall 19	Fall 20	Fall 21	Fall 22	Fall 23
Indiana	67.5%	79.3%	60.3%	61.1%	61.2%	61.0%	61.6%
Ohio	3.7%	3.9%	4.0%	3.2%	3.2%	2.0%	2.3%
Michigan	2.8%	2.8%	3.3%	3.6%	4.1%	2.5%	2.0%
Illinois	2.0%	2.5%	2.3%	2.9%	2.3%	1.7%	1.8%
International	4.2%	4.0%	3.1%	1.9%	0.9%	0.3%	0.5%
All Other	4.6%	7.5%	6.6%	7.6%	8.3%	12.5%	11.8%
Count	Fall 17	Fall 18	Fall 19	Fall 20	Fall 21	Fall 22	Fall 23
States	24	26	26	23	21	25	28
Countries	20	21	19	13	8	4	5

Manchester University
 Board Comprehensives Disclosure
 Fiscal Year Ended June 30, 2022

Undergrad Tuition, Fees, Room & Board

Year	17-18	18-19	19-20	20-21	21-22	22-23	23-24
Tuition	\$39,450	\$31,500	\$32,366	\$33,178	\$33,178	\$34,504	\$33,800
Room	\$5,250	\$2,200	\$5,350	\$5,450	\$5,826	\$5,739	\$5,857
Board	\$4,130	\$4,330	\$4,492	\$4,672	\$4,812	\$4,956	\$5,302
Student Fees	\$280	\$280	\$280	\$280	\$280	\$280	\$280
Technology Fees	\$250	\$300	\$300	\$350	\$350	\$1,000	\$1,030
Faculty Fees	\$41,040	\$42,338	\$43,468	\$44,558	\$44,874	\$46,465	\$45,244

Graduate Tuition and Fees

	17-18	18-19	19-20	20-21	21-22	22-23	23-24
MAT Tuition	\$ 30,450	\$ 19,000	\$ 19,000	\$ 19,000	\$ 19,000	\$ 19,870	\$ 20,000
MAT Student Fees	\$ 990	\$ 990	\$ 990	\$ 990	\$ 990	\$ 1,000	\$ 1,000
MAT Total	\$ 31,440	\$ 19,990	\$ 19,990	\$ 19,990	\$ 19,990	\$ 20,870	\$ 21,000
PhD Tuition	\$ 29,700	\$ 27,200	\$ 27,200	\$ 27,200	\$ 27,200	\$ 27,200	\$ 28,900
PhD Student Fees	\$ 2,800	\$ 2,720	\$ 2,720	\$ 2,720	\$ 2,720	\$ 2,720	\$ 2,890
PhD Total	\$ 32,500	\$ 29,920	\$ 29,920	\$ 29,920	\$ 29,920	\$ 29,920	\$ 31,790
PharmD Tuition (P1, P3)	\$ 38,000	\$ 38,380	\$ 38,800	\$ 39,348	\$ 39,738	\$ 40,135	\$ 40,134
PharmD Tuition (P4)	\$ 42,400	\$ 47,824	\$ 43,359	\$ 43,900	\$ 44,338	\$ 44,781	\$ 46,490
PharmD Technology Fees	\$ 1,300	\$ 1,400	\$ 1,470	\$ 1,500	\$ 1,518	\$ 1,530	\$ 1,950
PharmD Total (P1, P3)	\$ 39,300	\$ 39,780	\$ 40,270	\$ 40,848	\$ 41,256	\$ 41,665	\$ 42,084
PharmD Total (P4)	\$ 43,700	\$ 44,224	\$ 44,829	\$ 45,400	\$ 45,854	\$ 46,311	\$ 47,440

Undergrad Financial Aid-All Sources

	18-17	17-18	18-19	19-20	20-21	21-22	22-23
Federal Aid	\$2,122	\$2,357	\$2,280	\$2,325	\$2,441	\$2,320	\$2,435
State Aid	\$3,309	\$3,822	\$3,418	\$3,264	\$3,267	\$2,839	\$2,833
MU Aid - N&T	\$967	\$974	\$1,054	\$987	\$1,048	\$1,021	\$1,128
MU Aid - Unfunded	\$20,784	\$20,977	\$20,619	\$19,855	\$20,743	\$19,312	\$17,566
Other Funded Aid	\$642	\$703	\$650	\$55	\$59	\$65	\$51
Total Aid (net)	\$27,724	\$29,833	\$28,037	\$26,486	\$27,648	\$25,563	\$24,013

Faculty and Staff

Exempt	Fall 17	Fall 18	Fall 19	Fall 20	Fall 21	Fall 22	Fall 23
Faculty							
Tenured Faculty 9/10 or 12 months	54	52	59	51	51	51	39
Tenure Track Faculty 9/10 or 12 months	28	30	25	23	18	18	18
Non-tenure Track Faculty 9/10 or 12 months	78	57	30	28	23	23	31
Adjuncts	32	22	13	20	15	20	31
Staff with Faculty Status	13	12	9	10	11	15	13
Staff							
Exempt	91	85	123	107	120	122	125
Exempt 9/10 months	12	9	8	7	7	7	5
Exempt PT	2	3	3	4	1	2	1
Total Exempt	260	256	270	248	246	258	261
Non-Exempt							
Non-exempt FT	56	91	83	66	80	59	58
Hourly Assistant Coaches	0	0	0	0	0	0	0
Non-exempt FT 10 months	1	5	1	0	0	0	0
Non-exempt FT 9 months	0	0	0	0	0	0	0
Non-exempt PT	2	6	11	10	4	4	6
Seasonal non-exempt	1	4	0	0	0	0	0
Non-exempt PT no holidays	10	5	4	3	2	8	26
Total Non-Exempt	70	111	99	79	86	69	86
Total Employee Count	330	366	369	327	332	327	346

Manchester University
Bond Consuming Disclosure
Fiscal Year Ended June 30, 2022

Appendix

Building	Year Built	Square Feet (Gross)					Ground Floor		First Floor		Second Floor		Third Floor		Total	
		Ground	First	Second	Third	Thrd	Rooms	Beds	Rooms	Beds	Rooms	Beds	Rooms	Beds	Rooms	Beds
Residence Halls																
West - 1955																
East St. Apt.	1962 - 1962	11,541	12,929	12,791	12,791	49,052	8	15	29	57	98	74	39	76	271	
Garver Hall	1962	4,744	4,655	4,655	4,655	14,054	8	15	8	14	6	15		24	46	
Welman Hall	1962	13,661	17,517	17,517	17,517	51,212	11	21	43	84	41	79	43	84	188	
Oakwood Hall	1992	-	15,154	11,292	11,292	38,748			15	29	28	50	25	50	129	
Schwalm Hall	South - 1963 North - 1966	15,135	16,402	15,226	15,226	61,989	24	27	34	64	41	84	44	84	121	
						Total Residential								Total	545	
Academic / Administrative																
Academic Center	2012	-	23,156	14,856	14,856	52,068										
Administration Building	1959	-	-	-	-	-										
Academic Center	2012	-	23,157	14,856	14,856	52,069										
Calvin Library Hall	1948	4,750	4,750	4,724	4,724	18,948										
Chenworth Center	2011	-	20,000	17,000		37,000										
Clark Computer Center	1984	8,000				8,000										
College of Pharmacy	2012	80,000				80,000										
Corbett Auditorium	1978	12,405	15,075			27,480										
Funderburg Library	1965, 1999	13,621	13,587	13,619	1,314	42,161										
Interfaith Center	2018	-	2,274			2,274										
Jo Young Center	1964, 2007	-	23,933	23,915		47,848										
Kapona	NA	3,960	3,950			7,910										
Nitpe Maintenance Center	1963	-	7,025	6,781		13,806										
Observatory	1973	623	481			1,104										
Pace House	NA	3,000				3,000										
PLC	1982	-	18,452	18,441		36,893										
Paterson Chapel	1961	2,000				2,000										
Power House	1967	6,848	550	1,970		10,368										
Science Center	2001	-	26,151	27,292		53,443										
Tall Oaks (President Housing)	NA	-	6,000			6,000										
Thomas Stadium	2020	NA	NA	NA	NA	NA										
Winger Hall	1992	5,839	11,331	5,830		23,000										
						Total Academic									608,610	
						Grand Total									842,422	

Appendix

Liquidity Calculation	June 30, 2018	June 30, 2019	June 30, 2021	June 30, 2022	June 30, 2023
Cash & Investments	\$ 9,720,044	\$ 10,747,728	\$ 13,419,454	\$ 9,748,141	\$ 7,340,164
Unsettled Line of Credit	4,000,000	4,000,000	4,000,000	4,000,000	4,000,000
Board Designated Funds	4,438,429	4,393,188	4,385,219	4,852,798	4,842,293
	\$ 17,656,473	\$ 19,140,916	\$ 21,804,673	\$ 18,602,939	\$ 16,292,457
Operating Expenses	45,802,250	47,606,889	47,389,210	44,848,088	44,778,253
Debt Expenses	129,486	117,785	118,138	122,878	122,878
Debt Liquidity	141	183	196	151	133

