

**SAINT JOHN'S UNIVERSITY
COLLEGEVILLE, MINNESOTA**

**FINANCIAL STATEMENTS
YEARS ENDED JUNE 30, 2022 AND 2021**



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**SAINT JOHN'S UNIVERSITY
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YEARS ENDED JUNE 30, 2022 AND 2021**

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**SAINT JOHN'S UNIVERSITY
HIGHLIGHTS
YEARS ENDED JUNE 30, 2022 AND 2021**

| | 2022 | 2021 |
|--|-----------------------|-----------------------|
| Enrollment, Full-Time Equivalent Fall Semester | | |
| Fall FTE, St. John's University Total | 1,596 | 1,621 |
| Fall FTE, College of Arts and Sciences | 1,526 | 1,557 |
| Fall FTE, School of Theology | 70 | 64 |
| Application, Acceptances, Enrollments and Graduates | | |
| Applications | 1,544 | 1,595 |
| Acceptances | 1,369 | 1,298 |
| Percent Accepted | 89% | 81% |
| Enrolled | 410 | 414 |
| Percent Enrolled to Accepted | 30% | 32% |
| ACT | 25 | 25 |
| Graduates, College of Arts and Sciences | 347 | 374 |
| Graduates, School of Theology | 23 | 26 |
| Faculty and Staff | | |
| Total Employment (FTE) | 477 | 479 |
| # of Full-Time Faculty | 123 | 133 |
| Tenured Faculty | 82 | 81 |
| Tuition and Fees | | |
| Tuition | \$ 48,990 | \$ 47,332 |
| Room (Average Room) | 5,546 | 5,436 |
| Board | 6,046 | 5,926 |
| Campus Center Fee | 552 | 540 |
| Technology Fee | 300 | 294 |
| Total | <u>\$ 61,434</u> | <u>\$ 59,528</u> |
| Financial Aid | | |
| Grants/Scholarships: | | |
| College | \$ 36,456,666 | \$ 36,273,844 |
| Endowment | 5,055,553 | 4,306,565 |
| Federal | 1,845,916 | 1,850,402 |
| State | 2,309,019 | 2,299,594 |
| Private | 2,263,306 | 2,189,105 |
| Total Grants/Scholarships | 47,930,460 | 46,919,510 |
| Loans | 10,747,906 | 11,155,781 |
| Student Employment | 2,232,966 | 2,140,898 |
| Total Financial Aid | <u>\$ 60,911,332</u> | <u>\$ 60,216,189</u> |
| Number of Students Receiving Financial Aid | <u>1,531</u> | <u>1,562</u> |
| Endowment (at Market) | | |
| Without Donor Restriction | \$ 77,180,645 | \$ 84,007,733 |
| With Donor Restriction | 180,703,419 | 193,861,128 |
| Total | <u>\$ 257,884,064</u> | <u>\$ 277,868,861</u> |
| Total Return | <u>-6.08%</u> | <u>34.78%</u> |
| Gifts and Grants | | |
| Without Donor Restriction | \$ 2,900,466 | \$ 2,542,696 |
| With Donor Restriction | 26,547,637 | 19,699,870 |
| Total Gifts and Grants | <u>\$ 29,448,103</u> | <u>\$ 22,242,566</u> |



INDEPENDENT AUDITORS' REPORT

Audit Committee, Board of Trustees, and Management
Saint John's University
Collegeville, Minnesota

Report on the Audit of the Financial Statements

Opinion

We have audited the accompanying financial statements of Saint John's University (the University), which comprise the statements of financial position as of June 30, 2022 and 2021, 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 financial statements referred to above present fairly, in all material respects, the financial position of the University as of June 30, 2022 and 2021, and the changes in 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 Auditors' Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of Saint John's University and to meet our other ethical responsibilities in accordance with the relevant ethical requirements relating to our audits. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Responsibilities of Management for the 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 Saint John's University's ability to continue as a going concern for one year after the date the financial statements are available to be issued.

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

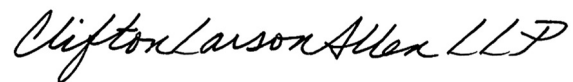
In performing an audit in accordance with GAAS, we:

- 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 Saint John's 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 Saint John's 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.

Supplementary Information

Our audit was conducted for the purpose of forming opinion on the financial statements as a whole. The financial responsibility ratio supplemental schedule is presented for purposes of additional analysis and is not a required part of the financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with GAAS. In our opinion, the financial responsibility ratio supplemental schedule is fairly stated, in all material respects, in relation to the financial statements as a whole.

A handwritten signature in black ink that reads "CliftonLarsonAllen LLP". The signature is written in a cursive, flowing style.

CliftonLarsonAllen LLP

St. Cloud, Minnesota
November 16, 2022

SAINT JOHN'S UNIVERSITY
STATEMENTS OF FINANCIAL POSITION
JUNE 30, 2022 AND 2021

| ASSETS | <u>2022</u> | <u>2021</u> |
|--|-----------------------|-----------------------|
| ASSETS | | |
| Cash and cash equivalents | \$ 21,146,788 | \$ 21,788,116 |
| Student receivables, net | 486,893 | 294,856 |
| Contributions receivable, net | 14,141,848 | 7,407,928 |
| Unitrust, interest, and other receivables, net | 2,196,202 | 1,835,961 |
| Inventories and prepaid expenses | 7,307,624 | 7,229,710 |
| Student loans receivable, net | 896,845 | 1,193,572 |
| Undrawn bond funds | 8,639,273 | 19,297,857 |
| Investments | 306,754,152 | 327,149,724 |
| Right of use asset | 4,056,897 | 4,147,051 |
| Property, plant, and equipment, net | 162,364,550 | 149,376,485 |
| Total Assets | <u>527,991,072</u> | <u>539,721,260</u> |
| LIABILITIES AND NET ASSETS | | |
| LIABILITIES | | |
| Accounts payable and accrued expenses | 8,718,722 | 7,953,828 |
| Deferred revenue | 3,880,061 | 2,164,444 |
| Funds held for others | 69,930 | 266,087 |
| Other liabilities | 1,876,095 | 1,565,770 |
| Annuities and unitrusts payable | 5,487,978 | 6,266,705 |
| Notes and bonds payable | 48,936,100 | 51,594,981 |
| Lease liability | 4,173,783 | 4,206,126 |
| Government grants repayable - Federal Perkins loan program | 1,210,381 | 1,631,245 |
| Total Liabilities | <u>74,353,050</u> | <u>75,649,186</u> |
| NET ASSETS | | |
| Without Donor Restriction: | | |
| Reserves, program funds, and undesignated | 44,151,604 | 45,027,550 |
| Board designated endowment | 77,180,645 | 84,007,733 |
| Investment in property, plant and equipment | 121,243,209 | 116,251,802 |
| Annuities | 3,250,769 | 4,395,409 |
| Contributions receivable | - | 32,461 |
| Total Without Donor Restriction | <u>245,826,227</u> | <u>249,714,955</u> |
| With Donor Restriction: | | |
| Purpose and time restrictions | 10,038,177 | 9,294,459 |
| Endowment | 180,703,419 | 193,861,128 |
| Unitrusts and life insurance | 2,928,351 | 3,826,069 |
| Contributions receivable | 14,141,848 | 7,375,463 |
| Total With Donor Restriction | <u>207,811,795</u> | <u>214,357,119</u> |
| Total Net Assets | <u>453,638,022</u> | <u>464,072,074</u> |
| TOTAL LIABILITIES AND NET ASSETS | <u>\$ 527,991,072</u> | <u>\$ 539,721,260</u> |

See accompanying Notes to Financial Statements.

SAINT JOHN'S UNIVERSITY
STATEMENTS OF ACTIVITIES
YEAR ENDED JUNE 30, 2022

| | WITHOUT DONOR RESTRICTION | WITH DONOR RESTRICTION | TOTAL |
|---|------------------------------|---------------------------|-----------------------|
| OPERATING ACTIVITIES | | | |
| OPERATING REVENUES | | | |
| Tuition and fees | \$ 76,430,199 | \$ - | \$ 76,430,199 |
| Less: Funded scholarships and grants - restricted funds | (9,721,070) | - | (9,721,070) |
| Less: Funded scholarships and grants - quasi-endowments | (1,473,525) | - | (1,473,525) |
| Less: Unfunded scholarships and grants | (33,369,066) | - | (33,369,066) |
| Net tuition and fees | 31,866,538 | - | 31,866,538 |
| Government grants: | | | |
| Federal grants | - | 4,478,190 | 4,478,190 |
| State grants | - | 501,616 | 501,616 |
| Private gifts and grants | 2,888,488 | 6,087,521 | 8,976,009 |
| Other investment income | 182,240 | 560 | 182,800 |
| Investment return allocated for operations (draw) | 9,159,568 | 369,810 | 9,529,378 |
| Other sources | 2,825,463 | - | 2,825,463 |
| Sales and services of auxiliary enterprises: | | | |
| Residence halls | 8,019,334 | - | 8,019,334 |
| Food services | 8,619,933 | - | 8,619,933 |
| Other auxiliaries | 2,562,499 | - | 2,562,499 |
| | 66,124,063 | 11,437,697 | 77,561,760 |
| Net assets released from restrictions (Note 8) | 11,826,129 | (11,826,129) | - |
| Total Operating Revenues, Gains and Other Support | 77,950,192 | (388,432) | 77,561,760 |
| OPERATING EXPENSES | | | |
| Program expenses: | | | |
| Instruction | 24,026,738 | - | 24,026,738 |
| Academic support | 9,203,792 | - | 9,203,792 |
| Student services | 12,874,773 | - | 12,874,773 |
| Auxiliary enterprises | | | |
| Residence halls | 4,393,141 | - | 4,393,141 |
| Food services | 6,840,474 | - | 6,840,474 |
| Other auxiliaries | 2,474,805 | - | 2,474,805 |
| Support expenses: | | | |
| Institutional support | 12,409,125 | - | 12,409,125 |
| Other: | | | |
| Sponsored programs | 1,962,125 | - | 1,962,125 |
| Total Operating Expenses | 74,184,973 | - | 74,184,973 |
| INCREASE (DECREASE) IN NET ASSETS FROM OPERATING ACTIVITIES | 3,765,219 | (388,432) | 3,376,787 |
| NONOPERATING ACTIVITIES | | | |
| Long-term investment activities | | | |
| Endowment income | (6,964,789) | (12,009,982) | (18,974,771) |
| Less: Investment return allocated for operations (draw) | (2,712,811) | (6,816,567) | (9,529,378) |
| | (9,677,600) | (18,826,549) | (28,504,149) |
| Private gifts and grants | 83 | 8,718,158 | 8,718,241 |
| Other investment income | 51 | 2,955 | 3,006 |
| Change in contributions | (32,460) | 6,766,384 | 6,733,924 |
| Annuity and unitrust net gifts | 44,347 | - | 44,347 |
| Adjustment of actuarial liability | (422,331) | (383,877) | (806,208) |
| Reclassification of net assets | - | - | - |
| | (410,310) | 15,103,620 | 14,693,310 |
| Net assets released from restrictions (Note 8) | 2,433,963 | (2,433,963) | - |
| | 2,023,653 | 12,669,657 | 14,693,310 |
| INCREASE (DECREASE) IN NET ASSETS FROM NONOPERATING ACTIVITIES | (7,653,947) | (6,156,892) | (13,810,839) |
| INCREASE (DECREASE) IN NET ASSETS | (3,888,728) | (6,545,324) | (10,434,052) |
| Net Assets - Beginning of Year | 249,714,955 | 214,357,119 | 464,072,074 |
| NET ASSETS - END OF YEAR | <u>\$ 245,826,227</u> | <u>\$ 207,811,795</u> | <u>\$ 453,638,022</u> |

See accompanying Notes to Financial Statements.

SAINT JOHN'S UNIVERSITY
STATEMENT OF ACTIVITIES
YEAR ENDED JUNE 30, 2021

| | WITHOUT DONOR RESTRICTION | WITH DONOR RESTRICTION | TOTAL |
|---|------------------------------|---------------------------|----------------|
| OPERATING ACTIVITIES | | | |
| OPERATING REVENUES | | | |
| Tuition and fees | \$ 74,674,652 | \$ - | \$ 74,674,652 |
| Less: Funded scholarships and grants - restricted funds | (8,745,580) | - | (8,745,580) |
| Less: Funded scholarships and grants - quasi-endowments | (1,335,542) | - | (1,335,542) |
| Less: Unfunded scholarships and grants | (33,151,716) | - | (33,151,716) |
| Net tuition and fees | 31,441,814 | - | 31,441,814 |
| Government grants: | | | |
| Federal grants | - | 3,242,035 | 3,242,035 |
| State grants | - | 296,573 | 296,573 |
| Private gifts and grants | 2,309,696 | 8,164,932 | 10,474,628 |
| Other investment income | 170,496 | 1,077 | 171,573 |
| Investment return allocated for operations (draw) | 8,567,935 | 316,901 | 8,884,836 |
| Other sources | 1,307,544 | - | 1,307,544 |
| Sales and services of auxiliary enterprises: | | | |
| Residence halls | 7,441,259 | - | 7,441,259 |
| Food services | 6,905,042 | - | 6,905,042 |
| Other auxiliaries | 1,796,508 | - | 1,796,508 |
| | 59,940,294 | 12,021,518 | 71,961,812 |
| Net assets released from restrictions (Note 8) | 9,090,319 | (9,090,319) | - |
| Total Operating Revenues, Gains and Other Support | 69,030,613 | 2,931,199 | 71,961,812 |
| OPERATING EXPENSES | | | |
| Program expenses: | | | |
| Instruction | 22,487,963 | - | 22,487,963 |
| Academic support | 8,116,673 | - | 8,116,673 |
| Student services | 10,273,380 | - | 10,273,380 |
| Auxiliary enterprises | | | |
| Residence halls | 4,172,778 | - | 4,172,778 |
| Food services | 6,403,706 | - | 6,403,706 |
| Other auxiliaries | 2,007,142 | - | 2,007,142 |
| Support expenses: | | | |
| Institutional support | 11,307,724 | - | 11,307,724 |
| Other: | | | |
| Sponsored programs | 1,487,822 | - | 1,487,822 |
| Total Operating Expenses | 66,257,188 | - | 66,257,188 |
| INCREASE (DECREASE) IN NET ASSETS FROM OPERATING ACTIVITIES | 2,773,425 | 2,931,199 | 5,704,624 |
| NONOPERATING ACTIVITIES | | | |
| Long-term investment activities | | | |
| Endowment income | 32,188,846 | 50,171,196 | 82,360,042 |
| Less: Investment return allocated for operations (draw) | (3,003,639) | (5,881,197) | (8,884,836) |
| | 29,185,207 | 44,289,999 | 73,475,206 |
| Private gifts and grants | 257,702 | 7,844,600 | 8,102,302 |
| Other investment income | 46 | 68,835 | 68,881 |
| Change in contributions | (53,317) | 151,730 | 98,413 |
| Annuity and unitrust net gifts | 28,615 | - | 28,615 |
| Adjustment of actuarial liability | 502,326 | (259,989) | 242,337 |
| Reclassification of net assets | (1,863) | 1,863 | - |
| | 733,509 | 7,807,039 | 8,540,548 |
| Net assets released from restrictions (Note 8) | 2,299,848 | (2,299,848) | - |
| | 3,033,357 | 5,507,191 | 8,540,548 |
| INCREASE (DECREASE) IN NET ASSETS FROM NONOPERATING ACTIVITIES | 32,218,564 | 49,797,190 | 82,015,754 |
| INCREASE (DECREASE) IN NET ASSETS | 34,991,989 | 52,728,389 | 87,720,378 |
| Net Assets - Beginning of Year | 214,722,966 | 161,628,730 | 376,351,696 |
| NET ASSETS - END OF YEAR | \$ 249,714,955 | \$ 214,357,119 | \$ 464,072,074 |

See accompanying Notes to Financial Statements.

SAINT JOHN'S UNIVERSITY
STATEMENTS OF CASH FLOWS
YEARS ENDED JUNE 30, 2022 AND 2021

| | 2022 | 2021 |
|---|-----------------------------|-----------------------------|
| CASH FLOWS FROM OPERATING ACTIVITIES | | |
| Change in net assets | \$ (10,434,052) | \$ 87,720,378 |
| Adjustments to reconcile change in net assets to net cash provided (used) by operating activities: | | |
| Depreciation and amortization | 5,713,138 | 5,704,433 |
| Non-cash interest expense | (531,701) | (296,207) |
| Non-cash donation of fixed assets | - | (256,000) |
| Adjustment of actuarial liability | 806,208 | (242,337) |
| Change in annuity and unitrust liability | (483,461) | 3,119,247 |
| Realized (gains) losses on investments | (23,341,857) | (18,333,891) |
| Unrealized (gains) losses on investments | 44,825,418 | (60,075,108) |
| Contributions and income restricted for long-term investment | 9,221,598 | 7,837,843 |
| Change in total contributions receivable | (5,540,348) | (98,413) |
| Change in current assets: | | |
| Student receivables | (1,088,882) | 448,946 |
| Other receivables | (420,890) | 202,224 |
| Inventories | (36,858) | 91,361 |
| Prepaid expenses | (41,056) | (140,726) |
| Change in current liabilities: | | |
| Accounts payable | (1,014,495) | (657,238) |
| Accrued payroll liabilities | 303,108 | 206,246 |
| Other liabilities | 310,325 | (110,537) |
| Deferred revenue | 1,715,617 | 1,379,779 |
| Funds held for others | (196,157) | (47,499) |
| Net Cash Provided (Used) by Operating Activities | <u>19,765,655</u> | <u>26,452,501</u> |
| CASH FLOWS FROM INVESTING ACTIVITIES | | |
| Purchase of property, plant and equipment | (17,134,768) | (5,601,316) |
| Proceeds from sales and maturities of investments | 25,598,936 | 49,169,518 |
| Purchases of investments | (26,686,925) | (53,018,564) |
| Net Cash Provided (Used) by Investing Activities | <u>(18,222,757)</u> | <u>(9,450,362)</u> |
| CASH FLOWS FROM FINANCING ACTIVITIES | | |
| Contributions and income restricted for long-term investment | (9,221,598) | (7,837,843) |
| Proceeds from issuance of long-term debt | - | 21,560,000 |
| Payment of principal on long-term debt | (2,159,523) | (3,023,421) |
| Undrawn bond funds | 10,658,584 | (19,297,857) |
| Debt premium and acquisition costs on new debt | - | 3,447,388 |
| Change in government grants repayable - Federal Perkins loan program | (420,864) | (430,288) |
| Annuity and unitrust payments | (1,040,825) | (955,580) |
| Net Cash Provided (Used) by Financing Activities | <u>(2,184,226)</u> | <u>(6,537,601)</u> |
| NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS | (641,328) | 10,464,538 |
| Cash and Cash Equivalents - Beginning of Year | <u>21,788,116</u> | <u>11,323,578</u> |
| CASH AND CASH EQUIVALENTS - END OF YEAR | <u><u>\$ 21,146,788</u></u> | <u><u>\$ 21,788,116</u></u> |

**SAINT JOHN'S UNIVERSITY
NOTES TO FINANCIAL STATEMENTS
YEARS ENDED JUNE 30, 2022 AND 2021**

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Organization

Saint John's University (University) is a Roman Catholic University located in Collegeville, Minnesota. Two schools make up Saint John's University: the College of Arts and Sciences and the graduate School of Theology. The College, an all-male institution, operates in coordination with the College of Saint Benedict, an all-female college; sharing academic programs, facilities and staff. The coeducational School of Theology educates and provides student development programs for priesthood candidates, candidates for other ministries, and persons interested in theological studies. The Hill Museum and Manuscript Library and Artist in Residence are part of the University programming.

Prior to July 1, 2012, the University was an operating division of the Order of Saint Benedict (OSB), which is a Benedictine Monastery in Collegeville, Minnesota. Starting on July 1, 2012, Saint John's University began operations as a new separate civil corporation. OSB relinquished control to the University Board, and gifted all assets and liabilities previously held by the University operating division, to the new University civil corporation as of July 1, 2012.

The University has a land lease agreement with OSB for all of the land that the campus sits on. In addition, the University leases several OSB buildings needed for University operations. The University and OSB share certain administrative and facility costs, which are allocated between the two entities. The University's statement of financial position includes a payable to OSB in the amount of \$785,150 and \$1,875,089 for the years ended June 30, 2022 and 2021, respectively.

The University entered into an agreement with the College of Saint Benedict (an all-women's college located five miles away) to provide a coordinate effort between the two institutions for academic and certain administrative, employment and student services. The coordinate effort was arranged to provide economic efficiencies when possible. The agreement provides for such services to be reimbursed between the two institutions. There was a payable to the College for \$89,687 and \$145,190 as of June 30, 2022 and 2021, respectively.

Measure of Operations

In its statements of activities, the University includes in its definition of operations, all revenues and expenses that are an integral part of its programs and supporting activities. Non-operating activity consists primarily of investment income, including net realized and unrealized gains and losses earned in excess of the University's aggregate authorized spending amount, change in value of split-interest agreements, and endowment and capital contributions to non-operating activities or projects.

Basis of Presentation

Net assets and revenues, gains and losses are classified based on the existence or absence of donor-imposed restrictions. Accordingly, net assets of the University and changes therein are classified and reported as follows:

SAINT JOHN'S UNIVERSITY
NOTES TO FINANCIAL STATEMENTS
YEARS ENDED JUNE 30, 2022 AND 2021

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Basis of Presentation (Continued)

Net Assets Without Donor Restriction - Net assets that are not subject to donor-imposed restrictions. Net asset may be designated for specific purposes by action of the board of trustees.

Net Assets with Donor Restrictions – Net assets whose use by the University is subject to donor-imposed restrictions that can be fulfilled by actions of the University pursuant to those restrictions or that expire by the passage of time. Net assets may be subject to donor-imposed restrictions that they be maintained in perpetuity by the University. Generally, the donors of these assets permit the University to use the income earned on related investments for general or specific purposes.

Revenues are reported as increases in net assets without donor restrictions unless use of the revenue is restricted by donor-imposed restrictions. Expenses are reported as decreases in net assets without donor restriction. Gains and losses on investment and other assets or liabilities are reported as increases or decreases in net assets without donor restriction unless their use is defined by donor-imposed restrictions.

Net assets with donor restrictions, which are met in the current period, are reclassified to net assets without donor restriction and reported as net assets released from restrictions.

Accrual Basis

The financial statements of the University have been prepared on the accrual basis of accounting.

Estimates and Assumptions

Management uses estimates and assumptions in preparing the financial statements in accordance with U.S. generally accepted accounting principles. Those estimates and assumptions affect the reported amounts of assets and liabilities, disclosure of contingent assets and liabilities, and the reported revenues and expenses. Actual results could vary from those estimates that were used.

Cash and Cash Equivalents

Cash and cash equivalents includes all cash and highly liquid investments with a maturity of three months or less. The University deposits its temporary cash investments in U.S. Bank. At times, cash investments at financial institutions may be in excess of the FDIC insurance limit.

Student and Other Receivables

Receivables are stated at net realizable value and are unsecured. The University provides an allowance for bad debts using the allowance method, which is based on management's judgment considering historical information. Accounts past due more than 90 days, are individually analyzed for collectability. Accounts continue to accrue finance charges until the account is paid in full. When all collection efforts have been exhausted, the accounts are written off against the related allowance. At June 30, 2022 and 2021, an allowance of \$332,822 and \$234,500, respectively, has been recorded.

SAINT JOHN'S UNIVERSITY
NOTES TO FINANCIAL STATEMENTS
YEARS ENDED JUNE 30, 2022 AND 2021

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Contributions Receivable

Promises to give that are expected to be collected within one year are recorded at their net realizable value. Promises that are expected to be collected in future years are recorded at the present value of the amounts expected to be collected. The discounts on those amounts are computed using an imputed interest rate applicable to the year in which the promise is received. Conditional promises to give are not included as support until such time as the conditions are substantially met.

Inventories

Inventories are valued at the lower of cost or net realizable value on a first-in, first-out basis. Inventories consist primarily of books and other educational materials held for resale through the University Bookstore, and costs associated with the Heritage Editions of the Saint John's Bible.

Undrawn Bond Funds

The University regularly issues long-term bonds to fund construction projects on campus. Amounts borrowed through the issuance of bonds but not yet spent are shown on the balance sheet as Undrawn Bond Funds.

Investments

Debt and equity investments are carried at fair market value. Private equity, Venture and Real Estate fund investments are investments in limited partnership interests and are carried at fair market value, based upon appraisals done within the individual partnerships.

Property, Plant and Equipment

Property, plant and equipment are stated at cost less accumulated depreciation. If donated, property, plant and equipment are recorded at fair value on the date received. If donors stipulate how long the assets must be used, the contributions are recorded as restricted support. In the absence of such stipulation, contributions of property and equipment are recorded as without donor restriction.

The University capitalizes property, plant and equipment additions in excess of \$5,000. Normal repair and maintenance expenses are charged to operations as incurred.

The University removes, from its accounting records, the cost and accumulated depreciation for fully depreciated assets that are either no longer in use, or under \$50,000.

SAINT JOHN'S UNIVERSITY
NOTES TO FINANCIAL STATEMENTS
YEARS ENDED JUNE 30, 2022 AND 2021

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Property, Plant and Equipment (Continued)

The University depreciates its assets on the straight-line basis over estimated useful lives as follows:

| | <u>Depreciation Period</u> | <u>2022</u> | <u>2021</u> |
|---|----------------------------|-----------------------|-----------------------|
| Land Improvements | 10-50 Years | \$ 15,343,328 | \$ 12,889,575 |
| Buildings | 7-50 Years | 133,983,120 | 133,683,515 |
| Furniture and Equipment | 3-40 Years | 19,269,990 | 17,633,164 |
| Library Books and Rare Books | 0-20 Years | 12,655,249 | 13,073,851 |
| HMML Microfilm and Library Books | No Depreciation | 10,897,743 | 9,879,560 |
| Construction in Progress | No Depreciation | 14,351,534 | 2,352,755 |
| Total | | <u>206,500,964</u> | <u>189,512,420</u> |
| Less: Accumulated Depreciation | | <u>44,136,414</u> | <u>40,135,935</u> |
| Total Property, Plant and Equipment - net | | <u>\$ 162,364,550</u> | <u>\$ 149,376,485</u> |

Depreciation expense for the years ended June 30, 2022 and 2021 was \$5,622,984 and \$5,614,280, respectively.

Construction in Progress

Construction in progress for the years ended June 30, 2022 and 2021 are the costs incurred to date on various construction projects not completed at June 30. Interest capitalized was \$415,737 and \$23,980 for the years ended June 30, 2022 and 2021. The estimated cost to complete the various projects in progress was \$10,986,000 and \$12,908,223 as of June 30, 2022 and 2021, respectively. There was \$2,387,419 and \$1,010,938 of construction in progress related costs included in accounts payable as of June 30, 2022 and 2021, respectively.

Revenue Recognition

The University recognizes tuition and fees revenue within the fiscal year in which educational services are provided. The educational services are delivered in the fall and spring terms. There is not a standard summer term. Payments for the fall term tuition received prior to June 30 are recorded as deferred revenue until the performance obligations are met. Discounts in the form of scholarships and grants, including those funded by the endowment and gifts, are reported as a reduction of tuition and fees.

Auxiliary income for student housing and dining services is recognized as performance obligations are delivered over the academic terms. Consequently, associated revenues are earned and recognized during those terms.

Deferred revenue also includes Heritage Edition Bible sales and event tickets or registrations. Sales of the Bible Heritage Editions are deferred until the editions are delivered to the buyers, and event income is recognized in the period in which the event occurs.

SAINT JOHN'S UNIVERSITY
NOTES TO FINANCIAL STATEMENTS
YEARS ENDED JUNE 30, 2022 AND 2021

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Revenue Recognition (Continued)

The following table shows the University's tuition revenue disaggregated according to the timing of the transfer of goods or services and by source, as of the year ended June 30, 2022 and 2021:

| | 2022 | 2021 |
|-------------------------------|----------------------|----------------------|
| Revenue Recognized Over Time: | | |
| Tuition and Fees | \$ 76,430,199 | \$ 74,674,652 |
| Less: Scholarships and Grants | (44,563,661) | (43,232,838) |
| Total | <u>\$ 31,866,538</u> | <u>\$ 31,441,814</u> |

The following table shows the University's auxiliary revenue disaggregated according to the timing of the transfer of goods or services and by source, as of the year ended June 30, 2022 and 2021:

| | 2022 | 2021 |
|-------------------------------|----------------------|----------------------|
| Revenue Recognized Over Time: | | |
| Residence Halls | \$ 8,019,334 | \$ 7,441,259 |
| Food Services | 8,619,933 | 6,905,042 |
| Total | <u>\$ 16,639,267</u> | <u>\$ 14,346,301</u> |

The University's contract assets and liabilities consist of the following as of June 30:

| | 2022 | 2021 | 2020 |
|------------------------------|---------------------|---------------------|-------------------|
| Deferred Revenue - Students | \$ 142,953 | \$ 146,850 | \$ 128,100 |
| Deferred Revenue - Auxiliary | 1,481,986 | 671,995 | 499,734 |
| Deferred Revenue - Other | 2,255,122 | 1,345,599 | 156,831 |
| | <u>\$ 3,880,061</u> | <u>\$ 2,164,444</u> | <u>\$ 784,665</u> |

A portion of the University's revenue is derived from cost-reimbursable contracts and grants. Amounts received are recognized as earned and are reported as revenue when the University has incurred expenditures in compliance with specific contract or grant provisions. If amounts are received but not yet earned, they are reported as deferred revenue in the statements of financial position. The University was awarded but has not received cost-reimbursable grants for which qualifying expenditures have not yet been incurred and therefore have not been recognized of \$1,589,057 and \$3,832,788 as of June 30, 2022 and 2021, respectively.

Conditional gifts are recognized when the conditions on which they depend are substantially met. Conditions are met when the qualifying expenses based on specific criteria are incurred. Conditional gifts recorded in deferred income amount to \$1,853,570 and \$1,104,236 as of June 30, 2022 and 2021, respectively. Unconditional promises to give due in subsequent years are recorded at their net realizable value.

SAINT JOHN'S UNIVERSITY
NOTES TO FINANCIAL STATEMENTS
YEARS ENDED JUNE 30, 2022 AND 2021

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Funds Held for Others

The University holds funds transferred to them from other organizations for investment management purposes. The funds are to be distributed back to these organizations as they request them. The University has recognized the funds as a liability in the accompanying statement of financial position.

Annuities and Unitrusts

The University has received contributions under various annuity contracts and charitable remainder unitrust agreements, which generally provide for payments to the annuitant or grantor for life. Assets received under these agreements are recorded at their fair value. Contribution income is recognized for the difference between the asset and related liability. Liabilities related to future payments under these agreements have been recorded at their present value using life expectancy tables and the U.S. Treasury rate ranging from 0.6% to 6.0% to arrive at a calculated discount rate. Additionally, the charitable remainder unitrust agreements use an earnings rate of 4.6% to 8.2%. Liabilities related to annuities and split-interest agreements are recalculated annually, with the amortization of discounts and adjustments for changes in life expectancies recognized as actuarial liability adjustments on the statement of activities.

For the year ended June 30, 2022, adjustments to reflect the amortization of discounts and changes in life expectancies resulted in a decrease of \$806,208 in net assets. Total contribution income recognized under annuity and charitable remainder unitrust agreements for the year ended June 30, 2022 was \$44,347.

For the year ended June 30, 2021, adjustments to reflect the amortization of discounts and changes in life expectancies resulted in a increase of \$242,337 in net assets. Total contribution income recognized under annuity and charitable remainder unitrust agreements for the year ended June 30, 2021 was \$28,615.

Advertising Costs

Advertising costs are expensed as incurred. Total advertising costs during 2022 and 2021 totaled \$267,335 and \$123,506, respectively.

Retirement Plan

The University has a defined contribution retirement plan covering substantially all of its full-time lay employees. For employees beginning full-time benefit eligible employment prior to July 1, 2017, the University contributes 9% of the covered employee's salary and the employee contributes 2%. For employees beginning full-time benefit eligible employment on or after July 1, 2017, the University contributes a graduated amount for the first four years until reaching 9% in year five and then after, and the employee contributes 3%. Total retirement plan contributions by the University for the years ended June 30, 2022 and 2021 was \$1,845,790 and \$1,896,115, respectively.

SAINT JOHN'S UNIVERSITY
NOTES TO FINANCIAL STATEMENTS
YEARS ENDED JUNE 30, 2022 AND 2021

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Leases

The University determines if an arrangement is a lease at inception. Financing leases are included in right-of-use ("ROU") assets, and in lease liability in the statements of financial position.

ROU assets represent the University's right to use an underlying asset for the lease term and lease liabilities represent the University's obligation to make lease payments arising from the lease. ROU assets and liabilities are recognized at commencement date based on the present value of lease payments over the lease term. Lease terms may include options to extend or terminate the lease when it is reasonably certain that the University will exercise that option. Lease expense for operating lease payments is recognized on a straight-line basis over the lease term. The University has elected to recognize payments for short-term leases with a lease term of 12 months or less as expense as incurred and these leases are not included as lease liabilities or right of use assets on the statements of financial position.

The individual lease contracts do not provide information about the discount rate implicit in the lease. Therefore, the University has elected to use an incremental borrowing rate (4%) determined using a period comparable with that of the lease term for computing the present value of lease liabilities.

The University leases equipment and in addition has various ground, building, and space leases for varying terms under long-term lease agreements. The leases expire at various dates through 2067 and provide for a renewal option every five years. In the normal course of business, it is expected that these leases will be renewed or replaced by similar leases. The ground, building, and space leases provide for increases in future minimum annual rental payments based on defined increases in the Consumer Price Index. Additionally, the agreements generally require the University to pay utilities, insurance, repairs, and any real estate taxes.

**SAINT JOHN'S UNIVERSITY
NOTES TO FINANCIAL STATEMENTS
YEARS ENDED JUNE 30, 2022 AND 2021**

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Leases (Continued)

The following tables provide quantitative information concerning the University's leases.

| <u>Year</u> | <u>Finance Lease Cost</u> |
|-------------|-------------------------------|
| 2023 | \$ 200,000 |
| 2024 | 200,000 |
| 2025 | 200,000 |
| 2026 | 200,000 |
| 2027 | 200,000 |
| Thereafter | 8,200,000 |
| Total | <u>\$ 9,200,000</u> |

| | |
|-------------------------------------|-------------------|
| | <u>2022</u> |
| Lease Cost: | |
| Finance lease cost: | \$ 4,237,203 |
| Amortization of right-of-use assets | 90,153 |
| Interest on lease liabilities | 167,656 |
| Total Lease Cost | <u>\$ 257,809</u> |

Tax Exempt Status

The University is exempt from federal income taxes under Section 501(c)(3) of the Internal Revenue Code. It is also exempt from state income tax. The Organization qualifies for the charitable contribution deduction under Section 170(b)(1)(a) and has been classified as an organization that is not a private foundation under Section 509(a)(2). The University is subject to unrelated business income tax with respect to partnership investment income, advertising revenue, events revenue, and Bookstore website sales.

The University has adopted Accounting for Uncertainty in Income Taxes. This standard clarifies the accounting for uncertainty in income taxes recognized in an entity's financial statements and prescribes a recognition threshold for the financial statement recognition of tax positions taken or expected to be taken on a tax return that are not certain to be realized. The implementation of this standard had no impact on the University's financial statements.

Subsequent Events

In preparing these financial statements, Saint John's University has evaluated events and transactions for potential recognition or disclosure through October 19, 2021, the date the financial statements were available to be issued.

SAINT JOHN'S UNIVERSITY
NOTES TO FINANCIAL STATEMENTS
YEARS ENDED JUNE 30, 2022 AND 2021

NOTE 2 FAIR VALUE MEASUREMENTS

The University categorizes its assets and liabilities measured at fair value into a three-level hierarchy based on the priority of the inputs to the valuation technique used to determine fair value. The fair value hierarchy gives the highest priority to quoted prices in active markets for identical assets or liabilities (Level 1) and the lowest priority to unobservable inputs (Level 3). If the inputs used in the determination of the fair value measurement fall within different levels of the hierarchy, the categorization is based on the lowest level input that is significant to the fair value measurement.

Assets and liabilities valued at fair value are categorized based on the inputs to the valuation techniques as follows:

Level 1 – Inputs that utilize quoted prices (unadjusted) in active markets for identical assets or liabilities that the University has the ability to access.

Level 2 – Inputs that include quoted prices for similar assets and liabilities in active markets and inputs that are observable for the asset or liability, either directly or indirectly, for substantially the full term of the financial instrument. Fair values for these instruments are estimated using pricing models, quoted prices of securities with similar characteristics, or discounted cash flows.

Level 3 – Inputs that are unobservable inputs for the asset or liability, which are typically based on an entity's own assumptions, as there is little, if any, related market activity.

Subsequent to initial recognition, the University may re-measure the carrying value of assets and liabilities measured on a nonrecurring basis to fair value. Adjustments to fair value usually result when certain assets are impaired. Such assets are written down from their carrying amounts to their fair value.

Professional standards allow entities the irrevocable option to elect to measure certain financial instruments and other items at fair value for the initial and subsequent measurement on an instrument-by-instrument basis. The University has not elected to measure any existing financial instruments at fair value. However, it may elect to measure newly acquired financial instruments at fair value in the future.

SAINT JOHN'S UNIVERSITY
NOTES TO FINANCIAL STATEMENTS
YEARS ENDED JUNE 30, 2022 AND 2021

NOTE 2 FAIR VALUE MEASUREMENTS (CONTINUED)

The following table presents financial instruments that are measured at fair value on a recurring basis by the fair value hierarchy as of June 30, 2022:

| | Total | Level 1 | Level 2 | Level 3 | NAV |
|---|-----------------------|-----------------------|-------------|----------------------|-----------------------|
| ASSETS | | | | | |
| Unitrusts Receivable | \$ 297,588 | \$ - | \$ - | \$ 297,588 | \$ - |
| Long-Term Investments: | | | | | |
| Equity Securities | | | | | |
| Common Stocks | 81,292,353 | 81,292,353 | - | - | - |
| Mutual Funds | 65,475,704 | 65,475,704 | - | - | - |
| Bonds* | 54,316,347 | 9,203,216 | - | - | 45,113,131 |
| Alternative Investments measured at NAV:* | | | | | |
| Private Equity | 46,187,814 | - | - | - | 46,187,814 |
| Venture Capital and Buyouts | 15,009,663 | - | - | - | 15,009,663 |
| Real Estate | 33,101,860 | - | - | - | 33,101,860 |
| Securities Held Outside | 10,694,090 | - | - | 10,694,090 | - |
| Beneficial Interests in Trusts | 676,321 | - | - | 676,321 | - |
| Subtotal - Long-Term Investments | 306,754,152 | 155,971,273 | - | 11,370,411 | 139,412,468 |
| Total | <u>\$ 307,051,740</u> | <u>\$ 155,971,273</u> | <u>\$ -</u> | <u>\$ 11,667,999</u> | <u>\$ 139,412,468</u> |

The following table presents financial instruments that are measured at fair value on a recurring basis by the fair value hierarchy as of June 30, 2021:

| | Total | Level 1 | Level 2 | Level 3 | NAV |
|---|-----------------------|-----------------------|-------------|----------------------|-----------------------|
| ASSETS | | | | | |
| Unitrusts Receivable | \$ 358,237 | \$ - | \$ - | \$ 358,237 | \$ - |
| Long-Term Investments: | | | | | |
| Equity Securities | | | | | |
| Common Stocks | 101,524,203 | 101,524,203 | - | - | - |
| Mutual Funds | 86,498,958 | 86,498,958 | - | - | - |
| Bonds* | 49,278,181 | 8,889,985 | - | - | 40,388,196 |
| Alternative Investments measured at NAV:* | | | | | |
| Private Equity | 38,043,505 | - | - | - | 38,043,505 |
| Venture Capital and Buyouts | 15,283,689 | - | - | - | 15,283,689 |
| Real Estate | 22,191,468 | - | - | - | 22,191,468 |
| Securities Held Outside | 13,450,270 | - | - | 13,450,270 | - |
| Beneficial Interests in Trusts | 879,450 | - | - | 879,450 | - |
| Subtotal - Long-Term Investments | 327,149,724 | 196,913,146 | - | 14,329,720 | 115,906,858 |
| Total | <u>\$ 327,507,961</u> | <u>\$ 196,913,146</u> | <u>\$ -</u> | <u>\$ 14,687,957</u> | <u>\$ 115,906,858</u> |

**SAINT JOHN'S UNIVERSITY
NOTES TO FINANCIAL STATEMENTS
YEARS ENDED JUNE 30, 2022 AND 2021**

NOTE 2 FAIR VALUE MEASUREMENTS (CONTINUED)

- * In accordance with Subtopic 820-10, certain investments that are measured at fair value using the NAV per share (or its equivalent) practical expedient have not been classified in the fair value hierarchy. The fair value amounts presented in this table are not intended to permit reconciliation of the fair value hierarchy to the amounts presented in the statements of financial position.

The following methods and assumptions were used to estimate the fair value for each class of financial instruments measured at fair value:

Unitrusts Receivable – The University as remainder beneficiary in several irrevocable split interest agreements held or controlled by a third party are classified as Level 3 as the fair values are based on a combination of Level 2 inputs (interest rates and yield curves) and significant unobservable inputs (entity specific estimates of cash flows). The fair values are measured at the present value of the future distributions the University expects to receive over the term of the agreements.

Equity Securities – Investments in equity securities, including both common stocks and mutual funds, are measured at fair value using quoted market prices. They are classified as Level 1 as they are traded in an active market for which closing prices are readily available.

Bonds – Investments in fixed-income securities are measured at fair value using quoted market prices. They are classified as Level 1 as they are traded in an active market for which closing prices are readily available. Certain fixed-income securities are recorded at net asset value in accordance with the methodologies utilized for Alternative Investments as further described in this footnote.

Alternative Investments – Investments in certain fixed-income securities, private equity funds, venture capital and buyouts, real estate funds, and funds of funds for which there is no readily determinable fair value are recorded at net asset value per share, which has been calculated in accordance with the AICPA Audit and Accounting Guide, *Investment Companies*. The University has estimated its fair value by using the net asset value provided by the investee as of the last statement date, adjusted for cash receipts, cash disbursements, and significant known valuation changes in market values of publicly held securities contained in the portfolio through June 30, 2022 and 2021. Distributions from each fund will be received as the underlying investments of the funds are liquidated. It is estimated that the underlying assets of the funds will be liquidated at various times throughout the next 15 years. See redemption restrictions as further described in Note 2.

Securities Held Outside – The University's beneficial interest in annuities and trusts are administered by a third party and classified as Level 3 as the fair values are based on a combination of Level 2 inputs (interest rates and yield curves) and significant unobservable inputs (entity specific estimates of cash flows). See Note 1 for discount rates applicable for such agreements.

SAINT JOHN'S UNIVERSITY
NOTES TO FINANCIAL STATEMENTS
YEARS ENDED JUNE 30, 2022 AND 2021

NOTE 2 FAIR VALUE MEASUREMENTS (CONTINUED)

Beneficial Interest in Trusts – The value of Beneficial Interest in Trusts represents an irrevocable right to receive distributions in perpetuity from a trust that is managed by a third-party. The University does not have variance power over the trust's portfolio. The value of Beneficial Interest in Trusts is estimated based on the fair value of the underlying investments held by the trust.

While the University believes its valuation methods are appropriate and consistent with other market participants, the use of different methodologies or assumptions to determine the fair value of certain financial instruments could result in a different estimate of fair value at the reporting date.

The University values certain investment holdings at fair value using their net asset value and has the ability to redeem its investment with the investee at net asset value per share (or its equivalent) at the measurement date.

Fair value measurements of investments in certain entities that calculate net asset value per share (or its equivalent) as of June 30, 2022:

| | Net Asset Value | Unfunded Commitments | Redemption Frequency (If Currently Eligible) | Redemption Notice Period |
|-----------------------------|-----------------------|-------------------------|--|-----------------------------|
| Bonds | \$ 45,113,131 | \$ - | Weekly-Monthly | 7-30 Days |
| Alternative Investments | | | | |
| Private equity | 46,187,814 | 16,145,887 | Not Eligible | N/A |
| Venture capital and buyouts | 15,009,663 | 5,545,699 | Not Eligible | N/A |
| Real Estate | 33,101,860 | 4,930,808 | Not Eligible | N/A |
| Total | <u>\$ 139,412,468</u> | <u>\$ 26,622,394</u> | | |

Fair value measurements of investments in certain entities that calculate net asset value per share (or its equivalent) as of June 30, 2021:

| | Net Asset Value | Unfunded Commitments | Redemption Frequency (If Currently Eligible) | Redemption Notice Period |
|-----------------------------|-----------------------|-------------------------|--|-----------------------------|
| Bonds | \$ 40,388,196 | \$ - | Weekly-Monthly | 7-30 Days |
| Alternative Investments | | | | |
| Private equity | 38,043,505 | 22,355,888 | Not Eligible | N/A |
| Venture capital and buyouts | 15,283,689 | 1,070,699 | Not Eligible | N/A |
| Real Estate | 22,191,468 | 6,061,746 | Not Eligible | N/A |
| Total | <u>\$ 115,906,858</u> | <u>\$ 29,488,333</u> | | |

SAINT JOHN'S UNIVERSITY
NOTES TO FINANCIAL STATEMENTS
YEARS ENDED JUNE 30, 2022 AND 2021

NOTE 2 FAIR VALUE MEASUREMENTS (CONTINUED)

The following table presents a reconciliation of the statement of financial position amounts for financial instruments measured at fair value on a recurring basis using significant unobservable inputs (Level 3) for the year ended June 30, 2022:

| <u>Asset Category</u> | <u>Balance 6/30/2021</u> | <u>Total Investment Return</u> | <u>Purchases</u> | <u>Sales</u> | <u>Net Transfers In/Out of Level 3</u> | <u>Balance 6/30/2022</u> |
|-------------------------------|--------------------------|--------------------------------|------------------|-----------------------|--|--------------------------|
| Unitrusts Receivable | \$ 358,237 | \$ (60,649) | \$ - | \$ - | \$ - | \$ 297,588 |
| Long-Term Investments: | | | | | | |
| Securities Held Outside | 13,450,270 | (1,710,670) | 93,800 | (1,139,310) | - | 10,694,090 |
| Beneficial Interest in Trusts | 879,450 | (163,532) | - | (39,597) | - | 676,321 |
| | <u>\$14,687,957</u> | <u>\$ (1,934,851)</u> | <u>\$ 93,800</u> | <u>\$ (1,178,907)</u> | <u>\$ -</u> | <u>\$11,667,999</u> |

The following table presents a reconciliation of the statement of financial position amounts for financial instruments measured at fair value on a recurring basis using significant unobservable inputs (Level 3) for the year ended June 30, 2021:

| <u>Asset Category</u> | <u>Balance 6/30/2020</u> | <u>Total Investment Return</u> | <u>Purchases</u> | <u>Sales</u> | <u>Net Transfers In/Out of Level 3</u> | <u>Balance 6/30/2021</u> |
|-------------------------------|--------------------------|--------------------------------|------------------|-----------------------|--|--------------------------|
| Unitrusts Receivable | \$ 1,236,825 | \$ (2,682) | \$ - | \$ (875,906) | \$ - | \$ 358,237 |
| Long-Term Investments: | | | | | | |
| Securities Held Outside | 10,980,774 | 3,352,940 | 84,636 | (968,080) | - | 13,450,270 |
| Beneficial Interest in Trusts | 719,744 | 197,655 | - | (37,949) | - | 879,450 |
| | <u>\$12,937,343</u> | <u>\$ 3,547,913</u> | <u>\$ 84,636</u> | <u>\$ (1,881,935)</u> | <u>\$ -</u> | <u>\$14,687,957</u> |

SAINT JOHN'S UNIVERSITY
NOTES TO FINANCIAL STATEMENTS
YEARS ENDED JUNE 30, 2022 AND 2021

NOTE 3 CREDIT QUALITY OF STUDENT LOANS RECEIVABLE

Through September 30, 2017, the University issued uncollateralized loans to students based on financial need. Student loans are funded through Federal government loan programs. At June 30, 2022 and 2021, student loans represented 0.17% and 0.22% of total assets, respectively.

At June 30, 2022 and 2021, student loans consisted of the following:

| | 2022 | 2021 |
|-----------------------------|------------|--------------|
| Federal government programs | \$ 896,845 | \$ 1,193,572 |

The University participates in the Federal Perkins Loan Program, however, the federal government discontinued the Perkins Loan Program, and no new loans could be issued after September 30, 2017. Funds advanced by the Federal government of \$1,210,381 and \$1,631,245 at June 30, 2022 and 2021, respectively, are ultimately refundable to the government and are classified as liabilities in the statement of financial position.

Outstanding loans cancelled under the program result in a reduction of the funds available for loan and a decrease in the liability to the government.

At June 30, 2022 and 2021, the following amounts were past due under the Perkins Loan Program:

| | 2022 | 2021 |
|-----------------------|-------------------|-------------------|
| 1-3 months past due | \$ 2,500 | \$ 3,192 |
| 4-6 months past due | 4,868 | 24,648 |
| 7-12 months past due | 25,960 | 13,329 |
| 13-24 months past due | 50,595 | 118,442 |
| 25+ months past due | 363,715 | 259,664 |
| Total | <u>\$ 447,638</u> | <u>\$ 419,275</u> |

Allowances for doubtful accounts are established based on prior collection experience and current economic factors which, in management's judgment, could influence the ability of loan recipients to repay the amounts per the loan terms. Amounts due under the Perkins Loan Program are guaranteed by the government and, therefore, no reserves are placed on any past due balances under the program.

SAINT JOHN'S UNIVERSITY
NOTES TO FINANCIAL STATEMENTS
YEARS ENDED JUNE 30, 2022 AND 2021

NOTE 4 CONTRIBUTIONS RECEIVABLE

Contributions receivable consists of unconditional promises to give from various individuals and organizations. The present value was imputed at 3% for the year ended June 30, 2022 and 1% for the year ended June 30, 2021. This approximates the University's current incremental borrowing rate. The long-term contributions receivable are receivable within 2 to 11 years. The amount to be received in 2 to 5 years is \$7,886,862. The amount to be received in 6 to 12 years is \$3,393,371.

At June 30, 2022 and 2021, contributions receivable consisted of the following:

| | 2022 | 2021 |
|--------------------------------|----------------------|---------------------|
| Unconditional Promises to Give | \$ 16,334,312 | \$ 7,918,626 |
| Unamortized Discount | (1,448,156) | (120,804) |
| Allowance for Doubtful Pledges | (744,308) | (389,894) |
| Total | <u>\$ 14,141,848</u> | <u>\$ 7,407,928</u> |
| Net Contributions Receivable: | | |
| Current | \$ 2,861,615 | \$ 3,263,818 |
| Long-Term | 11,280,233 | 4,144,110 |
| Total | <u>\$ 14,141,848</u> | <u>\$ 7,407,928</u> |

NOTE 5 LONG-TERM INVESTMENTS

The investments include funds traditionally considered the endowment of the University (including quasi-endowment) as well as other assets. As of June 30, the carrying value of investments are as follows:

| | 2022 | 2021 |
|----------------------------------|-----------------------|-----------------------|
| Common Stock | \$ 81,292,353 | \$ 101,524,203 |
| Equity Funds | 65,475,704 | 86,498,958 |
| Bond Funds | 54,316,347 | 49,278,181 |
| Private Equity | 46,187,814 | 38,043,505 |
| Venture Capital and Buyout Funds | 15,009,663 | 15,283,689 |
| Real Estate Funds | 33,101,860 | 22,191,468 |
| Charitable Remainder Trusts * | 5,927,724 | 7,470,848 |
| Charitable Annuities * | 4,766,366 | 5,979,422 |
| Beneficial Interest in Trusts ** | 676,321 | 879,450 |
| Total Long-Term Investments | <u>\$ 306,754,152</u> | <u>\$ 327,149,724</u> |

* Assets held under Charitable Remainder Trusts and Charitable Annuities are held and administered by an outside fiscal agent. See Note 1 for additional information on such agreements.

SAINT JOHN'S UNIVERSITY
NOTES TO FINANCIAL STATEMENTS
YEARS ENDED JUNE 30, 2022 AND 2021

NOTE 5 LONG-TERM INVESTMENTS (CONTINUED)

** Beneficial interest in trusts are neither in the possession of nor under control of the University, but held and administered by an outside fiscal agent, with the University deriving annual income from such funds. See Note 2 for additional information.

The University invests in a variety of partnerships that include: real estate, private equity and international private equity, venture capital, and mezzanine funds. Under terms of certain limited partner agreements, the University is obligated to periodically advance additional funding for such investments. See Note 2 for additional information on the remaining commitments. The University anticipates that it will maintain sufficient liquidity in its investment portfolio to cover such calls.

The University invests in a variety of investment vehicles. In general, investments are exposed to various risks, such as interest rate, credit and overall market volatility risk. Due to the level of risk associated with certain investments, it is reasonably possible that changes in the values of the investments will occur in the near term and that such changes could materially affect the amounts reported in the statements of net assets available for use.

NOTE 6 ENDOWMENT

The University's endowment consists of over 700 individual funds established for a variety of purposes. Its endowment includes both donor-restricted endowment funds and funds designated by the Board of Trustees to function as an endowment. 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.

Interpretation of Relevant Law

The Board of Trustees of the University has interpreted the Minnesota Uniform Prudent Management of Institutional Funds Act (UPMIFA) as requiring the preservation of the fair value of the original gift as of the gift date of the donor-restricted endowment fund absent explicit donor stipulations to the contrary. As a result of this interpretation, the University classifies as perpetually restricted net assets the original value of the gifts to the permanent endowment and the value of subsequent gifts to the permanent endowment.

In accordance with UPMIFA, 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

SAINT JOHN'S UNIVERSITY
NOTES TO FINANCIAL STATEMENTS
YEARS ENDED JUNE 30, 2022 AND 2021

NOTE 6 ENDOWMENT (CONTINUED)

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

| | Without Donor Restriction | With Donor Restriction | | Total With Donor Restriction | Total |
|----------------------------------|---------------------------------|------------------------|-----------------------|------------------------------------|-----------------------|
| | | Purpose | Perpetual | | |
| June 30, 2022 | | | | | |
| Donor-Restricted Endowment Funds | \$ - | \$ 78,278,631 | \$ 102,424,788 | \$ 180,703,419 | \$ 180,703,419 |
| Board-Designated Endowment Funds | 77,180,645 | - | - | - | 77,180,645 |
| Total Funds | <u>\$ 77,180,645</u> | <u>\$ 78,278,631</u> | <u>\$ 102,424,788</u> | <u>\$ 180,703,419</u> | <u>\$ 257,884,064</u> |

Changes in endowment net assets for the fiscal year ended June 30, 2022 are as follows:

| | Without Donor Restriction | With Donor Restriction | | Total With Donor Restriction | Total |
|---|---------------------------------|------------------------|-----------------------|------------------------------------|-----------------------|
| | | Purpose | Perpetual | | |
| Endowment Net Assets, July 1, 2021 | \$ 84,007,733 | \$ 97,019,467 | \$ 96,841,661 | \$ 193,861,128 | \$ 277,868,861 |
| Investment Return: | | | | | |
| Investment Income | 905,226 | 2,133,940 | - | 2,133,940 | 3,039,166 |
| Net Realized and Unrealized Gains | (5,962,354) | (14,055,390) | - | (14,055,390) | (20,017,744) |
| Total Investment Return | <u>(5,057,128)</u> | <u>(11,921,450)</u> | <u>-</u> | <u>(11,921,450)</u> | <u>(16,978,578)</u> |
| Contributions | 802,937 | - | 5,079,188 | 5,079,188 | 5,882,125 |
| Appropriations of Endowment Assets for Expenditure | (2,572,897) | (6,816,566) | - | (6,816,566) | (9,389,463) |
| Other Changes: | | | | | |
| Other Additions (Subtractions) | - | (2,820) | 503,939 | 501,119 | 501,119 |
| Investment Gains Transferred to Net Assets Without Restriction | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> |
| Endowment Net Assets, June 30, 2022 | <u>\$ 77,180,645</u> | <u>\$ 78,278,631</u> | <u>\$ 102,424,788</u> | <u>\$ 180,703,419</u> | <u>\$ 257,884,064</u> |

SAINT JOHN'S UNIVERSITY
NOTES TO FINANCIAL STATEMENTS
YEARS ENDED JUNE 30, 2022 AND 2021

NOTE 6 ENDOWMENT (CONTINUED)

Endowment net asset composition by type of fund as of June 30, 2021 is as follows:

| | Without Donor Restriction | With Donor Restriction | | Total With Donor Restriction | Total |
|----------------------------------|---------------------------------|------------------------|----------------------|------------------------------------|-----------------------|
| | | Purpose | Perpetual | | |
| June 30, 2021 | | | | | |
| Donor-Restricted Endowment Funds | \$ - | \$ 97,019,467 | \$ 96,841,661 | \$ 193,861,128 | \$ 193,861,128 |
| Board-Designated Endowment Funds | 84,007,733 | - | - | - | 84,007,733 |
| Total Funds | <u>\$ 84,007,733</u> | <u>\$ 97,019,467</u> | <u>\$ 96,841,661</u> | <u>\$ 193,861,128</u> | <u>\$ 277,868,861</u> |

Changes in endowment net assets for the fiscal year ended June 30, 2021 are as follows:

| | Without Donor Restriction | With Donor Restriction | | Total With Donor Restriction | Total |
|---|---------------------------------|------------------------|----------------------|------------------------------------|-----------------------|
| | | Purpose | Perpetual | | |
| Endowment Net Assets, July 1, 2020 | \$ 63,096,217 | \$ 53,091,049 | \$ 89,810,066 | \$ 142,901,115 | \$ 205,997,332 |
| Investment Return: | | | | | |
| Investment Income | 689,789 | 1,569,028 | - | 1,569,028 | 2,258,817 |
| Net Realized and Unrealized Gains | 21,208,279 | 48,241,380 | - | 48,241,380 | 69,449,659 |
| Total Investment Return | <u>21,898,068</u> | <u>49,810,408</u> | <u>-</u> | <u>49,810,408</u> | <u>71,708,476</u> |
| Contributions | 448,808 | - | 6,704,895 | 6,704,895 | 7,153,703 |
| Appropriations of Endowment Assets for Expenditure | (1,532,683) | (5,881,197) | - | (5,881,197) | (7,413,880) |
| Other Changes: | | | | | |
| Other Additions (Subtractions) | 97,323 | (793) | 326,700 | 325,907 | 423,230 |
| Investment Gains Transferred to Net Assets Without Restriction | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> |
| Endowment Net Assets, June 30, 2021 | <u>\$ 84,007,733</u> | <u>\$ 97,019,467</u> | <u>\$ 96,841,661</u> | <u>\$ 193,861,128</u> | <u>\$ 277,868,861</u> |

SAINT JOHN'S UNIVERSITY
NOTES TO FINANCIAL STATEMENTS
YEARS ENDED JUNE 30, 2022 AND 2021

NOTE 6 ENDOWMENT (CONTINUED)

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 requires the University to retain as a fund of perpetual duration (underwater). As of June 30, 2022, funds with original gift values of \$4,985,487, and fair values of \$4,849,022, and deficiencies of \$136,465 were reported in net assets with donor restriction. As of June 30, 2022, there were no endowments underwater. These deficiencies, which the University believes are temporary, resulted from unfavorable market fluctuations. Continued spending of appropriations are deemed prudent.

Investment Objectives and Strategies

The University has adopted an investment policy to provide guidelines for investing endowment assets. Under this policy, as approved by the Finance Committee of the Board of Trustees, the endowment assets are invested in a manner that is intended to maintain the purchasing power of the current assets and all future contributions, maximize return within reasonable and prudent levels of risk, and maintain an appropriate asset allocation based on a total return policy that is compatible with a flexible spending policy. To achieve these objectives, the University follows an asset diversification plan, sets performance benchmarks for investment managers, and has established various asset quality and limitations thresholds. The University expects its endowment funds, over time, to provide an average rate of return of 4.5% to 5.0% above the rate of inflation (inflation is defined as the consumer price index). Actual returns in any given year may vary from this amount.

Strategies Employed for Achieving Objectives

To satisfy its long-term rate-of-return objectives, the University relies on a total return strategy in which investment returns are achieved through both capital appreciation (realized and unrealized) and current yield (interest and dividends). The University targets a diversified asset allocation to achieve its long-term return objectives within prudent risk constraints.

SAINT JOHN'S UNIVERSITY
NOTES TO FINANCIAL STATEMENTS
YEARS ENDED JUNE 30, 2022 AND 2021

NOTE 6 ENDOWMENT (CONTINUED)

Spending Policy

The University's endowment spending policy for the years ended June 30, 2022 and 2021 was to appropriate for distribution up to 4.50%, based on a three-year moving average of beginning endowment market values (except for the School of Theology, which expended up to 5.00% for the years ended June 30, 2022 and 2021). In establishing this policy, the University considered the long-term expected return on its endowment. Accordingly, over the long term, the University expects the current spending policy to allow its endowment to grow at or above the annual rate of inflation. This is consistent with the University's objective to maintain the purchasing power of the endowment assets held in perpetuity or for a specified term as well as to provide additional real growth through new gifts and investment return.

NOTE 7 DEBT

The University had the following debt obligations at June 30:

| | <u>2022</u> | <u>2021</u> |
|---|------------------------|------------------------|
| <u>Notes Payable</u> | | |
| Unsecured note payable related to a term endowment. | <u>\$ 48,548</u> | <u>\$ 45,727</u> |

SAINT JOHN'S UNIVERSITY
NOTES TO FINANCIAL STATEMENTS
YEARS ENDED JUNE 30, 2022 AND 2021

NOTE 7 DEBT (CONTINUED)

| <u>Bonds Payable</u> | <u>2022</u> | <u>2021</u> |
|--|-------------|-------------|
| Bond/8H; Secured by the Science Center, Athletic Complex, renovation of first floor Quadrangle, Dormitories, etc.; payable to the Minnesota Higher Education Facilities Authority, in eleven annual installments ranging from \$415,000 to \$1,875,000 commencing October 1, 2016 and the final payment due October 1, 2026. The principal amount of each installment is subject to a specific interest rate ranging from 2.0% to 5.0%. A current installment of \$1,835,000 is due October 1, 2022. | 3,635,000 | 5,375,000 |
| Bond Premium/8H; Deferred bond premiums on the 8H issuance are being expensed using the effective interest method over the term of the bonds of 11 years beginning in fiscal year 2016 and ending in fiscal year 2027. | 172,660 | 293,582 |
| Bond Issuance/8H; Deferred bond costs on the 8H issuance are being expensed using the effective interest rate method over the term of the bonds of 11 years beginning in fiscal year 2016 and ending in fiscal year 2027. | (18,836) | (32,029) |
| Bond/8I; Secured by the Alcuin Library and the Learning Commons; payable to the Minnesota Higher Education Facilities Authority, in eighteen annual installments ranging from \$300,000 to \$1,400,000 commencing October 1, 2016 and the final payment due October 1, 2035. The principal amount of each installment is subject to a specific interest rate ranging from 2.0% to 5.0%. There is no current installment due. | 13,380,000 | 13,380,000 |
| Bond Premium/8I; Deferred bond premiums on the 8I issuance are being expensed using the effective interest method over the term of the bonds of 20 years beginning in fiscal year 2016 and ending in fiscal year 2036. | 759,755 | 852,018 |
| Bond Issuance/8I; Deferred bond costs on the 8I issuance are being expensed using the effective interest rate method over the term of the bonds of 20 years beginning in fiscal year 2016 and ending in fiscal year 2036. | (106,683) | (119,638) |

SAINT JOHN'S UNIVERSITY
NOTES TO FINANCIAL STATEMENTS
YEARS ENDED JUNE 30, 2022 AND 2021

NOTE 7 DEBT (CONTINUED)

| <u>Bonds Payable (Continued)</u> | <u>2022</u> | <u>2021</u> |
|---|----------------------|----------------------|
| Bond/2017; Secured by housing and community center construction projects, also dining and Seton renovations, payable to the Minnesota Higher Education Facilities Authority over 16 years in annual installments ranging from \$365,000 to \$620,000 commencing October 1, 2018 and the final payment is due October 1, 2033. The principal amount of each installment is subject to a specific interest rate ranging from 2.0% to 5.0%. A current installment of \$400,000 is due October 1, 2022. | 6,090,000 | 6,480,000 |
| Bond Premium/2017; Deferred bond premiums on the 2017 issuance are being expensed using the effective interest method over the term of the bonds of 17 years beginning in fiscal year 2018 and ending in fiscal year 2034. | 373,310 | 435,176 |
| Bond Issuance/2017; Deferred bond costs on the 2017 issuance are being expensed using the effective interest rate method over the term of the bonds of 17 years beginning in fiscal year 2018 and ending in fiscal year 2034. | (90,244) | (105,199) |
| Bond/2021; Secured by the Flyntown Townhomes and the Peter Engel Science Center, payable to the Minnesota Higher Education Facilities Authority over 18 years in annual installments ranging from \$840,000 to \$1,610,000 commencing October 1, 2023 and the final payment is due on October 1, 2040. The principal amount of each installment is subject to a specific interest rate ranging from 3.0% to 4.0%. There is no current installment due. | 21,560,000 | 21,560,000 |
| Bond Premium/2021; Deferred bond premiums on the 2021 issuance are being expensed using the effective interest method over the term of the bonds of 20 years beginning in fiscal year 2021 and ending in fiscal year 2041. | 3,370,206 | 3,690,546 |
| Bond Issuance/2021; Deferred bond costs on the 2021 issuance are being expensed using the effective interest rate method over the term of the bonds of 20 years beginning in fiscal year 2021 and ending in fiscal year 2041. | (237,616) | (260,202.00) |
| Total Bonds Payable | <u>48,887,552</u> | <u>51,549,254</u> |
| Total Notes and Bonds Payable | 48,936,100 | 51,594,981 |
| Less: Current Portion | <u>2,721,351</u> | <u>2,661,703</u> |
| Total Long-Term | <u>\$ 46,214,749</u> | <u>\$ 48,933,278</u> |

SAINT JOHN'S UNIVERSITY
NOTES TO FINANCIAL STATEMENTS
YEARS ENDED JUNE 30, 2022 AND 2021

NOTE 7 DEBT (CONTINUED)

Debt maturity requirements in each of the next five years are as follows:

| Year | Principal Amount | Premium/ Discount | Issuance Costs | Total Amount |
|-------------|---------------------|----------------------|---------------------|---------------------|
| 2023 | \$ 2,283,548 | \$ 544,049 | \$ (57,698) | \$ 2,769,899 |
| 2024 | 2,455,000 | 498,954 | (52,685) | 2,901,269 |
| 2025 | 2,565,000 | 464,327 | (48,694) | 2,980,633 |
| 2026 | 2,690,000 | 425,610 | (44,050) | 3,071,560 |
| 2027 | 2,820,000 | 385,016 | (39,172) | 3,165,844 |
| Later Years | 31,900,000 | 2,357,975 | (211,080) | 34,046,895 |
| Total | <u>\$44,713,548</u> | <u>\$ 4,675,931</u> | <u>\$ (453,379)</u> | <u>\$48,936,100</u> |

Total interest expense for the year ended June 30, 2022 was \$910,594 which included \$45,618 of deferred bond issuance costs, and \$(339,102) of deferred bond premium.

Total interest expense for the year ended June 30, 2021 was \$805,850 which included \$47,382 of deferred bond issuance costs, and \$(330,029) of deferred bond premium.

NOTE 8 RESTRICTIONS AND LIMITATIONS ON NET ASSET BALANCES

As of June 30, the University's net assets with donor restrictions were recorded as follows:

| | 2022 | 2021 |
|---|-----------------------|-----------------------|
| Donor-restricted net assets not invested in perpetuity | | |
| Program and operations support | \$ 9,308,848 | \$ 8,944,040 |
| Capital asset acquisition | 729,329 | 350,419 |
| Accumulated earnings on endowment funds | 78,278,631 | 97,019,467 |
| Unitrusts | 854,578 | 1,038,204 |
| Life Insurance | 278,821 | 292,044 |
| Contributions receivable | 4,963,047 | 6,335,621 |
| Total Donor-Restricted Net Assets not Invested in Perpetuity | 94,413,254 | 113,979,795 |
| Donor-restricted net assets invested in perpetuity | | |
| Endowment | 102,424,788 | 96,841,661 |
| Unitrusts | 1,343,409 | 2,044,278 |
| Life Insurance | 451,543 | 451,543 |
| Contributions receivable | 9,178,801 | 1,039,842 |
| Total Donor-Restricted Net Assets Invested in Perpetuity | 113,398,541 | 100,377,324 |
| Total Net Assets With Donor Restrictions | <u>\$ 207,811,795</u> | <u>\$ 214,357,119</u> |

SAINT JOHN'S UNIVERSITY
NOTES TO FINANCIAL STATEMENTS
YEARS ENDED JUNE 30, 2022 AND 2021

NOTE 8 RESTRICTIONS AND LIMITATIONS ON NET ASSET BALANCES (CONTINUED)

The source of net assets released from donor restrictions during the years ended June 30 by incurring expenses satisfying the restricted purpose or by occurrence of events specified by the donors were as follows:

| | <u>2022</u> | <u>2021</u> |
|---|----------------------|----------------------|
| Scholarship and Program Support - Operating | \$ 11,826,129 | \$ 9,090,319 |
| Capital Projects - Nonoperating | 2,433,963 | 2,299,848 |
| Total Released | <u>\$ 14,260,092</u> | <u>\$ 11,390,167</u> |

NOTE 9 CONTINGENCIES

The University sponsors a self-insurance plan for its employees' health insurance. The University is responsible for a maximum of \$215,000 per year for each employee. Amounts in excess of the \$215,000 cap are reimbursed through Specific Stop Loss coverage. Those amounts in excess of 125% of overall expected annual claims are also protected by Aggregate Stop Loss coverage.

The University is subject to certain claims arising out of the ordinary course of business. Although it is not possible to predict the outcome of these claims, management believes they will not have a material effect on the financial condition of the University.

The University has conditional promises to give from various individuals and organizations. The promises consist of private equity stock. Upon a public offering of the stock, the University will receive the promised shares in the company. A reasonable estimate of the fair value of the conditional promises to give could not be made because the private equity stocks are not readily salable.

NOTE 10 DONOR RECLASSIFICATION OF NET ASSETS

Periodically donor restrictions related to net assets may be clarified or changed. Such changes are reflected as reclassification of net assets at the time they are identified. During the years ended June 30, 2022 and 2021, the University made reclassifications to certain net assets to accommodate donor requests to change restrictions.

SAINT JOHN'S UNIVERSITY
NOTES TO FINANCIAL STATEMENTS
YEARS ENDED JUNE 30, 2022 AND 2021

NOTE 11 EXPENSES BY FUNCTION AND NATURAL CLASSIFICATION

In its statement of activities, the University reports expenditures in categories reflecting core operational objectives for higher education, as defined by Integrated Postsecondary Education Data System (IPEDS). During the year, expenses are directly coded to program (instruction, academic support, student services, auxiliary services, and sponsored programs) or support services (institutional support) whenever possible. Expenses which are not directly identifiable by program or support service are allocated based on the best estimates of management.

Expenses reported by function on the statement of activities are summarized by natural classification for the year ended June 30, 2022.

| | Program Activities | Support Activities | Total |
|-------------------------------------|-----------------------|-----------------------|----------------------|
| EXPENSES | | | |
| Salary & Wages | \$ 24,324,067 | \$ 6,312,094 | \$ 30,636,161 |
| Fringe | 6,439,490 | 1,750,657 | 8,190,147 |
| Tuition Remission | 1,993,712 | 291,058 | 2,284,770 |
| Advertising & Promotion | 243,455 | 394,323 | 637,778 |
| Office Expense | 578,953 | 850,519 | 1,429,472 |
| Occupancy | 8,878,392 | 838,497 | 9,716,889 |
| Insurance | 79,247 | 171,591 | 250,838 |
| Information Technology | 577,452 | 384,179 | 961,631 |
| Student Programming | 5,755,820 | - | 5,755,820 |
| Royalties | 5,921 | - | 5,921 |
| Lobbying | - | 138,586 | 138,586 |
| Travel | 1,069,227 | 243,472 | 1,312,699 |
| Conferences, Conventions, Meetings | 182,094 | 482,831 | 664,925 |
| Interest | 265,184 | - | 265,184 |
| Services - Accounting | - | 79,044 | 79,044 |
| Services - Legal | - | 434,269 | 434,269 |
| Services - Professional Fundraising | - | 60,000 | 60,000 |
| Services - Other | 1,833,274 | 259,905 | 2,093,179 |
| Depreciation | 4,660,643 | 669,263 | 5,329,906 |
| Other Auxiliaries | 5,280,029 | - | 5,280,029 |
| Allocations | - | (1,792,316) | (1,792,316) |
| Other | (391,112) | 841,153 | 450,041 |
| | <u>\$ 61,775,848</u> | <u>\$ 12,409,125</u> | <u>\$ 74,184,973</u> |
| Total Expenses | <u>\$ 61,775,848</u> | <u>\$ 12,409,125</u> | <u>\$ 74,184,973</u> |

SAINT JOHN'S UNIVERSITY
NOTES TO FINANCIAL STATEMENTS
YEARS ENDED JUNE 30, 2022 AND 2021

NOTE 11 EXPENSES BY FUNCTION AND NATURAL CLASSIFICATION (CONTINUED)

Expenses reported by function on the statement of activities are summarized by natural classification for the year ended June 30, 2021.

| | Program Activities | Support Activities | Total |
|-------------------------------------|-----------------------|-----------------------|----------------------|
| EXPENSES | | | |
| Salary & Wages | \$ 23,665,508 | \$ 5,500,044 | \$ 29,165,552 |
| Fringe | 6,230,903 | 1,606,898 | 7,837,801 |
| Tuition Remission | 2,403,907 | 370,167 | 2,774,074 |
| Advertising & Promotion | 90,932 | 368,802 | 459,734 |
| Office Expense | 461,330 | 727,564 | 1,188,894 |
| Occupancy | 7,979,617 | 798,582 | 8,778,199 |
| Insurance | 57,585 | 158,513 | 216,098 |
| Information Technology | 427,204 | 460,527 | 887,731 |
| Student Programming | 3,372,490 | - | 3,372,490 |
| Royalties | (1,821) | - | (1,821) |
| Lobbying | - | 141,685 | 141,685 |
| Travel | 185,045 | 43,863 | 228,908 |
| Conferences, Conventions, Meetings | 95,890 | 264,910 | 360,800 |
| Interest | 270,014 | - | 270,014 |
| Services - Accounting | - | 73,286 | 73,286 |
| Services - Legal | - | 372,120 | 372,120 |
| Services - Professional Fundraising | - | 28,750 | 28,750 |
| Services - Other | 1,130,101 | 802,279 | 1,932,380 |
| Depreciation | 4,654,527 | 692,237 | 5,346,764 |
| Other Auxiliaries | 5,035,868 | - | 5,035,868 |
| Allocations | - | (1,697,650) | (1,697,650) |
| Other | (1,109,636) | 595,147 | (514,489) |
| | <u>\$ 54,949,464</u> | <u>\$ 11,307,724</u> | <u>\$ 66,257,188</u> |
| Total Expenses | <u>\$ 54,949,464</u> | <u>\$ 11,307,724</u> | <u>\$ 66,257,188</u> |

Development expenses incurred by the University are charged to institutional support and included in support activities above. For the years ended June 30, 2022 and 2021, the University had development expenses of \$3,367,948 and \$3,280,594 respectively.

NOTE 12 RELATED PARTY

For the years ended June 30, 2022 and 2021, pledges totaling \$6,304,295 and \$173,729, respectively, from the Board of Trustees and Boards of Overseers are included in the statement of financial position as contributions receivable.

SAINT JOHN'S UNIVERSITY
NOTES TO FINANCIAL STATEMENTS
YEARS ENDED JUNE 30, 2022 AND 2021

NOTE 13 SUPPLEMENTAL DISCLOSURE OF CASH FLOW INFORMATION

| | 2022 | 2021 |
|--|--------------|--------------|
| Interest paid | \$ 1,692,207 | \$ 1,144,013 |
| Interest paid and capitalized through PPE | 415,737 | 23,980 |
| Noncash: | | |
| Retirement of fully depreciated assets | 1,622,504 | 1,488,178 |
| Acquisition of finance lease | - | 4,237,204 |
| Property, plant & equipment included in accounts payable | 2,494,208 | 1,017,927 |
| Proceeds from issuance of long-term debt | - | 21,560,000 |
| Donation of fixed assets | - | 256,000 |

NOTE 14 SAINT JOHN'S BIBLE

In 1998, the University embarked on a project to create and produce a handwritten and illuminated Bible, which was based on the new Revised Standard Version. This Bible is made up of seven volumes, and was completed in June 2011.

Three hundred and ninety museum-quality reproduction sets have been made. Of these sets, which are referred to as Heritage Editions, three hundred and sixty of them will be sold to generate revenue for the University. A major objective of the Saint John's Bible is to increase national and international awareness of Saint John's University and to promote its position among expanded constituencies and recruitment markets. Through June 30, 2022, one hundred forty seven sets have been sold or gifted.

As of June 30, 2022, the University statement of financial position includes accounts receivable of \$441,774, inventory of \$6,096,561, accounts payable and accrued expenses of \$134,053, and deferred revenue of \$1,339,000, related to the Heritage Edition program.

As of June 30, 2021, the University statement of financial position includes accounts receivable of \$306,254, inventory of \$6,217,323, accounts payable and accrued expenses of \$37,647, and deferred revenue of \$511,342, related to the Heritage Edition program.

NOTE 15 ENVIRONMENTAL REMEDIATION

The University owns several buildings on campus that contain asbestos in various forms. At this time, the University has no plans to renovate or demolish the buildings over their estimated remaining useful lives. Management has estimated the cost of any potential obligation to remove asbestos. The University used a future value rate assumption of 3.00% and brought that estimate back to present value using risk-free rates of return of 5.15% to 5.31% in making this determination. The potential environmental remediation liability at June 30, 2022 and 2021 is \$873,061 and \$836,266, respectively.

SAINT JOHN'S UNIVERSITY
NOTES TO FINANCIAL STATEMENTS
YEARS ENDED JUNE 30, 2022 AND 2021

NOTE 16 FINANCING LEASE

Effective July 1, 2012, the University entered into a ground lease agreement with the Order of Saint Benedict for all of the land that the campus sits on. The lease term is for 50 years. In addition, and at the same time, the University entered into leases for several Order of Saint Benedict buildings needed for University operations. These lease terms range from 2 to 50 years. The annual ground and building lease payment is calculated at 0.25% of the without donor restriction "Total Operating Revenues, Gains, and Other Support" as reported on the University's prior year's audited financial statement. This amounted to \$175,703 and \$178,781 for the years ended June 30, 2022 and 2021, respectively. The ground lease renews every 5 years, and at which time a \$250,000 lease extension payment is due. The University accrues \$50,000 per year for this. The lease was last renewed on July 1, 2017.

NOTE 17 REQUIRED ANNUAL REPORT INFORMATION FOR BONDS

The following information, which is required annual reporting, is in this footnote for easy reference. This information has not been subjected to any auditing procedures.

This information is provided as of the end of the most recent complete academic or fiscal year, as appropriate.

University Housing

The chart below shows historical occupancy levels at the University housing system.

St. John's University Undergraduate Student Housing Recap

| Fiscal Year | Spaces Available | Total Housed On Campus* | Occupancy Rate | Total Fr. - Sr. Student Body* | Percent Housed On Campus |
|-------------|------------------|-------------------------|----------------|-------------------------------|--------------------------|
| 2017-18 | 1,536 | 1,483 | 97% | 1,706 | 87% |
| 2018-19 | 1,532 | 1,400 | 91% | 1,650 | 85% |
| 2019-20 | 1,499 | 1,358 | 91% | 1,608 | 84% |
| 2020-21 | 1,439 | 1,347 | 94% | 1,560 | 86% |
| 2021-22 | 1,428 | 1,329 | 93% | 1,527 | 87% |

*Fall enrollment figures

**SAINT JOHN'S UNIVERSITY
NOTES TO FINANCIAL STATEMENTS
YEARS ENDED JUNE 30, 2022 AND 2021**

NOTE 17 REQUIRED ANNUAL REPORT INFORMATION FOR BONDS (CONTINUED)

Student Enrollment and Geographic Distribution of Entering Freshmen

The University's total historic enrollment for undergraduate and graduate students for the past five years and the estimated enrollment for fiscal year 2022/2023 are as follows:

| <u>Fiscal Year</u> | <u>Head Count</u> | <u>FTE</u> |
|--------------------|-------------------|------------|
| Actual: | | |
| 2017/18 | 1,815 | 1,779 |
| 2018/19 | 1,777 | 1,726 |
| 2019/20 | 1,727 | 1,679 |
| 2020/21 | 1,668 | 1,621 |
| 2021/22 | 1,643 | 1,596 |
| Estimated: | | |
| 2022/23 | 1,645 | 1,592 |

Freshman Applications, Acceptances and Enrollments

| | <u>2017/18</u> | <u>2018/19</u> | <u>2019/20</u> | <u>2020/21</u> | <u>2021/22</u> |
|----------------------------------|----------------|----------------|----------------|----------------|----------------|
| Applications | 1,461 | 1,421 | 1,746 | 1,595 | 1,544 |
| Acceptances | 1,315 | 1,241 | 1,367 | 1,298 | 1,369 |
| Percent Accepted | 90% | 87% | 78% | 81% | 89% |
| Enrolled | 465 | 398 | 414 | 414 | 410 |
| Percent Enrolled to Accepted | 35% | 32% | 30% | 32% | 30% |
| Mean ACT Score | 25 | 25 | 25 | 25 | 25 |
| Mean SAT Verbal/ Math Scores* | 542/555 | 564/576 | 565/535 | 545/544 | 590/575 |

All scores re-centered.

Of the 410 persons enrolled in the 2021/2022 freshman class, 340 or 83% are Minnesota residents.

SAINT JOHN'S UNIVERSITY
NOTES TO FINANCIAL STATEMENTS
YEARS ENDED JUNE 30, 2022 AND 2021

NOTE 17 REQUIRED ANNUAL REPORT INFORMATION FOR BONDS (CONTINUED)

Student Retention

The University reports the following student retention percentages, based on tracking incoming freshmen through to graduation.

| Fall Semester | New Freshmen | Percent of Students Returning | | | | Percent of Graduates | |
|------------------|-----------------|----------------------------------|----------|----------|----------|-------------------------|----------------|
| | | 2nd Year | 3rd Year | 4th Year | 5th Year | 4 Years | By 5th Year |
| 2016 | 461 | 87.9 | 80.7 | 77.9 | 4.6 | 69 | 75 |
| 2017 | 465 | 87.1 | 81.5 | 77.8 | 7.5 | 66 | 76 |
| 2018 | 398 | 85.4 | 79.9 | 76.6 | | | |
| 2019 | 414 | 82.4 | 75.6 | | | | |
| 2020 | 414 | 85.3 | | | | | |
| 2021 | 410 | | | | | | |

Tuition and Fees

The University meets the costs of its educational programs primarily through tuition and fees. The following table lists the tuition, room and board fees for the past five years, charged to a full-time, incoming freshman.

| | 2017/18 | 2018/19 | 2019/20 | 2020/21 | 2021/22 |
|----------------|------------------|------------------|------------------|------------------|------------------|
| Tuition | \$ 42,574 | \$ 44,184 | \$ 45,730 | \$ 47,332 | \$ 48,990 |
| Room* | 5,070 | 5,172 | 5,276 | 5,436 | 5,546 |
| Board | 5,046 | 5,148 | 5,252 | 5,926 | 6,046 |
| Activity Fee | 500 | 518 | 528 | 540 | 552 |
| Technology Fee | 282 | 288 | 288 | 294 | 300 |
| Total | <u>\$ 53,472</u> | <u>\$ 55,310</u> | <u>\$ 57,074</u> | <u>\$ 59,528</u> | <u>\$ 61,434</u> |

* Amounts represented above are average room charges; actual amounts may be more or less depending on the residence.

Special fees may be charged for specific courses such as science labs, arts fees or music lessons.

Faculty

The student-faculty ratio is approximately 11 to 1. There are no religious or denominational prerequisites or any participatory religious requirements for faculty membership. The University subscribes to the 1940 Statement of Principles on Academic Freedom of the American Association of University Professors and the Association of American Colleges.

**SAINT JOHN'S UNIVERSITY
NOTES TO FINANCIAL STATEMENTS
YEARS ENDED JUNE 30, 2022 AND 2021**

NOTE 17 REQUIRED ANNUAL REPORT INFORMATION FOR BONDS (CONTINUED)

For the 2021/2022 fiscal year, the University has 123 full-time and 28 part-time faculty. The number and average salary by rank for full-time faculty during the 2021/2022 fiscal year were:

| Rank | Head Count * Number | Average * Salary |
|---------------------|------------------------|---------------------|
| Professor | 43 | \$ 92,847 |
| Associate Professor | 41 | 74,971 |
| Assistant Professor | 7 | 66,002 |
| Instructor/Lecturer | 32 | 66,643 |

* Head count and average salary calculated per AAUP survey criteria.

The percentage of full-time tenured faculty is 67%.

Financial Aid

Approximately 98% of the student body annually receives some form of financial aid. The following table is a five-year summary of financial assistance received from both University and non-University sources.

| | 2017/18 | 2018/19 | 2019/20 | 2020/21 | 2021/22 |
|-------------------------------------|----------------------|----------------------|----------------------|----------------------|----------------------|
| Loans: | | | | | |
| Federal | \$ 8,966,794 | \$ 8,235,439 | \$ 7,823,892 | \$ 6,952,272 | \$ 6,659,552 |
| Private | 4,587,612 | 4,816,677 | 5,151,587 | 4,203,509 | 4,088,354 |
| Total Loans | <u>13,554,406</u> | <u>13,052,116</u> | <u>12,975,479</u> | <u>11,155,781</u> | <u>10,747,906</u> |
| Student Employment (All Sources) | <u>3,137,753</u> | <u>3,038,007</u> | <u>2,227,085</u> | <u>2,140,898</u> | <u>2,232,966</u> |
| Gift Aid: | | | | | |
| Federal/State | 4,363,917 | 4,586,805 | 4,269,428 | 4,149,996 | 4,154,935 |
| University | 39,055,305 | 39,811,623 | 40,804,931 | 42,197,537 | 43,356,474 |
| Private | 225,497 | 457,418 | 632,302 | 571,977 | 419,051 |
| Total Gift Aid | <u>43,644,719</u> | <u>44,855,846</u> | <u>45,706,661</u> | <u>46,919,510</u> | <u>47,930,460</u> |
| Total | <u>\$ 60,336,878</u> | <u>\$ 60,945,969</u> | <u>\$ 60,909,225</u> | <u>\$ 60,216,189</u> | <u>\$ 60,911,332</u> |

Capital Campaign

For fiscal year ended June 30, 2022, the University had raised \$304,330 for facilities, \$13,410,006 for endowment (scholarship and program endowment), and \$15,222,613 for without donor restriction and with donor restriction annual gifts, and \$549,817 to be designated, for a total of \$29,486,766 through cash, pledges, and planned gifts.

**SAINT JOHN'S UNIVERSITY
NOTES TO FINANCIAL STATEMENTS
YEARS ENDED JUNE 30, 2022 AND 2021**

NOTE 17 REQUIRED ANNUAL REPORT INFORMATION FOR BONDS (CONTINUED)

Maximum Annual Debt Service and Pro Forma Coverage Statement

| | <u>Fiscal Year 2022</u> | |
|------------------------------------|--|-----------------------|
| Maximum Annual Debt Service (a) | Amount Available for Debt Service (b) | Estimated Coverage |
| <u>\$ 4,115,063</u> | <u>\$ 11,170,563</u> | <u>2.71</u> |

- a. Maximum annual debt service is based on actual service on the Bonds and on the University's outstanding debt.
- b. Fiscal Year 2022 net amount available for debt service:

| | <u>2022</u> |
|--|-----------------------------|
| Change in Net Assets Without Restriction from Operations | \$ 3,765,219 |
| Plus: Depreciation and Amortization | <u>5,713,137</u> |
| Adjusted Increase (Decrease) in Net Assets Without Restriction | 9,478,356 |
| Plus: Interest Paid on Funded Debt | <u>1,692,207</u> |
| Net Income Available for Debt Service | <u><u>\$ 11,170,563</u></u> |

NOTE 18 LIQUIDITY

The University regularly monitors liquidity required to meet its operating needs and other contractual commitments, while also striving to maximize the investment of its available funds. The University considers all expenditures related to its ongoing activities of teaching and public service as well as the conduct of services undertaken to support general institutional expenditures.

In addition to financial assets available to meet general expenditures, the University operates with a balanced operating budget and anticipates collecting sufficient revenue to cover general expenditures not covered by donor-restricted resources.

SAINT JOHN'S UNIVERSITY
NOTES TO FINANCIAL STATEMENTS
YEARS ENDED JUNE 30, 2022 AND 2021

NOTE 18 LIQUIDITY (CONTINUED)

As of June 30, the following financial assets could readily be made available within one year of the balance sheet date to meet general expenditures:

| | 2022 | 2021 |
|--|----------------------|----------------------|
| Cash and Cash Equivalents | \$ 14,152,197 | \$ 10,412,986 |
| Student Receivables - Net | 127,002 | 75,370 |
| Contributions Receivable - Net | - | 28,753 |
| Unitrust, Interest, and Other Receivables | 1,157,545 | 666,354 |
| Donor Restricted Program Funds For Use Over the Next 12 Months | 4,581,650 | 4,866,151 |
| Endowment Payout For Use Over the Next 12 Months | 9,160,000 | 8,500,000 |
| Total | <u>\$ 29,178,394</u> | <u>\$ 24,549,614</u> |

The majority of the University's liquidity is provided by cash and cash equivalents and endowment spending rate appropriations.

Board-designated endowment, reserve funds, and other undesignated funds in the amounts of \$121,332,249 and \$129,035,283 are included in the University's statement of financial position at June 30, 2022 and 2021, respectively. Although the University does not intend to spend from the corpus of these funds, these amounts could be made available if deemed necessary.

NOTE 19 COVID-19 PANDEMIC

In March 2020, the World Health Organization declared the spread of Coronavirus Disease (COVID-19) a worldwide pandemic. The COVID-19 pandemic has had significant effects on global markets, supply chains, businesses, and communities.

In Fall 2020, the University moved to a hybrid method of instruction. However, due to the continued severity of the COVID-19 pandemic during Fall semester, students were given the option to finish the remaining portion of the semester from home. As a result of this, room and board refunds amounting to \$894,000 were given to students. To help offset a portion of this and other lost revenue, the University continued cost cutting measures implemented in fiscal year 2020 and received a Department of Education CRSAA grant in the amount of \$1,255,426.

In late fiscal year 2021, the University received a Department of Education ARP grant in the amount of \$1,738,517. This 3rd round of funding was recognized as revenue in fiscal year 2022 and was used to cover student refunds made in previous years as well as COVID-19 prevention costs.

SAINT JOHN'S UNIVERSITY
NOTES TO FINANCIAL STATEMENTS
YEARS ENDED JUNE 30, 2022 AND 2021

NOTE 20 COMPOSITE SCORE

The University participates in various federally funded student financial aid programs. Under regulatory provisions of these programs, the University is required to demonstrate financial responsibility by meeting a certain composite score based on a formula developed by the Department of Education. This score uses financial ratios based on the University's audited financial statements. The composite score calculated reflects the overall relative financial health of institutions along a scale of negative 1.0 to positive 3.0.

The composite score for the year ended June 30, 2022 is as follows:

Primary Reserve Ratio:

| | | |
|-----------------------|---------------------|-------------|
| Expendable Net Assets | \$212,041,616 | |
| Total Expenses/Losses | <u>\$74,184,973</u> | <u>2.86</u> |

Equity Ratio:

| | | |
|---------------------|----------------------|-------------|
| Modified Net Assets | \$447,333,727 | |
| Modified Assets | <u>\$521,239,407</u> | <u>0.86</u> |

Net Income Ratio:

| | | |
|---|---------------------|---------------|
| Change in Net Assets Without Donor Restrictions | (\$3,888,728) | |
| Total Revenues/Gains | <u>\$71,212,041</u> | <u>(0.05)</u> |

| | Ratios | Strength Factors | Weight | Composite Scores |
|-----------------|--------|---------------------|--------|---------------------|
| Primary Reserve | 2.86 | 3.0 | 40% | 1.20 |
| Equity | 0.86 | 3.0 | 40% | 1.20 |
| Net Income | (0.05) | (0.4) | 20% | (0.07) |
| Composite Score | | | | <u>2.3</u> |

SAINT JOHN'S UNIVERSITY
FINANCIAL RESPONSIBILITY RATIO
SUPPLEMENTAL SCHEDULE
YEAR ENDED JUNE 30, 2022

Primary Reserve Ratio:

| | | | |
|----|---------------------------------------|--|----------------|
| | | Expendable Net Assets: | |
| 1 | Statement of Financial Position (SFP) | Net assets without donor restrictions | \$ 245,826,227 |
| 2 | SFP | Net assets with donor restrictions | 207,811,795 |
| 3 | Supplemental Disclosure (SD) Line 1 | Net assets restricted in perpetuity | 113,398,541 |
| 4 | SD Line 20 | Unsecured related-party receivable | 6,304,295 |
| 5 | SD Line 2d | Donor restricted annuities, term endowments, life income funds | 950,178 |
| 6 | SD Line 3d | Property, plant, and equipment pre-implementation | 132,681,955 |
| 7 | SD Line 4d | Property, plant, and equipment post-implementation with outstanding debt for | 6,049,698 |
| 8 | SD Line 5 | Construction in progress purchased with long-term debt | 14,351,534 |
| 9 | SD Line 6a | Post-implementation property, plant, and equipment, net, acquired without debt | 9,281,363 |
| 10 | SD Line 14 | Lease right-of-use asset, pre-implementation (grandfather of leases option not | - |
| 11 | SD Line 15 | Lease right-of-use asset, post-implementation | 4,056,897 |
| 12 | SFP | Intangible assets | - |
| 13 | SFP | Post-employment and pension liabilities | 101,358 |
| 14 | SD Line 8d | Long-term debt - for long-term purposes pre-implementation | 23,105,000 |
| 15 | SD Line 9d | Long-term debt - for long-term purposes post-implementation | 6,049,698 |
| 16 | SD Line 10 | Line of credit for construction in progress | 12,048,216 |
| 17 | SD Line 17 | Pre-implementation right-of-use asset liability | - |
| 18 | SD Line 18 | Post-implementation right-of-use asset liability | 4,173,783 |
| | | Total Expenses and Losses: | |
| 19 | Statement of Activities (SOA) | Total expenses (operating and nonoperating) without donor restrictions | 74,184,973 |
| 20 | SOA | Non-service component of pension/postemployment (nonoperating) cost, (if | - |
| 21 | SD Line 22 | Sale of fixed assets (if loss) | - |
| 22 | SOA | Change in value of interest-rate swap agreements (if loss) | - |

Equity Ratio:

| | | | |
|----|------------|---|-------------|
| | | Modified Net Assets: | |
| 23 | SFP | Net assets without donor restrictions | 245,826,227 |
| 24 | SFP | Net assets with donor restrictions | 207,811,795 |
| 25 | SD Line 14 | Lease Right-of-use asset - Pre-implementation | - |
| 26 | SD Line 17 | Lease Right-of-use liability - Pre-implementation | - |
| 27 | SFP | Intangible assets | - |
| 28 | SD Line 20 | Unsecured related-party receivables | 6,304,295 |
| | | Modified Assets: | |
| 29 | SFP | Total assets | 527,543,702 |
| 30 | SD Line 14 | Lease right-of-use asset pre-implementation | - |
| 31 | SFP | Intangible assets | - |
| 32 | SD Line 20 | Unsecured related-party receivables | 6,304,295 |

Net Income Ratio:

| | | | |
|----|------------|---|-------------|
| 33 | SOA | Change in Net Assets Without Donor Restrictions | (3,888,728) |
| | | Total Revenues and Gains Without Donor Restriction: | |
| 34 | SOA | Total operating revenue (including net assets released from restrictions) | 77,950,192 |
| 35 | SOA | Investments gain, net (aggregate operating and non-operating interest, dividends, | (6,782,498) |
| 36 | SOA | Non-service component of pension/postemployment (nonoperating) cost (if | - |
| 37 | SOA | Pension-related changes other than net periodic pension costs (if gain) | - |
| 38 | SOA | Change in value of annuity agreement (typically in nonoperating) | - |
| 39 | SOA | Change in value of interest-rate swap agreements (if gain) | - |
| 40 | SD Line 25 | Sale of fixed assets (if gain) | - |
| 41 | SOA | Other gains | 44,347 |

**SAINT JOHN'S UNIVERSITY
FINANCIAL RESPONSIBILITY RATIO
SUPPLEMENTAL DISCLOSURE
YEAR ENDED JUNE 30, 2022**

Net Assets

| | | |
|----|---|----------------|
| 1 | Net assets with donor restrictions: restricted in perpetuity | \$ 113,398,541 |
| 2 | Other net assets with donor restrictions (not restricted in perpetuity): | |
| a. | Annuities with donor restrictions | - |
| b. | Term endowments | 95,600 |
| c. | Life income funds (trusts) | 854,578 |
| d. | Total annuities, term endowments, and life income funds with donor restrictions | <u>950,178</u> |

Property, Plant, and Equipment, net

| | | |
|----|--|--------------------|
| 3 | Pre-implementation property, plant, and equipment, net | |
| a. | Ending balance of pre-implementation as of June 30, 2021 | 137,554,298 |
| b. | Reclassify capital lease assets previously included in PPE, net prior to the implementation of ASU 2016-02 leases standard | - |
| c. | Less subsequent depreciation and disposals (net of accumulated depreciation) | <u>(4,872,343)</u> |
| d. | Balance pre-implementation property, plant, and equipment, net | 132,681,955 |
| 4 | Debt financed post-implementation property, plant, and equipment, net | |
| | Long-lived assets acquired with debt subsequent to June 30, 2019: | |
| a. | Equipment | - |
| b. | Land improvements | 1,242,014 |
| c. | Building | 4,807,684 |
| d. | Total property, plant, and equipment, net acquired with debt exceeding 12 months | <u>6,049,698</u> |
| 5 | Construction in progress - acquired subsequent to June 30, 2019 | 14,351,534 |
| 6 | Post-implementation property, plant, and equipment, net, acquired without debt: | |
| a. | Long-lived assets acquired without use of debt subsequent to June 30, 2019 | 9,281,363 |
| 7 | Total Property, Plant, and Equipment, net - June 30, 2022 | <u>162,364,550</u> |

Debt to be excluded from expendable net assets

| | | |
|----|---|--------------------|
| 8 | Pre-implementation debt: | |
| a. | Ending balance of pre-implementation as of June 30, 2021 | 25,235,000 |
| b. | Reclassify capital leases previously included in long-term debt prior to the implementation of ASU 2016-02 leases standard. | - |
| c. | Less subsequent debt repayments | <u>(2,130,000)</u> |
| d. | Balance Pre-implementation Debt | 23,105,000 |
| 9 | Allowable post-implementation debt used for capitalized long-lived assets: | |
| a. | Equipment - all capitalized | - |
| b. | Land improvements | 1,242,014 |
| c. | Buildings | 4,807,684 |
| d. | Balance Post-implementation Debt | <u>6,049,698</u> |
| 10 | Construction in progress (CIP) financed with debt or line of credit | 12,048,216 |
| 11 | Long-term debt not for the purchase of property, plant, and equipment or liability greater than assets value | <u>6,619,206</u> |
| | | <u>48,936,100</u> |

12 Terms of current year debt and line of credit for PPE additions:

| | Issue Date | Maturity Date | Nature of Capitalized Amounts | Amount Capitalized |
|----|--------------|---------------------------------------|-------------------------------|--------------------|
| a. | Jun 10, 2021 | Oct 1, 2040 | Buildings | 4,807,684 |
| b. | Jun 10, 2021 | Oct 1, 2040 | Construction in Progress | 12,048,216 |
| c. | Jun 10, 2021 | Oct 1, 2040 | Land Improvements | 1,242,014 |
| | | 18 year term (from original maturity) | | |

**SAINT JOHN'S UNIVERSITY
FINANCIAL RESPONSIBILITY RATIO
SUPPLEMENTAL DISCLOSURE
YEAR ENDED JUNE 30, 2022**

Lease right-of-use assets and liabilities

| | | |
|----|---|-------------|
| 13 | Lease right-of-use assets | |
| | Right-of-use assets as of balance sheet date June 30, 2022 | \$4,056,897 |
| 14 | Lease right-of-use assets - Pre-implementation | |
| | Right-of-use assets as of balance sheet date June 30, 2022, excluding leases entered into before December 15, 2018 | - |
| 15 | Lease right-of-use assets - Post-implementation | |
| | Right-of-use assets as of balance sheet date June 30, 2022, excluding leases entered into on or after December 15, 2018 | 4,056,897 |
| 16 | Lease right-of-use liability | |
| | Lease liabilities as of balance sheet date June 30, 2022 | 4,173,783 |
| 17 | Lease right-of-use liability - Pre-implementation | |
| | Lease liabilities as of balance sheet date June 30, 2021, excluding leases entered into before December 15, 2018 | - |
| 18 | Lease right-of-use liability - Post-implementation | |
| | Lease liabilities as of balance sheet date June 30, 2022, excluding leases entered into on or after December 15, 2018 | 4,173,783 |

Unsecured related-party receivables

| | | |
|----|---|------------------|
| 19 | Secured related-party receivables | - |
| 20 | Unsecured related party receivables | 6,304,295 |
| 21 | Total secured and unsecured related-party receivables | <u>6,304,295</u> |



CliftonLarsonAllen LLP
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INDEPENDENT AUDITORS' REPORT ON SUPPLEMENTARY INFORMATION

Audit Committee, Board of Trustees, and Management
Saint John's University
Collegeville, Minnesota

We have audited the financial statements of Saint John's University as of and for the year ended June 30, 2022, and our report thereon dated November 16, 2022, which expressed an unmodified opinion on those financial statements, and appears on pages 2 through 4. Our audit was conducted for the purpose of forming an opinion on the financial statements as a whole. The supplementary information on pages 47 through 58 and the financial statement highlights on page 1, which is the responsibility of management, is presented for purposes of additional analysis and is not a required part of the financial statements. Such information has not been subjected to the auditing procedures applied in the audit of the financial statements, and, accordingly, we do not express an opinion or provide any assurance on it.

CliftonLarsonAllen LLP

CliftonLarsonAllen LLP

St. Cloud, Minnesota
November 16, 2022

SAINT JOHN'S UNIVERSITY
STATEMENTS OF FINANCIAL POSITION
JUNE 30, 2022 AND 2021
(SEE INDEPENDENT AUDITORS' REPORT ON SUPPLEMENTARY INFORMATION)

COLLEGE OF ARTS AND SCIENCES

| ASSETS | 2022 | 2021 |
|--|-----------------------|-----------------------|
| ASSETS | | |
| Cash and cash equivalents | \$ 14,297,636 | \$ 17,344,550 |
| Student receivables, net | 436,491 | 278,562 |
| Contributions receivable, net | 11,549,159 | 5,120,906 |
| Unitrust, interest, and other receivables, net | 2,144,557 | 1,783,068 |
| Inventories and prepaid expenses | 7,263,889 | 7,200,440 |
| Student loans receivable, net | 896,845 | 1,193,572 |
| Undrawn bond funds | 8,639,273 | 19,297,857 |
| Investments | 259,353,174 | 275,494,507 |
| Right of use asset | 4,056,897 | 4,147,051 |
| Property, plant and equipment, net | 147,444,205 | 135,539,502 |
| Total Assets | <u>456,082,126</u> | <u>467,400,015</u> |
| LIABILITIES AND NET ASSETS | | |
| LIABILITIES | | |
| Accounts payable and accrued expenses | 8,334,453 | 7,709,422 |
| Deferred revenue | 2,021,505 | 1,019,078 |
| Funds held for others | 51,606 | 251,693 |
| Other liabilities | 1,832,817 | 1,522,492 |
| Annuities and unitrusts payable | 5,017,193 | 5,806,154 |
| Notes and bonds payable | 48,887,552 | 51,549,254 |
| Lease Liability | 4,173,783 | 4,206,126 |
| Government grants repayable - Federal Perkins loan program | 1,210,381 | 1,631,245 |
| Total Liabilities | <u>71,529,290</u> | <u>73,695,464</u> |
| NET ASSETS | | |
| Without Donor Restriction: | | |
| Reserves, program funds, and undesignated | 41,457,791 | 42,790,925 |
| Board designated endowment | 66,943,291 | 73,146,929 |
| Investment in property, plant and equipment | 106,365,165 | 102,457,119 |
| Annuities | 2,602,265 | 3,422,215 |
| Contributions receivable | - | 32,461 |
| Total Without Donor Restrictions | <u>217,368,512</u> | <u>221,849,649</u> |
| With Donor Restriction: | | |
| Purpose and time restrictions | 7,965,126 | 8,359,133 |
| Endowment | 144,791,209 | 154,651,018 |
| Unitrusts and life insurance | 2,878,829 | 3,756,310 |
| Contributions receivable | 11,549,160 | 5,088,441 |
| Total With Donor Restrictions | <u>167,184,324</u> | <u>171,854,902</u> |
| Total Net Assets | <u>384,552,836</u> | <u>393,704,551</u> |
| TOTAL LIABILITIES AND NET ASSETS | <u>\$ 456,082,126</u> | <u>\$ 467,400,015</u> |

SAINT JOHN'S UNIVERSITY
STATEMENTS OF ACTIVITIES
YEAR ENDED JUNE 30, 2022
(SEE INDEPENDENT AUDITORS' REPORT ON SUPPLEMENTARY INFORMATION)

COLLEGE OF ARTS AND SCIENCES

| | <u>WITHOUT DONOR RESTRICTION</u> | <u>WITH DONOR RESTRICTION</u> | <u>TOTAL</u> |
|---|--------------------------------------|-----------------------------------|-----------------------|
| OPERATING ACTIVITIES | | | |
| OPERATING REVENUES | | | |
| Tuition and fees | \$ 75,178,715 | \$ - | \$ 75,178,715 |
| Less: Funded scholarships and grants - restricted funds | (9,047,481) | - | (9,047,481) |
| Less: Funded scholarships and grants - quasi-endowments | (1,473,525) | - | (1,473,525) |
| Less: Unfunded scholarships and grants | (33,332,310) | - | (33,332,310) |
| Net tuition and fees | 31,325,399 | - | 31,325,399 |
| Government grants: | | | |
| Federal grants | - | 4,089,447 | 4,089,447 |
| State grants | - | 501,616 | 501,616 |
| Private gifts and grants | 825,822 | 5,650,504 | 6,476,326 |
| Other investment income | 167,992 | 560 | 168,552 |
| Investment return allocated for operations (draw) | 7,464,343 | 213,600 | 7,677,943 |
| Other sources | 2,527,506 | - | 2,527,506 |
| Sales and services of auxiliary enterprises: | | | |
| Residence halls | 7,800,405 | - | 7,800,405 |
| Food services | 8,619,933 | - | 8,619,933 |
| Other auxiliaries | 2,562,499 | - | 2,562,499 |
| | 61,293,899 | 10,455,727 | 71,749,626 |
| Net assets released from restrictions | 10,655,780 | (10,655,780) | - |
| Total Operating Revenues, Gains and Other Support | 71,949,679 | (200,053) | 71,749,626 |
| OPERATING EXPENSES | | | |
| Program expenses: | | | |
| Instruction | 23,100,998 | - | 23,100,998 |
| Academic support | 8,645,523 | - | 8,645,523 |
| Student services | 12,433,787 | - | 12,433,787 |
| Auxiliary enterprises: | | | |
| Residence halls | 4,200,238 | - | 4,200,238 |
| Food services | 6,840,474 | - | 6,840,474 |
| Other auxiliaries | 2,474,805 | - | 2,474,805 |
| Support expenses: | | | |
| Institutional support | 11,467,488 | - | 11,467,488 |
| | 69,163,313 | - | 69,163,313 |
| INCREASE (DECREASE) IN NET ASSETS FROM OPERATING ACTIVITIES | 2,786,366 | (200,053) | 2,586,313 |
| NONOPERATING ACTIVITIES | | | |
| Long-term investment activities: | | | |
| Endowment income | (6,132,685) | (9,647,792) | (15,780,477) |
| Less: Investment return allocated for operations (draw) | (2,314,525) | (5,363,418) | (7,677,943) |
| | (8,447,210) | (15,011,210) | (23,458,420) |
| Private gifts and grants | - | 6,064,762 | 6,064,762 |
| Other investment income | 47 | 2,950 | 2,997 |
| Change in contributions | (32,460) | 6,460,718 | 6,428,258 |
| Annuity and unitrust net gifts | - | - | - |
| Adjustment of actuarial liability | (218,569) | (557,056) | (775,625) |
| Reclassification of net assets | - | - | - |
| | (250,982) | 11,971,374 | 11,720,392 |
| Net assets released from restrictions | 1,430,689 | (1,430,689) | - |
| | 1,179,707 | 10,540,685 | 11,720,392 |
| INCREASE (DECREASE) IN NET ASSETS FROM NONOPERATING ACTIVITIES | (7,267,503) | (4,470,525) | (11,738,028) |
| INCREASE (DECREASE) IN NET ASSETS | (4,481,137) | (4,670,578) | (9,151,715) |
| Net Assets - Beginning of Year | 221,849,649 | 171,854,902 | 393,704,551 |
| NET ASSETS - END OF YEAR | <u>\$ 217,368,512</u> | <u>\$ 167,184,324</u> | <u>\$ 384,552,836</u> |

SAINT JOHN'S UNIVERSITY
STATEMENTS OF ACTIVITIES
YEAR ENDED JUNE 30, 2021
(SEE INDEPENDENT AUDITORS' REPORT ON SUPPLEMENTARY INFORMATION)

COLLEGE OF ARTS AND SCIENCES

| | <u>WITHOUT DONOR RESTRICTION</u> | <u>WITH DONOR RESTRICTION</u> | <u>TOTAL</u> |
|---|--------------------------------------|-----------------------------------|-----------------------|
| OPERATING ACTIVITIES | | | |
| OPERATING REVENUES | | | |
| Tuition and fees | \$ 73,522,793 | \$ - | \$ 73,522,793 |
| Less: Funded scholarships and grants - restricted funds | (8,165,563) | - | (8,165,563) |
| Less: Funded scholarships and grants - quasi-endowments | (1,335,542) | - | (1,335,542) |
| Less: Unfunded scholarships and grants | (33,145,941) | - | (33,145,941) |
| Net tuition and fees | <u>30,875,747</u> | <u>-</u> | <u>30,875,747</u> |
| Government grants: | | | |
| Federal grants | - | 2,639,916 | 2,639,916 |
| State grants | - | 296,573 | 296,573 |
| Private gifts and grants | 790,075 | 7,125,719 | 7,915,794 |
| Other investment income | 158,790 | 1,077 | 159,867 |
| Investment return allocated for operations (draw) | 7,106,566 | 174,289 | 7,280,855 |
| Other sources | 1,135,069 | - | 1,135,069 |
| Sales and services of auxiliary enterprises: | | | |
| Residence halls | 7,213,440 | - | 7,213,440 |
| Food services | 6,905,042 | - | 6,905,042 |
| Other auxiliaries | 1,796,508 | - | 1,796,508 |
| | <u>55,981,237</u> | <u>10,237,574</u> | <u>66,218,811</u> |
| Net assets released from restrictions | <u>8,328,408</u> | <u>(8,328,408)</u> | <u>-</u> |
| Total Operating Revenues, Gains and Other Support | <u>64,309,645</u> | <u>1,909,166</u> | <u>66,218,811</u> |
| OPERATING EXPENSES | | | |
| Program expenses: | | | |
| Instruction | 21,740,937 | - | 21,740,937 |
| Academic support | 7,696,453 | - | 7,696,453 |
| Student services | 9,834,000 | - | 9,834,000 |
| Auxiliary enterprises: | | | |
| Residence halls | 4,024,578 | - | 4,024,578 |
| Food services | 6,403,706 | - | 6,403,706 |
| Other auxiliaries | 2,007,142 | - | 2,007,142 |
| Support expenses: | | | |
| Institutional support | <u>10,493,827</u> | <u>-</u> | <u>10,493,827</u> |
| Total Operating Expenses | <u>62,200,643</u> | <u>-</u> | <u>62,200,643</u> |
| INCREASE (DECREASE) IN NET ASSETS FROM OPERATING ACTIVITIES | <u>2,109,002</u> | <u>1,909,166</u> | <u>4,018,168</u> |
| NONOPERATING ACTIVITIES | | | |
| Long-term investment activities: | | | |
| Endowment income | 29,005,576 | 39,867,102 | 68,872,678 |
| Less: Investment return allocated for operations (draw) | <u>(2,698,580)</u> | <u>(4,582,275)</u> | <u>(7,280,855)</u> |
| | <u>26,306,996</u> | <u>35,284,827</u> | <u>61,591,823</u> |
| Private gifts and grants | - | 7,328,454 | 7,328,454 |
| Other investment income | 46 | 68,835 | 68,881 |
| Change in contributions | (39,161) | (919,569) | (958,730) |
| Annuity and unitrust net gifts | 19,179 | - | 19,179 |
| Adjustment of actuarial liability | 538,264 | (191,113) | 347,151 |
| Reclassification of net assets | (1,863) | 1,863 | - |
| | <u>516,465</u> | <u>6,288,470</u> | <u>6,804,935</u> |
| Net assets released from restrictions | <u>778,256</u> | <u>(778,256)</u> | <u>-</u> |
| | <u>1,294,721</u> | <u>5,510,214</u> | <u>6,804,935</u> |
| INCREASE (DECREASE) IN NET ASSETS FROM NONOPERATING ACTIVITIES | <u>27,601,717</u> | <u>40,795,041</u> | <u>68,396,758</u> |
| INCREASE (DECREASE) IN NET ASSETS | <u>29,710,719</u> | <u>42,704,207</u> | <u>72,414,926</u> |
| Net Assets - Beginning of Year | <u>192,138,930</u> | <u>129,150,695</u> | <u>321,289,625</u> |
| NET ASSETS - END OF YEAR | <u>\$ 221,849,649</u> | <u>\$ 171,854,902</u> | <u>\$ 393,704,551</u> |

SAINT JOHN'S UNIVERSITY
STATEMENTS OF FINANCIAL POSITION
JUNE 30, 2022 AND 2021
(SEE INDEPENDENT AUDITORS' REPORT ON SUPPLEMENTARY INFORMATION)

SCHOOL OF THEOLOGY

| | <u>2022</u> | <u>2021</u> |
|---|----------------------|----------------------|
| ASSETS | | |
| ASSETS | | |
| Cash and cash equivalents | \$ 3,990,342 | \$ 2,641,507 |
| Student receivables, net | 50,402 | 16,294 |
| Contributions receivable, net | 2,431,182 | 1,898,525 |
| Unitrust, interest, and other receivables | 58,174 | 70,532 |
| Inventories and prepaid expenses | 8,581 | 9,976 |
| Investments | 27,057,952 | 29,716,556 |
| Property, plant, and equipment, net | 1,807,014 | 1,678,942 |
| Total Assets | <u>35,403,647</u> | <u>36,032,332</u> |
| LIABILITIES | | |
| Accounts payable and accrued expenses | 252,505 | 155,737 |
| Deferred revenue | 1,681,317 | 975,384 |
| Funds held for others | 18,324 | 14,394 |
| Other liabilities | 43,278 | 43,278 |
| Annuities and unitrusts payable | 277,927 | 302,370 |
| Total Liabilities | <u>2,273,351</u> | <u>1,491,163</u> |
| NET ASSETS | | |
| Without Donor Restriction: | | |
| Reserves, program funds, and undesignated | 1,332,053 | 1,236,374 |
| Board designated endowment | 6,244,208 | 6,906,913 |
| Investment in property, plant and equipment | 1,764,713 | 1,636,642 |
| Annuities | 456,842 | 760,908 |
| Contributions receivable | - | - |
| Total Without Donor Restriction | <u>9,797,816</u> | <u>10,540,837</u> |
| With Donor Restriction: | | |
| Purpose and time restrictions | 807,755 | 328,784 |
| Endowment | 20,077,966 | 21,744,358 |
| Unitrusts and life insurance | 15,577 | 28,665 |
| Contributions receivable | 2,431,182 | 1,898,525 |
| Total With Donor Restriction | <u>23,332,480</u> | <u>24,000,332</u> |
| Total Net Assets | <u>33,130,296</u> | <u>34,541,169</u> |
| TOTAL LIABILITIES AND NET ASSETS | <u>\$ 35,403,647</u> | <u>\$ 36,032,332</u> |

SAINT JOHN'S UNIVERSITY
STATEMENTS OF ACTIVITIES
YEAR ENDED JUNE 30, 2022
(SEE INDEPENDENT AUDITORS' REPORT ON SUPPLEMENTARY INFORMATION)

SCHOOL OF THEOLOGY

| | WITHOUT DONOR RESTRICTION | WITH DONOR RESTRICTION | TOTAL |
|---|------------------------------|---------------------------|----------------------|
| OPERATING ACTIVITIES | | | |
| OPERATING REVENUES | | | |
| Tuition and fees | \$ 1,251,484 | \$ - | \$ 1,251,484 |
| Less: Funded scholarships and grants - restricted funds | (673,589) | - | (673,589) |
| Less: Funded scholarships and grants - quasi-endowments | - | - | - |
| Less: Unfunded scholarships and grants | (36,756) | - | (36,756) |
| Net tuition and fees | 541,139 | - | 541,139 |
| Private gifts and grants | 742,839 | 398,758 | 1,141,597 |
| Other investment income | 8,847 | - | 8,847 |
| Investment return allocated for operations (draw) | 1,116,864 | - | 1,116,864 |
| Other sources | 237,540 | - | 237,540 |
| Sales and services of auxiliary enterprises: | | | |
| Residence halls | 218,929 | - | 218,929 |
| | 2,866,158 | 398,758 | 3,264,916 |
| Net assets released from restrictions | 419,793 | (419,793) | - |
| Total Operating Revenues, Gains and Other Support | 3,285,951 | (21,035) | 3,264,916 |
| OPERATING EXPENSES | | | |
| Program expenses: | | | |
| Instruction: | | | |
| Core Curriculum | 556,250 | - | 556,250 |
| Public Service | 369,490 | - | 369,490 |
| Academic support | 558,269 | - | 558,269 |
| Student services | 440,986 | - | 440,986 |
| Auxiliary enterprises: | | | |
| Residence halls | 192,903 | - | 192,903 |
| Support expenses: | | | |
| Institutional support | 941,637 | - | 941,637 |
| Total Operating Expenses | 3,059,535 | - | 3,059,535 |
| INCREASE (DECREASE) IN NET ASSETS FROM OPERATING ACTIVITIES | 226,416 | (21,035) | 205,381 |
| NONOPERATING ACTIVITIES | | | |
| Long-term investment activities: | | | |
| Endowment income | (535,474) | (1,310,004) | (1,845,478) |
| Less: Investment return allocated for operations (draw) | (248,226) | (868,638) | (1,116,864) |
| | (783,700) | (2,178,642) | (2,962,342) |
| Private gifts and grants | - | 816,013 | 816,013 |
| Change in contributions | - | 532,657 | 532,657 |
| Annuity and unitrust net gifts | - | - | - |
| Adjustment of actuarial liability | (185,737) | 183,155 | (2,582) |
| | (185,737) | 1,531,825 | 1,346,088 |
| Net assets released from restriction | - | - | - |
| | (185,737) | 1,531,825 | 1,346,088 |
| INCREASE (DECREASE) IN NET ASSETS FROM NONOPERATING ACTIVITIES | (969,437) | (646,817) | (1,616,254) |
| INCREASE (DECREASE) IN NET ASSETS | (743,021) | (667,852) | (1,410,873) |
| Net Assets - Beginning of Year | 10,540,837 | 24,000,332 | 34,541,169 |
| NET ASSETS - END OF YEAR | <u>\$ 9,797,816</u> | <u>\$ 23,332,480</u> | <u>\$ 33,130,296</u> |

SAINT JOHN'S UNIVERSITY
STATEMENTS OF ACTIVITIES
YEAR ENDED JUNE 30, 2021
(SEE INDEPENDENT AUDITORS' REPORT ON SUPPLEMENTARY INFORMATION)

SCHOOL OF THEOLOGY

| | WITHOUT DONOR RESTRICTION | WITH DONOR RESTRICTION | TOTAL |
|---|------------------------------|---------------------------|---------------|
| OPERATING ACTIVITIES | | | |
| OPERATING REVENUES | | | |
| Tuition and fees | \$ 1,151,859 | \$ - | \$ 1,151,859 |
| Less: Funded scholarships and grants - restricted funds | (580,017) | - | (580,017) |
| Less: Funded scholarships and grants - quasi-endowments | - | - | - |
| Less: Unfunded scholarships and grants | (5,775) | - | (5,775) |
| Net tuition and fees | 566,067 | - | 566,067 |
| Private gifts and grants | 726,959 | 165,762 | 892,721 |
| Other investment income | 8,037 | - | 8,037 |
| Investment return allocated for operations (draw) | 993,553 | - | 993,553 |
| Other sources | 110,204 | - | 110,204 |
| Sales and services of auxiliary enterprises: | | | |
| Residence halls | 227,819 | - | 227,819 |
| | 2,632,639 | 165,762 | 2,798,401 |
| Net assets released from restrictions | 251,798 | (251,798) | - |
| Total Operating Revenues, Gains and Other Support | 2,884,437 | (86,036) | 2,798,401 |
| OPERATING EXPENSES | | | |
| Program expenses: | | | |
| Instruction: | | | |
| Core Curriculum | 571,106 | - | 571,106 |
| Public Service | 175,920 | - | 175,920 |
| Academic support | 420,220 | - | 420,220 |
| Student services | 439,380 | - | 439,380 |
| Auxiliary enterprises: | | | |
| Residence halls | 148,200 | - | 148,200 |
| Support expenses: | | | |
| Institutional support | 813,897 | - | 813,897 |
| Total Operating Expenses | 2,568,723 | - | 2,568,723 |
| INCREASE (DECREASE) IN NET ASSETS FROM OPERATING ACTIVITIES | 315,714 | (86,036) | 229,678 |
| NONOPERATING ACTIVITIES | | | |
| Long-term investment activities: | | | |
| Endowment income | 2,065,514 | 5,715,251 | 7,780,765 |
| Less: Investment return allocated for operations (draw) | (213,093) | (780,460) | (993,553) |
| | 1,852,421 | 4,934,791 | 6,787,212 |
| Private gifts and grants | - | 411,231 | 411,231 |
| Change in contributions | (14,156) | 1,862,667 | 1,848,511 |
| Annuity and unitrust net gifts | 9,436 | - | 9,436 |
| Adjustment of actuarial liability | (16,713) | (87,806) | (104,519) |
| | (21,433) | 2,186,092 | 2,164,659 |
| Net assets released from restriction | 269,627 | (269,627) | - |
| | 248,194 | 1,916,465 | 2,164,659 |
| INCREASE (DECREASE) IN NET ASSETS FROM NONOPERATING ACTIVITIES | 2,100,615 | 6,851,256 | 8,951,871 |
| INCREASE (DECREASE) IN NET ASSETS | 2,416,329 | 6,765,220 | 9,181,549 |
| Net Assets - Beginning of Year | 8,124,508 | 17,235,112 | 25,359,620 |
| NET ASSETS - END OF YEAR | \$ 10,540,837 | \$ 24,000,332 | \$ 34,541,169 |

SAINT JOHN'S UNIVERSITY
STATEMENTS OF FINANCIAL POSITION
JUNE 30, 2022 AND 2021
(SEE INDEPENDENT AUDITORS' REPORT ON SUPPLEMENTARY INFORMATION)

HILL MUSEUM AND MANUSCRIPT LIBRARY

| | <u>2022</u> | <u>2021</u> |
|---|----------------------|----------------------|
| ASSETS | | |
| ASSETS | | |
| Cash and cash equivalents | \$ 2,688,791 | \$ 1,591,569 |
| Contributions receivable, net | 161,507 | 388,497 |
| Unitrust, interest, and other receivables | 96,661 | 112,132 |
| Inventories and prepaid expenses | 35,154 | 19,294 |
| Investments | 18,830,712 | 20,248,186 |
| Property, plant and equipment, net | 12,903,710 | 11,937,316 |
| Total Assets | <u>34,716,535</u> | <u>34,296,994</u> |
| LIABILITIES AND NET ASSETS | | |
| LIABILITIES | | |
| Accounts payable and accrued expenses | 124,104 | 82,303 |
| Other Liabilities | 177,239 | 169,982 |
| Annuities and unitrusts payable | 192,858 | 158,181 |
| Notes and bonds payable | 48,548 | 45,727 |
| Total Liabilities | <u>542,749</u> | <u>456,193</u> |
| NET ASSETS | | |
| Without Donor Restriction: | | |
| Reserves, program funds, and undesignated | 1,205,301 | 901,541 |
| Board designated endow ment | 3,993,146 | 3,953,891 |
| Investment in property, plant and equipment | 12,903,710 | 11,937,316 |
| Annuities | 191,662 | 212,286 |
| Contributions receivable | - | - |
| Total Without Donor Restriction | <u>18,293,819</u> | <u>17,005,034</u> |
| With Donor Restriction: | | |
| Purpose and time restrictions | 1,259,396 | 501,128 |
| Endow ment | 14,425,120 | 15,905,048 |
| Unitrusts and life insurance | 33,945 | 41,094 |
| Contributions receivable | 161,506 | 388,497 |
| Total With Donor Restriction | <u>15,879,967</u> | <u>16,835,767</u> |
| Total Net Assets | <u>34,173,786</u> | <u>33,840,801</u> |
| TOTAL LIABILITIES AND NET ASSETS | <u>\$ 34,716,535</u> | <u>\$ 34,296,994</u> |

SAINT JOHN'S UNIVERSITY
STATEMENTS OF ACTIVITIES
YEAR ENDED JUNE 30, 2022
(SEE INDEPENDENT AUDITORS' REPORT ON SUPPLEMENTARY INFORMATION)

HILL MUSEUM AND MANUSCRIPT LIBRARY

| | WITHOUT DONOR RESTRICTION | WITH DONOR RESTRICTION | TOTAL |
|---|------------------------------|---------------------------|----------------------|
| OPERATING ACTIVITIES | | | |
| OPERATING REVENUES | | | |
| Private gifts and grants: | | | |
| Foundations, corporations and individuals | \$ 1,113,722 | \$ (10,591) | \$ 1,103,131 |
| St. John's Abbey | - | - | - |
| St. John's University - program costs | 12,247 | - | 12,247 |
| St. John's University - indirect costs | 75,638 | - | 75,638 |
| Government grants - Federal | - | 388,743 | 388,743 |
| Other investment income | 5,154 | - | 5,154 |
| Investment return allocated for operations (draw) | 518,753 | 155,802 | 674,555 |
| Other sources: | | | |
| Library sales | 15,616 | - | 15,616 |
| Miscellaneous income | 30,040 | - | 30,040 |
| | <u>1,771,170</u> | <u>533,954</u> | <u>2,305,124</u> |
| Net assets released from restrictions | 601,784 | (601,784) | - |
| Total Operating Revenues, Gains and Other Support | <u>2,372,954</u> | <u>(67,830)</u> | <u>2,305,124</u> |
| OPERATING EXPENSES | | | |
| Sponsored programs: | | | |
| General | 981,438 | - | 981,438 |
| Preservation Fieldwork | 370,223 | - | 370,223 |
| Scholarly Activity: | | | |
| Study Centers | 227,672 | - | 227,672 |
| Fellowships | 12,990 | - | 12,990 |
| Cataloging | 840,970 | - | 840,970 |
| Digital Collections | 90,733 | - | 90,733 |
| Arca Artium | 50,289 | - | 50,289 |
| Other Mission Support | 59,127 | - | 59,127 |
| Library Sales | 114 | - | 114 |
| Depreciation Expense | 51,789 | - | 51,789 |
| Less: Capitalized Costs | (1,018,183) | - | (1,018,183) |
| Total Operating Expenses | <u>1,667,162</u> | <u>-</u> | <u>1,667,162</u> |
| INCREASE (DECREASE) IN NET ASSETS FROM OPERATING ACTIVITIES | <u>705,792</u> | <u>(67,830)</u> | <u>637,962</u> |
| NONOPERATING ACTIVITIES | | | |
| Long-term investment activities: | | | |
| Endowment income | (296,630) | (958,502) | (1,255,132) |
| Less: Investment return allocated for operations (draw) | <u>(150,060)</u> | <u>(524,495)</u> | <u>(674,555)</u> |
| | <u>(446,690)</u> | <u>(1,482,997)</u> | <u>(1,929,687)</u> |
| Private gifts and grants | 83 | 1,835,263 | 1,835,346 |
| Change in contributions | - | (226,991) | (226,991) |
| Annuity and unitrust net gifts | 44,347 | - | 44,347 |
| Adjustment of actuarial liability | (18,021) | (9,971) | (27,992) |
| | <u>26,409</u> | <u>1,598,301</u> | <u>1,624,710</u> |
| Net assets released from restriction | 1,003,274 | (1,003,274) | - |
| | <u>1,029,683</u> | <u>595,027</u> | <u>1,624,710</u> |
| INCREASE (DECREASE) IN NET ASSETS FROM NONOPERATING ACTIVITIES | <u>582,993</u> | <u>(887,970)</u> | <u>(304,977)</u> |
| INCREASE (DECREASE) IN NET ASSETS | <u>1,288,785</u> | <u>(955,800)</u> | <u>332,985</u> |
| Net Assets - Beginning of Year | <u>17,005,034</u> | <u>16,835,767</u> | <u>33,840,801</u> |
| NET ASSETS - END OF YEAR | <u>\$ 18,293,819</u> | <u>\$ 15,879,967</u> | <u>\$ 34,173,786</u> |

SAINT JOHN'S UNIVERSITY
STATEMENTS OF ACTIVITIES
YEAR ENDED JUNE 30, 2021
(SEE INDEPENDENT AUDITORS' REPORT ON SUPPLEMENTARY INFORMATION)

HILL MUSEUM AND MANUSCRIPT LIBRARY

| | WITHOUT DONOR RESTRICTION | WITH DONOR RESTRICTION | TOTAL |
|---|------------------------------|---------------------------|----------------------|
| OPERATING ACTIVITIES | | | |
| OPERATING REVENUES | | | |
| Private gifts and grants: | | | |
| Foundations, corporations and individuals | \$ 616,841 | \$ 764,151 | \$ 1,380,992 |
| St. John's Abbey | 2,000 | - | 2,000 |
| St. John's University - program costs | 11,833 | - | 11,833 |
| St. John's University - indirect costs | 74,889 | - | 74,889 |
| Government grants - Federal | - | 602,119 | 602,119 |
| Other investment income | 3,434 | - | 3,434 |
| Nonoperating assets used for operations (draw) | 413,806 | 142,240 | 556,046 |
| Other sources: | | | |
| Library sales | 17,113 | - | 17,113 |
| Miscellaneous income | 40,378 | - | 40,378 |
| | <u>1,180,294</u> | <u>1,508,510</u> | <u>2,688,804</u> |
| Net assets released from restrictions | 481,335 | (481,335) | - |
| Total Operating Revenues, Gains and Other Support | <u>1,661,629</u> | <u>1,027,175</u> | <u>2,688,804</u> |
| OPERATING EXPENSES | | | |
| Sponsored programs: | | | |
| General | 832,373 | - | 832,373 |
| Preservation Fieldwork | 450,218 | - | 450,218 |
| Scholarly Activity: | | | |
| Study Centers | 205,418 | - | 205,418 |
| Fellowships | 1,240 | - | 1,240 |
| Cataloging | 1,047,915 | - | 1,047,915 |
| Digital collections | 37,389 | - | 37,389 |
| Arca Artium | 80,858 | - | 80,858 |
| Other Mission Support | 39,817 | - | 39,817 |
| Library Sales | 52 | - | 52 |
| Depreciation expense | 51,789 | - | 51,789 |
| Less: Capitalized Costs | (1,369,165) | - | (1,369,165) |
| Total Operating Expenses | <u>1,377,904</u> | <u>-</u> | <u>1,377,904</u> |
| INCREASE (DECREASE) IN NET ASSETS FROM OPERATING ACTIVITIES | <u>283,725</u> | <u>1,027,175</u> | <u>1,310,900</u> |
| NONOPERATING ACTIVITIES | | | |
| Long-term investment activities: | | | |
| Endowment income | 1,117,756 | 4,177,356 | 5,295,112 |
| Less: Investment return allocated for operations (draw) | (91,966) | (464,080) | (556,046) |
| | <u>1,025,790</u> | <u>3,713,276</u> | <u>4,739,066</u> |
| Private gifts and grants | 257,702 | 104,685 | 362,387 |
| Change in contributions | - | (791,368) | (791,368) |
| Annuity and unitrust net gifts | - | - | - |
| Adjustment of actuarial liability | (19,225) | 18,930 | (295) |
| | <u>238,477</u> | <u>(667,753)</u> | <u>(429,276)</u> |
| Net assets released from restriction | 1,251,965 | (1,251,965) | - |
| | <u>1,490,442</u> | <u>(1,919,718)</u> | <u>(429,276)</u> |
| INCREASE (DECREASE) IN NET ASSETS FROM NONOPERATING ACTIVITIES | <u>2,516,232</u> | <u>1,793,558</u> | <u>4,309,790</u> |
| INCREASE (DECREASE) IN NET ASSETS | <u>2,799,957</u> | <u>2,820,733</u> | <u>5,620,690</u> |
| Net Assets - Beginning of Year | <u>14,205,077</u> | <u>14,015,034</u> | <u>28,220,111</u> |
| NET ASSETS - END OF YEAR | <u>\$ 17,005,034</u> | <u>\$ 16,835,767</u> | <u>\$ 33,840,801</u> |

SAINT JOHN'S UNIVERSITY
STATEMENTS OF FINANCIAL POSITION
JUNE 30, 2022 AND 2021
(SEE INDEPENDENT AUDITORS' REPORT ON SUPPLEMENTARY INFORMATION)

ARTIST IN RESIDENCE

| | <u>2022</u> | <u>2021</u> |
|---|----------------------------|----------------------------|
| ASSETS | | |
| Cash and cash equivalents | \$ 170,019 | \$ 210,490 |
| Other receivables | - | - |
| Investments | 1,409,124 | 1,560,704 |
| Property, plant, and equipment, net | 209,621 | 220,725 |
| TOTAL ASSETS | <u><u>1,788,764</u></u> | <u><u>1,991,919</u></u> |
| LIABILITIES AND NET ASSETS | | |
| Accounts payable and accrued expenses | 7,660 | 6,366 |
| TOTAL LIABILITIES | <u><u>7,660</u></u> | <u><u>6,366</u></u> |
| NET ASSETS | | |
| Without Donor Restriction: | | |
| Reserves, program funds, and undesignated | 156,459 | 98,710 |
| Investment in property, plant and equipment | 209,621 | 220,725 |
| Total Without Donor Restriction | <u><u>366,080</u></u> | <u><u>319,435</u></u> |
| With Donor Restriction: | | |
| Purpose and time restrictions | 5,900 | 105,414 |
| Endowment | 1,409,124 | 1,560,704 |
| Total With Donor Restriction | <u><u>1,415,024</u></u> | <u><u>1,666,118</u></u> |
| Total Net Assets | <u><u>1,781,104</u></u> | <u><u>1,985,553</u></u> |
| TOTAL LIABILITIES AND NET ASSETS | <u><u>\$ 1,788,764</u></u> | <u><u>\$ 1,991,919</u></u> |

SAINT JOHN'S UNIVERSITY
STATEMENTS OF ACTIVITIES
YEAR ENDED JUNE 30, 2022
(SEE INDEPENDENT AUDITORS' REPORT ON SUPPLEMENTARY INFORMATION)

ARTIST IN RESIDENCE

| | <u>WITHOUT DONOR RESTRICTION</u> | <u>WITH DONOR RESTRICTION</u> | <u>TOTAL</u> |
|--|--------------------------------------|-----------------------------------|---------------------|
| OPERATING ACTIVITIES | | | |
| OPERATING REVENUES | | | |
| Private gifts and grants: | | | |
| Foundations, corporations and individuals | \$ 113,502 | \$ 48,850 | \$ 162,352 |
| St. John's University | 4,718 | - | 4,718 |
| Other investment income | 247 | - | 247 |
| Other sources | 14,761 | - | 14,761 |
| Investment return allocated for operations (draw) | 59,608 | 408 | 60,016 |
| | <u>192,836</u> | <u>49,258</u> | <u>242,094</u> |
| Net assets released from restrictions | 148,772 | (148,772) | - |
| | <u>341,608</u> | <u>(99,514)</u> | <u>242,094</u> |
| Total Operating Revenues, Gains and Other Support | | | |
| | <u>341,608</u> | <u>(99,514)</u> | <u>242,094</u> |
| OPERATING EXPENSES | | | |
| Other: | | | |
| Sponsored programs: | | | |
| General | 198,191 | - | 198,191 |
| Book expense | 96,772 | - | 96,772 |
| Jerome expenses | - | - | - |
| Total Operating Expenses | <u>294,963</u> | <u>-</u> | <u>294,963</u> |
| NET INCREASE (DECREASE) IN NET ASSETS FROM OPERATING ACTIVITIES | <u>46,645</u> | <u>(99,514)</u> | <u>(52,869)</u> |
| NONOPERATING ACTIVITIES | | | |
| Long-term investment activities: | | | |
| Endowment income | - | (93,684) | (93,684) |
| Less: Investment return | - | (60,016) | (60,016) |
| allocated for operations (draw) | <u>-</u> | <u>(153,700)</u> | <u>(153,700)</u> |
| Private gifts and grants | - | 2,120 | 2,120 |
| Reclassification of net assets | - | - | - |
| | <u>-</u> | <u>2,120</u> | <u>2,120</u> |
| Net assets released from restriction | - | - | - |
| | <u>-</u> | <u>2,120</u> | <u>2,120</u> |
| INCREASE (DECREASE) IN NET ASSETS FROM NONOPERATING ACTIVITIES | <u>-</u> | <u>(151,580)</u> | <u>(151,580)</u> |
| INCREASE (DECREASE) IN NET ASSETS | <u>46,645</u> | <u>(251,094)</u> | <u>(204,449)</u> |
| Net Assets - Beginning of Year | <u>319,435</u> | <u>1,666,118</u> | <u>1,985,553</u> |
| NET ASSETS - END OF YEAR | <u>\$ 366,080</u> | <u>\$ 1,415,024</u> | <u>\$ 1,781,104</u> |

SAINT JOHN'S UNIVERSITY
STATEMENTS OF ACTIVITIES
YEAR ENDED JUNE 30, 2021
(SEE INDEPENDENT AUDITORS' REPORT ON SUPPLEMENTARY INFORMATION)

ARTIST IN RESIDENCE

| | <u>WITHOUT DONOR RESTRICTION</u> | <u>WITH DONOR RESTRICTION</u> | <u>TOTAL</u> |
|--|--------------------------------------|-----------------------------------|---------------------|
| OPERATING ACTIVITIES | | | |
| OPERATING REVENUES | | | |
| Private gifts and grants: | | | |
| Foundations, corporations and individuals | \$ 87,099 | \$ 109,300 | \$ 196,399 |
| St. John's University | - | - | - |
| Other investment income | 235 | - | 235 |
| Other sources | 4,780 | - | 4,780 |
| Investment return allocated for operations (draw) | 54,010 | 372 | 54,382 |
| | <u>146,124</u> | <u>109,672</u> | <u>255,796</u> |
| Net assets released from restrictions | 28,778 | (28,778) | - |
| | <u>174,902</u> | <u>80,894</u> | <u>255,796</u> |
| Total Operating Revenues, Gains and Other Support | | | |
| OPERATING EXPENSES | | | |
| Other: | | | |
| Sponsored programs: | | | |
| General | 100,987 | - | 100,987 |
| Book expense | 8,931 | - | 8,931 |
| Jerome expenses | - | - | - |
| Total Operating Expenses | <u>109,918</u> | <u>-</u> | <u>109,918</u> |
| NET INCREASE (DECREASE IN NET ASSETS FROM OPERATING ACTIVITIES) | <u>64,984</u> | <u>80,894</u> | <u>145,878</u> |
| NONOPERATING ACTIVITIES | | | |
| Long-term investment activities: | | | |
| Endowment income | - | 411,487 | 411,487 |
| Less: Investment return allocated for operations (draw) | <u>-</u> | <u>(54,382)</u> | <u>(54,382)</u> |
| | - | 357,105 | 357,105 |
| Private gifts and grants | - | 230 | 230 |
| Reclassification of net assets | - | - | - |
| | <u>-</u> | <u>230</u> | <u>230</u> |
| Net assets released from restriction | - | - | - |
| | <u>-</u> | <u>230</u> | <u>230</u> |
| INCREASE (DECREASE) IN NET ASSETS FROM NONOPERATING ACTIVITIES | <u>-</u> | <u>357,335</u> | <u>357,335</u> |
| INCREASE (DECREASE) IN NET ASSETS | <u>64,984</u> | <u>438,229</u> | <u>503,213</u> |
| Net Assets - Beginning of Year | <u>254,451</u> | <u>1,227,889</u> | <u>1,482,340</u> |
| NET ASSETS - END OF YEAR | <u>\$ 319,435</u> | <u>\$ 1,666,118</u> | <u>\$ 1,985,553</u> |

