

QUINNIPIAC UNIVERSITY AND AFFILIATES

CONSOLIDATED FINANCIAL REPORT

**AS OF AND FOR THE YEARS ENDED
JUNE 30, 2024 AND 2023**

QUINNIPIAC UNIVERSITY AND AFFILIATES

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INDEPENDENT AUDITORS' REPORT

To the Board of Trustees of
Quinnipiac University and Affiliates

Report on the Audit of the Financial Statements

Opinion

We have audited the consolidated financial statements of Quinnipiac University and Affiliates (the “University”), which comprise the consolidated statements of financial position as of June 30, 2024 and 2023, and the related consolidated statements of activities and changes in net assets, and cash flows for the years then ended, and the related notes to the financial statements.

In our opinion, the accompanying consolidated financial statements present fairly, in all material respects, the consolidated financial position of Quinnipiac University and Affiliates as of June 30, 2024 and 2023, and the changes in its net assets and its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS) and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. 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 the University and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the consolidated 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 consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the University's ability to continue as a going concern within one year after the date that 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 consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS and *Government Auditing Standards* will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the consolidated financial statements.

In performing an audit in accordance with GAAS and *Government Auditing Standards*, we

- exercise professional judgment and maintain professional skepticism throughout the audit.
- identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the consolidated financial statements.
- obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the 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 consolidated financial statements.
- conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the University's ability to continue as a going concern for a reasonable period of time.

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

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated October 25, 2024 on our consideration of the University's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the University's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the University's internal control over financial reporting and compliance.

Marcum LLP

New Haven, CT
October 25, 2024

QUINNIPIAC UNIVERSITY AND AFFILIATES

CONSOLIDATED STATEMENTS OF FINANCIAL POSITION

JUNE 30, 2024 AND 2023

	2024	2023
Assets		
Cash and cash equivalents	\$ 15,496,878	\$ 14,666,409
Student and miscellaneous receivables	6,983,828	8,792,461
Prepaid expenses and other assets	4,162,463	3,010,555
Promises to give, net	18,525,887	16,181,683
Charitable remainder unit and third party trusts	398,323	379,046
Investments, at fair value	764,457,116	770,268,155
Right-of-use asset	525,890	517,527
Assets held by bond trustee	13,476,955	43,670,775
Plant assets, net	<u>1,154,985,243</u>	<u>1,029,503,226</u>
Total Assets	<u><u>\$ 1,979,012,583</u></u>	<u><u>\$ 1,886,989,837</u></u>

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

QUINNIPIAC UNIVERSITY AND AFFILIATES

CONSOLIDATED STATEMENTS OF FINANCIAL POSITION (CONTINUED)

JUNE 30, 2024 AND 2023

	2024	2023
Liabilities and Net Assets		
Liabilities		
Accounts payable and accrued expenses	\$ 27,438,031	\$ 23,030,604
Accrued payroll and payroll taxes	16,530,283	17,141,667
Deposits	7,729,888	7,777,587
Deferred revenue	17,105,898	31,425,240
Annuities payable and charitable remainder unit trusts	524,564	488,471
Lease liability	483,926	449,349
Mortgage and other notes payable, net	<u>439,101,710</u>	<u>456,724,263</u>
Total Liabilities	<u>508,914,300</u>	<u>537,037,181</u>
Net Assets		
Net assets without donor restrictions	1,344,724,432	1,229,656,113
Net assets with donor restrictions	<u>125,373,851</u>	<u>120,296,543</u>
Total Net Assets	<u>1,470,098,283</u>	<u>1,349,952,656</u>
Total Liabilities and Net Assets	<u>\$ 1,979,012,583</u>	<u>\$ 1,886,989,837</u>

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

QUINNIPIAC UNIVERSITY AND AFFILIATES

CONSOLIDATED STATEMENT OF ACTIVITIES AND CHANGES IN NET ASSETS

FOR THE YEAR ENDED JUNE 30, 2024

	Without Donor Restrictions	With Donor Restrictions	2024 Total
Operating Revenues			
Tuition and fees	\$ 427,228,980	\$ --	\$ 427,228,980
Less Student financial aid	<u>(192,891,391)</u>	<u>--</u>	<u>(192,891,391)</u>
Net tuition and fees	234,337,589	--	234,337,589
Auxiliary enterprises	80,385,623	--	80,385,623
Government grants	4,859,310	--	4,859,310
Organized activities and other	11,214,581	--	11,214,581
Investment return designated for current operations	22,398,540	--	22,398,540
Gifts and private grants	266,043	9,457,794	9,723,837
Gifts of nonfinancial assets	--	693,500	693,500
Net assets released from restrictions for current operations	<u>3,317,489</u>	<u>(3,317,489)</u>	<u>--</u>
Total Operating Revenues	<u>356,779,175</u>	<u>6,833,805</u>	<u>363,612,980</u>
Operating Expenses			
Compensation and benefits	193,970,684	--	193,970,684
Supplies and services	72,594,318	--	72,594,318
Depreciation	32,364,094	--	32,364,094
Interest on indebtedness	15,384,428	--	15,384,428
Travel and events	16,569,586	--	16,569,586
Utilities	<u>8,482,866</u>	<u>--</u>	<u>8,482,866</u>
Total Operating Expenses	<u>339,365,976</u>	<u>--</u>	<u>339,365,976</u>
Income from Operating Activities	<u>17,413,199</u>	<u>6,833,805</u>	<u>24,247,004</u>
Non-Operating Revenues (Expenses)			
Gain on investments, net	115,348,785	--	115,348,785
Interest earned on bond assets	1,474,046	--	1,474,046
Gain on disposal of assets	59,187	--	59,187
University matching contribution and prior year transfers	(180,683)	180,683	--
Investment return designated for current operations	<u>(22,398,540)</u>	<u>--</u>	<u>(22,398,540)</u>
Change in fair value of trusts held by third parties and charitable remainder unit trusts	--	(63,114)	(63,114)
Gifts and private grants	--	1,478,259	1,478,259
Net assets released from restrictions for other than current operations	<u>3,352,325</u>	<u>(3,352,325)</u>	<u>--</u>
Increase (Decrease) from Non-Operating Activities	<u>97,655,120</u>	<u>(1,756,497)</u>	<u>95,898,623</u>
Increase in Net Assets	115,068,319	5,077,308	120,145,627
Net Assets - Beginning of year	<u>1,229,656,113</u>	<u>120,296,543</u>	<u>1,349,952,656</u>
Net Assets - End of year	<u>\$ 1,344,724,432</u>	<u>\$ 125,373,851</u>	<u>\$ 1,470,098,283</u>

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

QUINNIPIAC UNIVERSITY AND AFFILIATES

CONSOLIDATED STATEMENT OF ACTIVITIES AND CHANGES IN NET ASSETS

FOR THE YEAR ENDED JUNE 30, 2023

	Without Donor Restrictions	With Donor Restrictions	2023 Total
Operating Revenues			
Tuition and fees	\$ 410,969,493	\$ --	\$ 410,969,493
Less Student financial aid	<u>(178,485,102)</u>	<u>--</u>	<u>(178,485,102)</u>
Net tuition and fees	232,484,391	--	232,484,391
Auxiliary enterprises	69,560,858	--	69,560,858
Government grants	9,885,220	--	9,885,220
Organized activities and other	7,741,476	351,725	8,093,201
Investment return designated for current operations	21,015,152	--	21,015,152
Gifts and private grants	--	11,223,445	11,223,445
Gifts of nonfinancial assets	--	85,246	85,246
Net assets released from restrictions for current operations	<u>2,516,546</u>	<u>(2,516,546)</u>	<u>--</u>
Total Operating Revenues	<u>343,203,643</u>	<u>9,143,870</u>	<u>352,347,513</u>
Operating Expenses			
Compensation and benefits	183,252,455	--	183,252,455
Supplies and services	66,179,895	--	66,179,895
Depreciation	32,117,784	--	32,117,784
Interest on indebtedness	15,099,257	--	15,099,257
Travel and events	14,613,970	--	14,613,970
Utilities	<u>7,655,032</u>	<u>--</u>	<u>7,655,032</u>
Total Operating Expenses	<u>318,918,393</u>	<u>--</u>	<u>318,918,393</u>
Increase from Operating Activities	<u>24,285,250</u>	<u>9,143,870</u>	<u>33,429,120</u>
Non-Operating Revenues (Expenses)			
Gain on investments, net	99,928,537	--	99,928,537
Interest earned on bond assets	774,104	--	774,104
Loss on disposal of assets	(639,390)	--	(639,390)
University matching contribution	(2,348,700)	2,348,700	--
Investment return designated for current operations	(21,015,152)	--	(21,015,152)
Change in fair value of trusts held by third parties and charitable remainder unit trusts	--	(154,449)	(154,449)
Gifts and private grants	--	2,707,684	2,707,684
Net assets released from restrictions for other than current operations	<u>324,901</u>	<u>(324,901)</u>	<u>--</u>
Increase from Non-Operating Activities	<u>77,024,300</u>	<u>4,577,034</u>	<u>81,601,334</u>
Increase in Net Assets	101,309,550	13,720,904	115,030,454
Net Assets - Beginning of year	<u>1,128,346,563</u>	<u>106,575,639</u>	<u>1,234,922,202</u>
Net Assets - End of year	<u>\$ 1,229,656,113</u>	<u>\$ 120,296,543</u>	<u>\$ 1,349,952,656</u>

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

QUINNIPIAC UNIVERSITY AND AFFILIATES

CONSOLIDATED STATEMENTS OF CASH FLOWS

FOR THE YEARS ENDED JUNE 30, 2024 AND 2023

	2024	2023
Cash Flows from Operating Activities		
Increase in net assets	\$ 120,145,627	\$ 115,030,454
Adjustments to reconcile changes in net assets to net cash provided by operating activities:		
Depreciation	32,364,094	32,117,784
Bond premium and right of use asset amortization	(1,917,781)	(1,982,352)
Realized (gain)/loss on sale of investments	(40,721,932)	(12,751,822)
Unrealized (gain)/loss on investments	(62,073,846)	(74,158,374)
Interest and dividend income, net of advisor fees	(12,553,007)	(13,018,341)
Change in value of charitable remainder unit trusts, trust held by third parties and annuities payable	(64,674)	154,448
(Gain)/Loss on disposal of assets	(59,187)	639,390
Change in net present value discount of promises to give and annuities payable	788,863	843,199
Increase in allowance for promises to give	272,441	444,073
Contributions restricted for long-term investment	(2,148,779)	(3,619,478)
Changes in assets and liabilities:		
Student and miscellaneous receivables	1,808,633	(1,998,623)
Prepaid expenses and other assets	(1,151,908)	1,118,214
Promises to give, net	(3,405,508)	(5,550,924)
Accounts payable	(718,693)	(1,163,551)
Accrued payroll and payroll taxes	(611,384)	(3,187,549)
Deposits	(47,699)	(1,112,779)
Deferred revenues	(14,319,342)	3,705,600
Net Cash Provided by Operating Activities	15,585,918	35,509,369
Cash Flows from Investing Activities		
Purchases of investments	(253,098,092)	(242,384,742)
Proceeds from sale of investments	374,257,915	290,805,805
Student loans collected/assigned	--	108,833
Proceeds from sale of plant assets	66,320	540,725
Capitalized interest	(4,423,000)	(1,919,000)
Purchase of plant assets	(148,304,124)	(85,414,357)
Net Cash Used in Investing Activities	(31,500,981)	(38,262,736)

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

QUINNIPIAC UNIVERSITY AND AFFILIATES

CONSOLIDATED STATEMENTS OF CASH FLOWS (CONTINUED)

FOR THE YEARS ENDED JUNE 30, 2024 AND 2023

	2024	2023
Cash Flows from Financing Activities		
Contributions restricted for long-term investment	\$ 2,148,779	\$ 3,619,478
Proceeds from / (Payments to) annuities payable and charitable remainder unit trusts	81,490	(37,530)
Payments of lease liabilities	(207,804)	(194,598)
Proceeds from bond issuance	--	61,954,353
Debt issuance costs incurred on bond issuance	--	(754,353)
Payments of mortgage and other notes payable	(15,470,753)	(14,703,376)
Refundable government advances for loan programs	--	(48,449)
Net Cash (Used in) Provided by Financing Activities	<u>(13,448,288)</u>	<u>49,835,525</u>
Net (Decrease) Increase in Cash, Cash Equivalents, and Restricted Cash	(29,363,351)	47,082,158
Cash, Cash Equivalents, and Restricted Cash - Beginning of year	<u>58,337,184</u>	<u>11,255,026</u>
Cash, Cash Equivalents, and Restricted Cash - End of year	<u><u>\$ 28,973,833</u></u>	<u><u>\$ 58,337,184</u></u>
Reconciliation of cash, cash equivalents and restricted cash		
Cash and cash equivalents	\$ 15,496,878	\$ 14,666,409
Assets held by bond trustee	<u>13,476,955</u>	<u>43,670,775</u>
Cash, cash equivalents and restricted cash	<u><u>\$ 28,973,833</u></u>	<u><u>\$ 58,337,184</u></u>
Supplemental Disclosure of Cash Flow Information		
Addition to ROU assets from finance lease liabilities	<u>\$ 238,334</u>	<u>\$ 146,561</u>
Net interest paid	<u>\$ 15,384,428</u>	<u>\$ 15,099,257</u>
Deferred payments for plant assets	<u>\$ 18,018,910</u>	<u>\$ 12,892,790</u>

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

QUINNIPIAC UNIVERSITY AND AFFILIATES
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEARS ENDED JUNE 30, 2024 AND 2023

NOTE 1 – ORGANIZATION SUMMARY

The accompanying consolidated financial statements include the accounts of Quinnipiac University (the “University”) and its affiliate, Ireland’s Great Hunger Museum, Inc.

The University is an institution of higher education, which is accredited by the New England Commission of Higher Education. Its mission is to offer programs of instruction leading to undergraduate and graduate degrees in a wide range of professional fields relating to health sciences, business, law, communications, engineering, education, as well as in various theoretical and applied disciplines of arts and science. The University has approximately 6,000 full-time undergraduate, 200 part-time undergraduate and 2,700 full-time and part-time graduate enrolled students.

Ireland’s Great Hunger Museum houses the world’s largest collection of visual art, artifacts, and printed materials relating to the Irish Famine. Ireland’s Great Hunger Museum was closed to visitors in March of 2020 as part of COVID-19 protocol. Since that time, the Board of Trustees has voted the museum will remain closed. In March 2022, the Board of Trustees voted that Quinnipiac University will partner with the Gaelic-American Club (GAC) of Fairfield; accordingly, the collection of Ireland’s Great Hunger Museum will be displayed in a new space to be created by the GAC at a date to be determined.

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The significant accounting policies followed by the University are described below.

BASIS OF PRESENTATION

The consolidated financial statements are prepared on the accrual basis of accounting in accordance with U.S. generally accepted accounting principles (GAAP) and the *Presentation of Financial Statements* topic of the Financial Accounting Standards Board (“FASB”) *Accounting Standards Codification* (“ASC”). Accordingly, net assets, revenue, expenses, gains, and losses are classified based on the existence or absence of donor-imposed restrictions. Therefore, net assets of the University and changes therein are classified and reported as follows:

Net Assets Without Donor Restrictions - Net assets without donor restrictions are those net assets free of donor imposed restrictions. All revenues, gains, and losses, including those designated by the Board of Trustees to function as endowment, that are not restricted by donors are included in this classification. All expenditures, including those funded by

QUINNIPIAC UNIVERSITY AND AFFILIATES
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEARS ENDED JUNE 30, 2024 AND 2023

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

BASIS OF PRESENTATION (CONTINUED)

restricted contributions, are reported in the without donor restrictions class of net assets. Expenditures funded by restricted contributions are reported in the without donor restrictions net asset class because the use of restricted contributions in accordance with donors' stipulations results in the release of such restrictions.

Net Assets With Donor Restrictions - Net assets with donor restrictions are limited to use by donor-imposed stipulations that may be satisfied by actions of the University or the passage of time. Net assets with donor restrictions include gifts for which donor-imposed restrictions have not been met in the year of receipt. Gifts and promises to give within this net asset category are designated by donors for specific purposes.

Also included in this category are net assets subject to donor-imposed restrictions to be maintained in perpetuity by the University, including gifts and promises to give wherein donors stipulate that the corpus of the gift be held in perpetuity and that only the income be made available for operations or other donor stipulated purposes. Net assets with restrictions imposed by the University to meet a condition, such as matching imposed by a donor, are included as well.

PRINCIPLES OF CONSOLIDATION

All significant interorganizational balances and transactions have been eliminated in the preparation of the consolidated financial statements.

CASH AND CASH EQUIVALENTS

Cash and cash equivalents consist of money market accounts and savings accounts purchased with original maturities of ninety days or less. Cash equivalents included in the long-term investment portfolio are classified as investments. At times, the University maintains deposits with financial institutions which exceed federally insured limits. The University has not experienced any losses from such concentrations.

STUDENT AND MISCELLANEOUS RECEIVABLES

Student and miscellaneous receivables are reported at their estimated net realizable amounts. The estimated net realizable amount is based on management's judgment of potential uncollectible amounts, which includes such factors as historical experience and type of receivable. Management has estimated the allowance for uncollectible accounts to be immaterial at June 30, 2024 and 2023.

QUINNIPIAC UNIVERSITY AND AFFILIATES
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEARS ENDED JUNE 30, 2024 AND 2023

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

CHARITABLE REMAINDER AND THIRD PARTY TRUSTS

The University is the beneficiary of certain trusts held and administered by outside trustees. These trust assets are reported at fair value, which approximates the present value of future income flows from these trusts. The related net assets are recognized as net assets with donor restrictions in accordance with the trust agreements.

INVESTMENTS

Investments in equity securities with readily determinable fair values and all investments in debt securities are reported at fair value with realized and unrealized gains and losses included in the Consolidated Statements of Activities and Changes in Net Assets. Fair value is defined as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The University's investments in alternative investments and private equity securities are not traded in an active market and therefore may not be readily marketable. Investments in these categories, which are managed externally, are valued using the most current information provided by the fund managers. As a result, the estimated fair value of these investments is subject to uncertainty and may differ significantly from the value that would have been used had an active market existed. The estimated values are reviewed and evaluated by management, as described in Note 4.

FAIR VALUE OF FINANCIAL INSTRUMENTS

The University's financial instruments are originally recorded at fair value and consist of promises to give, assets held in charitable remainder trusts, investments, student and miscellaneous receivables, annuities payable, mortgage and other notes payable, right of use assets, and lease liabilities. See Note 12 for further discussion of the fair value of financial instruments.

DEBT ISSUANCE COSTS

Costs incurred in issuing revenue bonds by the Connecticut Health and Educational Facilities Authority ("CHEFA") on behalf of the University and term loan with Eastern Bank are capitalized and amortized to interest expense using the effective interest method over the terms of the bonds. Debt issuance costs are presented as a debt discount in the accompanying consolidated Statements of Financial Position.

QUINNIPIAC UNIVERSITY AND AFFILIATES
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEARS ENDED JUNE 30, 2024 AND 2023

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

ASSETS HELD BY BOND TRUSTEE

Assets held by bond trustee represent funds held by the trustee on behalf of the University and invested by the trustee in short-term marketable government-backed securities. Such resources will be utilized to fund the approved construction project pursuant to the respective bond indenture agreements.

PLANT ASSETS

Plant assets are recorded at cost at the date of acquisition or fair value at the date of donation in the case of gifts.

Depreciation and amortization are computed using the straight-line method over the estimated useful lives of the assets or applicable lease term, if shorter, as follows:

Buildings	60 years
Building improvements	7 to 25 years
Library books	20 years
Furniture and fixtures	10 years
Equipment, machinery and vehicles	5 to 10 years
Computers and software	5 years

The University capitalizes interest costs as part of the cost of constructing qualifying assets. In situations involving assets financed with the proceeds of restricted tax-exempt borrowings, interest expense is reduced by any interest income earned on the temporary investment of the proceeds of such borrowings.

Costs incurred for assets being constructed, but not yet available for service at the Statements of Financial Position dates are recorded as construction in progress. Such assets are not depreciated until they are placed in service upon completion. The difference between construction in progress compared to the contracted full price is disclosed as capital commitments (Note 5).

The cost of assets sold or retired and the related amounts of accumulated depreciation are eliminated from the accounts in the year of disposal and any resulting gains or losses are accounted for in the Statements of Activities.

Long-lived assets, including right-of-use-assets and plant assets, are reviewed for impairment whenever events or changes in circumstances indicate that their carrying amount may not be recoverable.

QUINNIPIAC UNIVERSITY AND AFFILIATES
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEARS ENDED JUNE 30, 2024 AND 2023

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

COLLECTIONS

Collections include visual art, artifacts, and printed materials that are maintained in the University's libraries, public exhibitions, and Ireland's Great Hunger Museum. These collections are used for public exhibition, scholarly research, preservation for future generations, and loan or exchange programs. Collection items are capitalized at cost, if the items were purchased, or at their fair value on the accession date, if the items were contributed. Gains or losses from deaccessions of these items are reflected on the Statement of Activities as changes in the appropriate net asset classes, depending on the existence and type of donor-imposed restrictions. Collection items are depreciated over their estimated useful lives unless they have cultural, aesthetic, or historical value that is worth preserving perpetually.

DEFERRED REVENUES

Deferred revenues consist of tuition and fees received from students in advance of attending courses at the University for upcoming terms, unearned revenues from summer camps, government and private grants, and unearned revenues from contracts with service providers which are recognized over the life of the contracts. Revenues for summer sessions that span a fiscal year are recognized during the year in which the majority of the revenues become non-refundable.

ANNUITIES PAYABLE

The University has a charitable gift annuity program whereby donors receive annuity payments based on the value of contributions to the University. The annual return to the donor ranges from 5% to 12.4% of the contribution and is based on the donor's age at the time of the gift. Gift revenue is recognized as the net of the contribution at fair value and the annuity payable liability. The annuity payable liability is the net present value of the annuity payments over the donor's estimated life which is determined using Internal Revenue Service ("IRS") actuarial tables and the IRS Section 7520 discount rate.

TUITION AND FEES

Student tuition and fees are recorded as revenue during the year the related academic services are rendered.

AUXILIARY ENTERPRISES REVENUES

Auxiliary enterprises revenues, which consist primarily of room and board, are recorded as revenue during the year the related academic services are rendered.

QUINNIPIAC UNIVERSITY AND AFFILIATES
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEARS ENDED JUNE 30, 2024 AND 2023

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

CONTRIBUTIONS

Contributions received, including unconditional promises to give, are recognized as revenues when a donor's commitment is received. Contributions with donor-imposed restrictions are recorded as net assets with donor restrictions either in perpetuity or until the restrictions are met. At the time the donor-imposed restrictions are met, they are reported as net assets released from restrictions. Unconditional promises to give that are expected to be collected within one year are recorded at their net realizable value. Unconditional promises to give that are expected to be collected in future years are recorded at fair value determined at the present value of estimated cash flows after an allowance for estimated uncollectible contributions is provided. The discounts on these amounts are computed using a risk-free interest rate applicable to the year in which the promise is received. Changes in the net present value discount and allowance for promises to give are included in gifts and private grants revenue.

CONTRIBUTED NONFINANCIAL ASSETS

Contributed nonfinancial assets include donated assets and donated services.

Donated assets are recognized at their estimated fair value. The University reports gifts of land, buildings, and equipment as support without donor restrictions unless explicit donor stipulations specify how the donated assets must be used. Gifts of long-lived assets with explicit restrictions that specify how the assets are to be used and gifts of cash and other assets that must be used to acquire long-lived assets are reported as support with donor restrictions. Absent explicit donor stipulations about how long-lived assets must be maintained, the University reports expirations of donor restrictions in full when the donated or acquired long-lived assets are placed in service.

The University recognizes donated services if they create or enhance non-financial assets or require specialized skills and would typically be purchased if not provided by donation. General volunteer services do not meet these criteria for recognition in the consolidated financial statements.

OPERATING AND NON-OPERATING ACTIVITIES

The operating activities of the University include all income and expenses related to carrying out its mission of educating students. Non-operating activities include the excess of total investment return over investment return designated for current operations, certain gifts and private grants, the change in the fair value of trusts held by third parties and charitable remainder unit trusts, and bond refunding activities.

QUINNIPIAC UNIVERSITY AND AFFILIATES
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEARS ENDED JUNE 30, 2024 AND 2023

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

INVESTMENT INCOME (EXPENSE)

The University reports investment income net of the related investment expense.

TAX STATUS

The Internal Revenue Service has ruled that the University is a Section 501(c)(3) organization, exempt from Federal income tax under Section 501(a) of the Internal Revenue Code (the “IRC”). The University has been classified as a publicly supported organization under Section 509(a)(1) of the IRC and qualifies for the maximum charitable contribution deduction by donors. The University is also exempt from State of Connecticut income taxes.

Accounting principles generally accepted in the United States of America require management to evaluate tax positions taken and recognize a tax liability (or asset) if the University has any uncertain position that more likely than not would not be sustained upon examination by the Internal Revenue Service. Management has analyzed the tax positions taken by the University and has concluded that as of June 30, 2024 and 2023, there are no uncertain tax positions taken or expected to be taken that would require recognition of a liability (or asset) or disclosures in the financial statements. The University is subject to routine audits by taxing jurisdictions; however, there are currently no audits for any tax periods pending or in progress. Federal tax years ended June 30, 2020 through 2023 remain open for audit under the various statutes of limitations.

LEASES

At the inception of an arrangement, the University determines if an arrangement is, or contains a lease based on the unique facts and circumstances present in that arrangement. Lease classification, recognition, and measurement are then determined as of the lease commencement date. For arrangements that contain a lease, the University identifies lease and non-lease components, determines the consideration in the contract, determines whether the lease is an operating or financing lease, and recognizes lease right-of-use assets and liabilities.

Right of use assets represent the University's right to use the underlying assets and lease liabilities represent the University's obligation to make lease payments for the use of the leased asset. The University has elected the short-term lease exemption for leases with a term of twelve months or less. The University recognizes right of use assets and lease liabilities based on the present value of lease payments over the lease term at the commencement date. The rate implicit in the University's leases are not typically readily determinable. As a result, a risk free rate of a comparable time period is used. Payments on financing leases are recognized using the effective interest method.

QUINNIPIAC UNIVERSITY AND AFFILIATES
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEARS ENDED JUNE 30, 2024 AND 2023

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

USE OF ESTIMATES

The preparation of the consolidated financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the consolidated financial statements. Estimates also affect the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates. Material estimates that are particularly susceptible to significant change in the near term relate to the valuation of investment securities and the determination of the allowance for uncollectible promises to give.

RECLASSIFICATIONS

Certain amounts in the 2023 consolidation financial statements have been reclassified to conform with the 2024 presentation.

RECENTLY ADOPTED ACCOUNTING STANDARDS

On July 1, 2023, the University adopted Financial Accounting Standards Board issued ASU No. 2016-13, *Financial Instruments-Credit Losses (Topic 326): Measurement of Credit Losses on Financial Instruments*. This new guidance updated the methodology of credit losses requiring consideration of a broader range of reasonable and supportable information to inform estimates. The adoption of this new guidance was not significant to the University's consolidated financial statements.

On July 1, 2023, the University adopted Financial Accounting Standards Board issued ASU No. 2021-09, *Leases (Topic 842): Discount Rate for Lessees That Are Not Public Business Entities*. This new guidance allows the risk-free rate election by class of underlying asset, rather than at the entity-wide level. The guidance requires that when the rate implicit in the lease is readily determinable for any individual lease, the lessee use that rate. The adoption of this new guidance was not significant to the University's consolidated financial statements.

UPCOMING ACCOUNTING STANDARDS

In June of 2022, The Financial Accounting Standards Board issued ASU No. 2022-03, *Fair Value Measurement (Topic 820): Fair Value Measurement of Equity Securities Subject to Contractual Sale Restrictions*. This new guidance clarifies the principles when measuring the fair value of an equity security subject to a contractual sale restriction. The guidance is required to be implemented in the University's fiscal year 2025. Management has not yet begun evaluating the impact of the implementation of ASU 2022-03 on its policies, procedures, and the consolidated financial statements.

QUINNIPIAC UNIVERSITY AND AFFILIATES
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
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NOTE 3 – PROMISES TO GIVE

Unconditional promises to give are recorded at their fair value in the year they are pledged. The fair value is determined by applying a discount rate, commensurate with the rate on U.S. treasury bills whose maturities correspond to the maturities of the promises to give, to the expected annual cash flows from the collection of the promises to give. The discount rates used for promises to give due in excess of one year at June 30, 2024 and 2023, range from 4.30% to 5.11%, and 3.75% to 5.24%, respectively. This net present value discount rate plus the credit risk discount on individual promises to give is the discount factor used to determine fair value. The outstanding promises to give from various corporations, foundations and individuals were as follows at June 30:

	2024	2023
Promises to give due:		
In less than one year	\$ 9,123,245	\$ 8,651,207
In one to five years	12,433,690	9,100,220
In more than five years	<u>1,040,001</u>	<u>1,440,001</u>
Promises to give	22,596,936	19,191,428
Less allowance for uncollectible promises to give	(1,807,755)	(1,535,314)
Less discount for net present value	<u>(2,263,294)</u>	<u>(1,474,431)</u>
Promises to give, net	<u>\$ 18,525,887</u>	<u>\$ 16,181,683</u>

NOTE 4 – INVESTMENTS

The University invests in a combination of stocks, fixed income securities, money market funds, mutual funds, private equity funds, and alternative investments, including hedge funds. Investment securities are exposed to various risks, such as interest rate, market, and credit risks. Investments are stated at estimated fair value. Investments held by the University at fair value as of June 30 consisted of the following:

	2024	2023
Money market funds held by investment managers	\$ 20,315,002	\$ 57,584,194
Stocks and equity mutual funds	500,767,620	494,049,878
Bonds and bond mutual funds	143,128,624	141,383,994
Alternative investments	82,739,161	64,287,009
Private equity investments	<u>17,506,709</u>	<u>12,963,080</u>
Total	<u>\$ 764,457,116</u>	<u>\$ 770,268,155</u>

QUINNIPIAC UNIVERSITY AND AFFILIATES
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEARS ENDED JUNE 30, 2024 AND 2023

NOTE 4 – INVESTMENTS (CONTINUED)

The functional components of investments held by the University at fair value as of June 30 are as follows:

	2024	2023
University investment portfolio	\$ 741,709,733	\$ 718,984,388
Student managed investment portfolio	4,401,387	3,761,193
Working capital	<u>18,345,996</u>	<u>47,522,574</u>
	<u>\$ 764,457,116</u>	<u>\$ 770,268,155</u>

Alternative investments at June 30, 2024 and 2023, represent single and fund of fund's strategies that the University has employed which are intended to have, and have historically had, low correlations to the stock and bond markets. These strategies invest in multiple managers and multiple strategies, employing hedged long/short and/or absolute return strategies and seeking attractive risk-adjusted returns. The University has certain restrictions for withdrawal of those funds which require a 60 to 95 day notice.

The University has open commitments for capital investments in private equity and alternative investments of approximately \$15.7 million and \$20.2 million at June 30, 2024 and 2023, respectively.

The University applies a three-tier hierarchy based on transparency of inputs to the valuation of an asset or liability:

Level 1: Values are unadjusted quoted prices from identical assets and liabilities in active markets accessible at the measurement date.

Level 2: Inputs include quoted prices for similar assets or liabilities in active markets, quoted prices from those willing to trade in markets that are not active, or other inputs that are observable or can be corroborated by market data for the term of the instrument. Such inputs include market interest rates and volatilities, spreads and yield curves.

Level 3: Certain inputs are unobservable (supported by little or no market activity) and significant to the fair value measurement. Unobservable inputs reflect the University's best estimate of what hypothetical market participants would use to determine a transaction price for the asset or liability at the reporting date.

QUINNIPIAC UNIVERSITY AND AFFILIATES

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEARS ENDED JUNE 30, 2024 AND 2023

NOTE 4 – INVESTMENTS (CONTINUED)

A summary of investment totals within the three-tier hierarchy based on transparency of inputs to the valuation of an asset or liability at June 30, 2024 is as follows:

	Level 1	Level 2	Level 3	Total
<u>Financial assets:</u>				
Investments:				
Money market funds	\$ 20,315,002	\$ --	\$ --	\$ 20,315,002
Large cap equities	250,928,711	--	--	250,928,711
Small-mid cap equities	147,456,888	--	--	147,456,888
International equities	29,015,540	--	--	29,015,540
Bonds and bond mutual funds	143,128,624	--	--	143,128,624
Private equity investments	--	--	17,506,709	17,506,709
Total assets at fair value	<u>\$ 590,844,765</u>	<u>\$ --</u>	<u>\$ 17,506,709</u>	608,351,474
Investments at net asset value *				156,105,642
Total Investments at Fair Value				<u>\$ 764,457,116</u>
Charitable remainder unit and third party trusts	<u>\$ --</u>	<u>\$ --</u>	<u>\$ 398,323</u>	<u>\$ 398,323</u>

A summary of investment totals within the three-tier hierarchy based on transparency of inputs to the valuation of an asset or liability at June 30, 2023 is as follows:

	Level 1	Level 2	Level 3	Total
<u>Financial assets:</u>				
Investments:				
Money market funds	\$ 57,584,195	\$ --	\$ --	\$ 57,584,195
Large cap equities	240,540,816	--	--	240,540,816
Small-mid cap equities	130,793,293	--	--	130,793,293
International equities	55,561,605	--	--	55,561,605
Bonds and bond mutual funds	141,383,994	--	--	141,383,994
Private equity investments	--	--	12,963,080	12,963,080
Total assets at fair value	<u>\$ 625,863,903</u>	<u>\$ --</u>	<u>\$ 12,963,080</u>	638,826,983
Investments at net asset value *				131,441,172
Total Investments at Fair Value				<u>\$ 770,268,155</u>
Charitable remainder unit and third party trusts	<u>\$ --</u>	<u>\$ --</u>	<u>\$ 379,046</u>	<u>\$ 379,046</u>

(*) In accordance with Accounting Standards Codification Subtopic 820-10, certain investments that are measured at fair value using the net asset value per share (or its equivalent) practical expedient have not been classified in the fair value hierarchy. The fair value amounts in this table are intended to permit reconciliation of the fair value hierarchy table to the fair value of investments represented in the consolidated Statements of Financial Position.

QUINNIPIAC UNIVERSITY AND AFFILIATES

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEARS ENDED JUNE 30, 2024 AND 2023

NOTE 4 – INVESTMENTS (CONTINUED)

The following table summarizes investments measured at fair value based on net assets value (NAV) per share at June 30, 2024 and 2023:

Investment	Fair Value as of June 30, 2024	Fair Value as of June 30, 2023	Unfunded Commitments	Redemption Frequency	Redemption Notice Period
Ironwood International	\$ 8,702,912	\$ 8,047,655	N/A	Daily	95 Days
Pointer Offshore II, Ltd.	26,662,124	23,672,349	N/A	Daily	None
Silchester International Value Equity Trust	73,366,481	67,154,164	N/A	Daily	None
Monarch Debt Recovery Fund Ltd.	18,709,303	16,719,370	N/A	Daily	None
Owl Rock	28,664,822	15,847,634	N/A	Daily	None
	<u>\$ 156,105,642</u>	<u>\$ 131,441,172</u>			

Since a range of possible values exist for alternative investments and private equity investments, the estimated values may be materially different from the values that would have been used had a ready market for these investments existed. The University exercises diligence in assessing the policies, procedures, and controls of external investment managers; management's assessment includes a valuation review process of the most recent available audited and unaudited financial statements and discussions with the majority of external investment managers about the aggregate carrying value of the respective investments at June 30, 2024 and 2023. The assessment may result in adjustment to the external managers' valuations of the securities' fair value if those valuations are not in accordance with GAAP. Management reviewed the valuation policies for all such funds in which the University is invested in and deemed that its policies are appropriate and that the carrying amount of these assets represents a reasonable estimate of fair value. A small number of investments within certain funds may have holdings at a carrying value of cost. In the absence of another basis, management has determined this method to be appropriate for these specific investments and representative of an approximation of the fair value.

There were no transfers of assets into or out of the level 3 hierarchy for the years ended June 30, 2024 and 2023.

The following table sets forth a summary of changes in the fair value of the University's Level 3 assets for the years ended June 30:

	2024	2023
Balance - beginning	\$ 12,963,080	\$ 13,135,191
Realized and unrealized gains (losses), net	2,045,723	(1,611,813)
Purchases	3,407,976	1,439,702
Sales	<u>(910,070)</u>	<u>--</u>
Balance - ending	<u>\$ 17,506,709</u>	<u>\$ 12,963,080</u>

QUINNIPIAC UNIVERSITY AND AFFILIATES
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEARS ENDED JUNE 30, 2024 AND 2023

NOTE 4 – INVESTMENTS (CONTINUED)

The following table sets forth a summary of changes in the fair value of Level 3 charitable remainder and third party trusts for which significant unobservable inputs were used to determine fair value:

	2024	2023
Balance - beginning	\$ 379,046	\$ 369,844
Distributions	(20,335)	(22,403)
Realized and unrealized gains, net	<u>39,612</u>	<u>31,605</u>
Balance - ending	<u>\$ 398,323</u>	<u>\$ 379,046</u>

Investment income (loss) for the fiscal years ended June 30 consisted of the following:

	2024	2023
Dividends and interest	\$ 17,503,911	\$ 16,462,958
Realized gains, net	40,721,932	12,751,822
Unrealized gains, net	62,073,846	74,158,374
Investment expenses	<u>(4,950,904)</u>	<u>(3,444,617)</u>
Investment gains, net	<u>\$ 115,348,785</u>	<u>\$ 99,928,537</u>

NOTE 5 – PLANT ASSETS

Plant assets consisted of the following at June 30:

	2024	2023
Land and sitework	\$ 157,929,314	\$ 154,481,688
Buildings and building improvements	1,112,163,212	1,097,000,139
Furniture, equipment and library books	199,265,664	189,847,956
Construction in progress	<u>205,671,092</u>	<u>76,017,683</u>
Total	1,675,029,282	1,517,347,466
Less accumulated depreciation	<u>(520,044,039)</u>	<u>(487,844,240)</u>
Plant assets, net	<u>\$ 1,154,985,243</u>	<u>\$ 1,029,503,226</u>

Depreciation expense was \$32,364,094 and \$32,117,784 for the years ended June 30, 2024 and 2023, respectively.

QUINNIPIAC UNIVERSITY AND AFFILIATES
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEARS ENDED JUNE 30, 2024 AND 2023

NOTE 5 – PLANT ASSETS (CONTINUED)

Retainages related to construction in progress were \$7,300,870 and \$1,798,566 at June 30, 2024 and 2023, respectively, and are included in accounts payable and accrued expenses on the consolidated Statement of Financial Position.

The University had commitments under construction contracts of approximately \$85.8 million and \$207.3 million at June 30, 2024 and 2023, respectively.

NOTE 6 – LEASES

The University leases certain office space and equipment under finance and operating leases. The University's leases have remaining lease terms ranging from less than one year to five years, some of which may include options to extend. Lease payments related to periods subject to renewal options are excluded from the amounts used to determine the right-of-use (ROU) asset unless the renewal is expected to be exercised.

Operating expenses for the University's leasing activity for the years ended June 30 are as follows:

	Classification	2024	2023
Financing lease interest	Interest on indebtedness	\$ 4,048	\$ 6,665
Financing lease amortization	Interest on indebtedness	<u>229,971</u>	<u>216,649</u>
Total lease cost		<u>\$ 234,019</u>	<u>\$ 223,314</u>

The following table summarizes supplemental cash flow information related to leases for the years ended June 30:

	2024	2023
Cash paid for amounts included in measurement of liabilities:		
Financing cash flows from financing leases	<u>\$ 207,804</u>	<u>\$ 194,598</u>
Non-cash lease related items:		
Right-of-use assets obtained in exchange for new financing liabilities	<u>\$ 238,334</u>	<u>\$ 146,561</u>

QUINNIPIAC UNIVERSITY AND AFFILIATES
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEARS ENDED JUNE 30, 2024 AND 2023

NOTE 6 – LEASES (CONTINUED)

The following table summarizes the University's lease assets and liabilities as of June 30:

Right-of-use assets and liabilities	statement of financial position location	2024	2023
Right-of-use asset- Financing	Right-of-use assets	\$ 525,890	\$ 517,527
Right-of-use liabilities- Financing	Lease liabilities	483,926	449,349

The following tables summarize maturities of lease liabilities and information about financing and operating leases as of June 30, 2024:

	<u>Financing</u>
2025	\$ 182,091
2026	171,316
2027	52,800
2028	52,800
2029	<u>52,800</u>
Total lease payments	511,807
Less, accretion of lease liability	<u>(27,881)</u>
Total	<u><u>\$ 483,926</u></u>
	<u>Financing</u>
Weighted-average remaining lease term (years)	3.48
Weighted-average discount rate	3.60%
Total undiscounted lease liability	\$ 511,807

QUINNIPIAC UNIVERSITY AND AFFILIATES
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEARS ENDED JUNE 30, 2024 AND 2023

NOTE 7 – MORTGAGE AND OTHER NOTES PAYABLE

Mortgage and other notes payable consisted of the following at June 30:

	2024	2023
Term Loan Eastern Bank Term Loan, issued in Fiscal Year 2018 to advance refund the remaining portions of Series J, K-1, and K-2 CHEFA bonds; interest rates ranging from 2.79% to 3.86%; maturing in 2037. Semi-annual sinking fund payments commencing in 2018 continuing through 2037 in amounts ranging from \$205,468 to \$2,546,963 are required to pay the principal amounts due on the loan.	\$ 13,266,474	\$ 15,647,227
Series M Connecticut Health and Educational Facilities Authority (CHEFA) Revenue bonds, issued in 2016 to advance refund a portion of both Series J and Series K CHEFA bonds; interest rates ranging from 4.00% to 5.00%; maturing in 2036. Semi-annual sinking fund payments commencing in 2019 continuing through 2036 in amounts ranging from \$3,540,000 to \$13,575,000 are required to pay the principal amounts due on the bonds.	70,665,000	75,030,000
Series L Connecticut Health and Educational Facilities Authority (CHEFA) Revenue bonds, issued in 2016 to advance refund all of Series H CHEFA bonds, and a portion of both Series I and Series J; interest rates ranging from 3.50% to 5.00%; maturing in 2045. Semi-annual sinking fund payments commenced in 2018 continuing through 2045 in amounts ranging from \$7,750,000 to \$20,540,000 are required to pay the principal amounts due on the bonds.	272,900,000	281,625,000
Series N Connecticut Health and Educational Facilities Authority (CHEFA) Revenue bonds, issued in 2023 to pay for the costs to construct a new residence hall building; interest rates ranging from 5% to 5.25%; maturing in 2053. Semi-annual sinking fund payments commence in 2046 continuing through 2053 in amounts ranging from \$6,155,000 to \$8,740,000 are required to pay the principal amounts due on the bonds.	58,960,000	58,960,000
Total principal outstanding	415,791,474	431,262,227
Plus unamortized bond premiums	25,545,834	27,872,274
Less debt issuance costs	(2,235,598)	(2,410,238)
Mortgage and other notes payable	\$ 439,101,710	\$ 456,724,263

The revenue bonds and term loan agreements contain certain covenants which place restrictions on, among other things, the University's ability to enter into contracts relating to the pledged assets, the disposal of pledged assets, and the incurrence of additional indebtedness on the pledged assets. Such pledged assets include land and buildings on the University's main campus. The University is also required to maintain certain insurance coverage on its facilities.

Accumulated amortization related to bond premiums was \$21,273,053 and \$18,946,613 at June 30, 2024 and 2023, respectively. Amortization of bond premiums was \$2,326,440 and \$2,372,324 for the years ended June 30, 2024 and 2023, respectively.

Accumulated amortization related to the debt issuance costs was \$1,625,565 and \$1,450,925 at June 30, 2024 and 2023, respectively. Amortization expense was \$174,640 and \$173,322 in 2024 and 2023, respectively.

QUINNIPIAC UNIVERSITY AND AFFILIATES
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEARS ENDED JUNE 30, 2024 AND 2023

NOTE 7 – MORTGAGE AND OTHER NOTES PAYABLE (CONTINUED)

The following is a summary of the principal debt service payments for all long-term debt as of June 30, 2024:

For the Years Ending June 30,

2025	\$ 16,087,421
2026	16,970,244
2027	17,735,238
2028	18,551,963
2029	19,257,296
Thereafter	<u>327,189,312</u>
	<u>\$ 415,791,474</u>

Construction related interest was \$2,805,000 and \$1,919,000 for the years ended June 30, 2024 and 2023, respectively.

Revolving Line of Credit - The University has an available credit line with a financial institution that provides access up to \$42 million of unrestricted funds, bearing interest at the Secured Overnight Financing Rate (SOFR) plus 1.25%, with a maturity date of October 1, 2027. In conjunction with the revolving credit line, the University has elected sweep services through the financial institution whereby each night, a certain portion of amounts outstanding are deducted from the University's operating account and used to reduce any outstanding balance on the line. No amounts were outstanding under this agreement at June 30, 2024 and 2023.

NOTE 8 – RETIREMENT PLANS

The University sponsors the Quinnipiac University Tax Deferred Annuity Plan ("TDA") which is a defined contribution retirement plan that covers all eligible employees of the University. The TDA plan allows employees to complete written salary reduction agreements to contribute to their TDA plan accounts, subject to Internal Revenue Code limitations and includes University matching provisions.

Additionally, substantially all full-time employees may elect to participate in the Quinnipiac University Defined Contribution Retirement Plan, a defined contribution retirement plan, to which the University contributes specified percentages, ranging from 5% to 10% of each participant's annual salary.

QUINNIPIAC UNIVERSITY AND AFFILIATES
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEARS ENDED JUNE 30, 2024 AND 2023

NOTE 8 – RETIREMENT PLANS (CONTINUED)

The University contributed \$9,592,897 and \$9,309,823 to these plans during the years ended June 30, 2024 and 2023, respectively.

NOTE 9 – ENDOWMENT AND NET ASSETS

The University has approximately 500 individual funds established for a variety of purposes which are endowment funds and funds established with a finite term and/or that are fully expendable for a particular purpose. They include funds designated by the University's Board of Trustees (the Board) to function as endowments. As required by accounting principles generally accepted in the United States of America, net assets associated with endowment funds and funds designated by the Board to function as endowment, are classified and reported based on the existence or absence of donor-imposed restrictions. Donor-restricted endowments are classified as net assets with donor restrictions and Board-designated endowments are classified as net assets without donor restrictions.

The State of Connecticut adopted a version of the Uniform Prudent Management of Institutional Funds Act (UPMIFA) in 2007. In the absence of authoritative guidance on the application of Connecticut's UPMIFA to donor-restricted endowments, the University's Board interprets UPMIFA as requiring the preservation of the fair value of the original gift as of the gift date of the donor-restricted endowment funds, absent explicit donor stipulations to the contrary. As a result of this interpretation, the University classifies as net assets with donor restrictions (a) the original value of gifts donated to the perpetual endowment, (b) the original value of subsequent gifts to the perpetual endowment, and (c) University matching contributions to the perpetual endowment made in accordance with the direction of the applicable donor gift instrument at the time the match is added to the fund. These funds remain classified as net assets with donor restrictions until those amounts are appropriated for expenditure by the University in a manner consistent with the standard of prudence prescribed by UPMIFA.

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

QUINNIPIAC UNIVERSITY AND AFFILIATES
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEARS ENDED JUNE 30, 2024 AND 2023

NOTE 9 – ENDOWMENT AND NET ASSETS (CONTINUED)

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

(6) Other resources of the University

(7) The investment policy of the University

The following summarizes the endowment net asset composition by type of fund as of June 30, 2024 and reconciles the summary to the Consolidated Statement of Financial Position:

	Without Donor	With Donor	Total
Total endowment net assets	\$ 633,382,854	\$ 106,847,964	\$ 740,230,818
Promises to give	--	18,525,887	18,525,887
Invested in plant assets	<u>711,341,578</u>	<u>--</u>	<u>711,341,578</u>
Total net assets	<u>\$ 1,344,724,432</u>	<u>\$ 125,373,851</u>	<u>\$ 1,470,098,283</u>

The following summarizes the changes in the endowment net assets for the year ended June 30, 2024:

	Without Donor Restrictions	With Donor Restrictions	Total
Endowment net assets -			
July 1, 2023	\$ 626,099,165	\$ 104,114,860	\$ 730,214,025
Investment gain, net and interest on bond assets	116,822,831	--	116,822,831
Change in value of trusts	--	(63,114)	(63,114)
Transfers from/to without/with restrictions	1,281,817	(1,281,817)	--
Distributions to spending	(116,028,273)	--	(116,028,273)
University matching contribution	(1,462,500)	1,462,500	--
Contributions	--	9,285,349	9,285,349
Restriction release	<u>6,669,814</u>	<u>(6,669,814)</u>	<u>--</u>
Endowment net assets -			
June 30, 2024	<u>\$ 633,382,854</u>	<u>\$ 106,847,964</u>	<u>\$ 740,230,818</u>

As of June 30, 2024, net assets without donor restrictions included \$111,832,596 related to accumulated earnings on net assets held in perpetuity, and net assets with donor restriction included \$25,248,551 related to accumulated University matching on net assets held in perpetuity.

QUINNIPIAC UNIVERSITY AND AFFILIATES
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEARS ENDED JUNE 30, 2024 AND 2023

NOTE 9 – ENDOWMENT AND NET ASSETS (CONTINUED)

The following summarizes the endowment net asset composition by type of fund as of June 30, 2023 and reconciles the summary to the Consolidated Statement of Financial Position:

	Without Donor Restrictions	With Donor Restrictions	Total
Total endowment net assets	\$ 626,099,165	\$ 104,114,860	\$ 730,214,025
Promises to give	--	16,181,683	16,181,683
Invested in plant assets	<u>603,556,948</u>	<u>--</u>	<u>603,556,948</u>
Total net assets	<u>\$ 1,229,656,113</u>	<u>\$ 120,296,543</u>	<u>\$ 1,349,952,656</u>

The following summarizes the changes in the endowment net assets for the year ended June 30, 2023:

	Without Donor Restrictions	With Donor Restrictions	Total
Endowment net assets -			
July 1, 2022	\$ 578,198,225	\$ 94,657,608	\$ 672,855,833
Investment gain, net	100,702,641	--	100,702,641
Change in value of trusts	--	(154,449)	(154,449)
Transfers from/to without/with restrictions	(23,895)	23,895	--
Distributions to spending	(53,270,553)	--	(53,270,553)
University matching contribution	(2,348,700)	2,348,700	--
Contributions	--	10,080,553	10,080,553
Restriction release	<u>2,841,447</u>	<u>(2,841,447)</u>	<u>--</u>
Endowment net assets -			
June 30, 2023	<u>\$ 626,099,165</u>	<u>\$ 104,114,860</u>	<u>\$ 730,214,025</u>

As of June 30, 2023, net assets without donor restrictions included \$88,635,623 related to accumulated earnings on net assets held in perpetuity, and net assets with donor restriction included \$23,786,051 related to accumulated University matching on net assets held in perpetuity.

QUINNIPIAC UNIVERSITY AND AFFILIATES
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEARS ENDED JUNE 30, 2024 AND 2023

NOTE 9 – ENDOWMENT AND NET ASSETS (CONTINUED)

From time to time, the fair value of assets associated with individual donor-restricted endowment funds may fall below the level that the donor or UPMIFA requires the University to retain as a fund of perpetual duration. These deficiencies may result from unfavorable market fluctuations that occur shortly after the investment of new donor restricted contributions and continued appropriation for certain programs that are deemed prudent by the Board. There were no such deficiencies of this nature that would be reported in net assets without donor restrictions June 30, 2024 and 2023.

The University has adopted investment and spending policies for endowment assets that attempt to provide a predictable stream of funding to programs supported by its endowment while seeking to maintain the purchasing power of the endowment assets. Endowment assets include those assets of donor-restricted funds that the University must hold in perpetuity or for a donor-specified period(s), as well as Board-designated funds. Under the Investment Policy, the endowment assets are invested in a manner that is intended to produce results that, over a period of time, exceed the price and yield results of the S&P 500 index while assuming a moderate level of investment risk. The University expects its endowment funds, over time, to exceed a rate of return, net of all fees, in excess of the rate of growth of the Consumer Price Index (CPI) plus 5%, which should be sufficient to provide for real spending (net of inflation), plus a small margin.

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 that places a greater emphasis on equity-oriented investments to achieve its long-term return objectives within prudent risk constraints.

The University has a specified spending rate whereby a percentage of the value of donor restricted endowment, matching funds, and accumulated earnings less the value of promises to give is allocated for operating activities. The spending rate was 4.5% for fiscal years ending June 30, 2024 and 2023. In establishing this policy, the University considers the long-term expected real return on its endowment. This is consistent with its 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 incremental investment return.

QUINNIPIAC UNIVERSITY AND AFFILIATES
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEARS ENDED JUNE 30, 2024 AND 2023

NOTE 10 – NET ASSETS

Net assets with donor-imposed restrictions are available at June 30 for the following purposes:

	2024	2023
Subject to Expenditure for a Specified Purpose:		
Scholarships and awards	\$ 5,144,059	\$ 1,206,494
Capital Projects	6,516,658	7,364,553
Research	288,117	308,391
Instruction, academic support and student services	<u>20,659,880</u>	<u>21,592,727</u>
Total	<u>32,608,714</u>	<u>30,472,165</u>
Subject to University Spending Policy and Appropriation:		
Scholarships and awards	\$ 55,537,926	\$ 53,275,113
Instruction, academic support and student services	<u>37,227,211</u>	<u>36,549,265</u>
	<u>92,765,137</u>	<u>89,824,378</u>
Total Net Assets With Donor Restrictions	<u>\$ 125,373,851</u>	<u>\$ 120,296,543</u>

NOTE 11 – RELEASED FROM RESTRICTIONS

Net assets released from restrictions by incurring expenses satisfying the restricted purposes or by the occurrence of other events specified by donors during the years ended June 30 are as follows:

	2024	2023
Purpose Restrictions Accomplished:		
Scholarships and awards	\$ 194,032	\$ 154,677
Capital Projects	3,207,758	194,705
Research	386,646	269,769
Instruction, academic support, and student services	<u>2,881,378</u>	<u>2,222,296</u>
	<u>6,669,814</u>	<u>2,841,447</u>
Release of Appropriated Endowment Earnings:		
Scholarships and awards	\$ 4,956,910	\$ 5,412,290
Instruction, academic support, and student services	<u>1,311,324</u>	<u>1,232,621</u>
	<u>6,268,234</u>	<u>6,644,911</u>
Total Net Assets Released from Donor Restrictions	<u>\$ 12,938,048</u>	<u>\$ 9,486,358</u>

Board Designated funds of \$16,130,306 and \$14,370,241 were designated for operations as of June 30, 2024 and 2023, respectively.

QUINNIPIAC UNIVERSITY AND AFFILIATES
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEARS ENDED JUNE 30, 2024 AND 2023

NOTE 12 – FAIR VALUE OF FINANCIAL INSTRUMENTS

The fair value of promises to give and annuities payable are estimated based upon the net present value of estimated cash flows discounted at a treasury rate commensurate with the timing of the estimated cash flow.

The fair value of mortgage and other notes payable, based on the interest rate currently available to the University for loans with similar maturities and credit quality, is approximately \$452 million and \$482 million at June 30, 2024 and 2023, respectively. Student and miscellaneous receivables recorded approximate fair value and represent the amounts due to the University less the estimated portion of uncollectible accounts. The fair value of investments and assets held in charitable remainder trusts are based upon values provided by the external investment managers or quoted market values.

NOTE 13 – FUNCTIONAL CLASSIFICATION AND ALLOCATION OF OPERATING EXPENSES

The Consolidated Statements of Activities present expenses by natural classification. Allocations made to the functional classifications within operating expenses for the years ended June 30 are as follows:

2024	Education	Auxiliary enterprises	Total
Compensation and benefits	\$ 175,856,721	\$ 18,113,963	\$ 193,970,684
Supplies and services	46,652,816	25,941,502	72,594,318
Depreciation	19,270,762	13,093,332	32,364,094
Interest on indebtedness	6,359,186	9,025,242	15,384,428
Travel and events	16,033,397	536,189	16,569,586
Utilities	3,667,758	4,815,108	8,482,866
Total	<u>\$ 267,840,640</u>	<u>\$ 71,525,336</u>	<u>\$ 339,365,976</u>

2023	Education	Auxiliary enterprises	Total
Compensation and benefits	\$ 165,999,673	\$ 17,252,782	\$ 183,252,455
Supplies and services	43,810,505	22,369,390	66,179,895
Depreciation	19,120,631	12,997,153	32,117,784
Interest on indebtedness	6,352,604	8,746,653	15,099,257
Travel and events	14,173,248	440,722	14,613,970
Utilities	2,968,115	4,686,917	7,655,032
Total	<u>\$ 252,424,776</u>	<u>\$ 66,493,617</u>	<u>\$ 318,918,393</u>

QUINNIPIAC UNIVERSITY AND AFFILIATES
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEARS ENDED JUNE 30, 2024 AND 2023

NOTE 13 – FUNCTIONAL CLASSIFICATION AND ALLOCATION OF OPERATING EXPENSES
(CONTINUED)

Education consists of program and support activities related to instruction, student services, academic support, and research and other. Instruction expenses include all activities that are part of the institution's instructional programs. Student services relate to activities that contribute to students' emotional and physical well-being and intellectual, cultural, and social development outside the context of the formal instruction program. Academic support includes centralized expenses incurred to provide support services for the institution's primary mission and program functions. Research includes all expenses for activities specifically organized to produce research, whether commissioned by an external agency or budgeted separately by an internal organizational unit. Auxiliary enterprises include all expenses relating to the operation of the institution's auxiliary activities, such as residential life and health services.

Institutional support is allocated to program and supporting activities based on a relative percentage of total expenses attributable to support the functional expense category. Operation and maintenance of plant and interest on indebtedness are allocated to program and supporting activities based on the relative percentage of square footage attributable to support the functional expense category.

NOTE 14 – COMMITMENTS AND CONTINGENCIES

The University has an agreement with an employee to provide for defined pension and postretirement health insurance benefits. The liability related to these benefits was accrued over the employee's service period commencing on the date of the agreement. The liability amounted to \$1,885,782 and \$1,995,004 at June 30, 2024 and 2023, respectively, and is included in accounts payable and accrued expenses on the Statements of Financial Position. Benefit costs incurred and charged to operations during the years ended June 30, 2024 and 2023, amounted to \$151,593 and \$157,343, respectively.

The pension obligation included in the above liability was calculated using a 5.47% and 5.20% discount rate as of June 30, 2024 and 2023, respectively, and the Retirement Plans combined mortality table (MP-2021). The accumulated benefit obligation for the postretirement health insurance benefits included in the above liability was \$206,224 and \$204,628 at June 30, 2024 and 2023, respectively. This obligation was calculated using a health care cost trend of 7% and 6.50% for June 30, 2024 and 2023, respectively. Grading for the obligation at June 30, 2024 and 2023 was 0.20% per year to 4.40%.

QUINNIPIAC UNIVERSITY AND AFFILIATES
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEARS ENDED JUNE 30, 2024 AND 2023

NOTE 14 – COMMITMENTS AND CONTINGENCIES (CONTINUED)

The University has entered into contracts with certain employees for which they are entitled to performance and retention related incentives. These incentives are payable upon the completion of the stipulations outlined in each individual contract.

The University, from time to time, is involved in matters of litigation incidental to the normal conduct of its business.

NOTE 15 – LIQUIDITY AND AVAILABILITY OF RESOURCES

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. For purposes of analyzing resources available to meet general expenditures over a 12-month period, the university considers all expenditures related to its ongoing mission-related activities as well as the conduct of services undertaken to support those activities to be general expenditures.

The University has various sources of liquidity at its disposal, including cash and cash equivalents, marketable equity securities, and a line of credit. The University's governing Board has designated a portion of its resources without donor restrictions for endowment and other purposes. These funds are invested for long-term appreciation and current income but remain available and may be spent at the discretion of the Board.

The University manages its cash available to meet general expenditures through the following three guiding principles:

- Operating within a prudent range of financial soundness and stability
- Maintaining adequate liquid assets
- Maintaining sufficient reserves to provide reasonable assurance that long-term agreements or other commitments and obligations under endowments with donor restrictions will continue to be met, thereby ensure the University's sustainability

QUINNIPIAC UNIVERSITY AND AFFILIATES
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEARS ENDED JUNE 30, 2024 AND 2023

NOTE 15 – LIQUIDITY AND AVAILABILITY OF RESOURCES (CONTINUED)

At June 30, 2024, the following shows the University's financial assets and other liquidity resources:

	Resources Available at June 30, 2024
Financial assets available	
Cash and cash equivalents	\$ 15,496,878
Accounts receivable	6,983,828
Investments not subject to donor restrictions or Board designations	<u>18,345,996</u>
 Total financial assets available to meet general expenditures in one year	 40,826,702
 Liquidity resources	
Line of credit	<u>42,000,000</u>
 Total financial assets and other liquidity resources	 <u><u>\$ 82,826,702</u></u>

NOTE 16 – STUDENT FINANCIAL AID

Student financial aid reported in the statements of activities as a reduction of tuition and fees were funded in fiscal years ending June 30, from the following revenue sources:

	2024	2023
Tuition and fees		
University funded aid	\$ 183,413,047	\$ 166,386,520
Endowment funds	4,956,910	5,412,290
Contributions	1,118,246	673,410
Government grants	<u>3,403,188</u>	<u>6,012,882</u>
 Total	 <u><u>\$ 192,891,391</u></u>	 <u><u>\$ 178,485,102</u></u>

QUINNIPIAC UNIVERSITY AND AFFILIATES
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEARS ENDED JUNE 30, 2024 AND 2023

NOTE 17 – CONTRIBUTED NONFINANCIAL ASSETS

For the years ended June 30, contributed nonfinancial assets recognized within the Statement of Activities included:

	2024	2023
Building	\$ 640,000	\$ --
Vehicle	27,000	--
Equipment	26,500	--
Supplies	--	34,703
Services	--	50,543
	<u> </u>	<u> </u>
Total	<u>\$ 693,500</u>	<u>\$ 85,246</u>

The University recognized contributed nonfinancial assets within revenue, including contributed buildings, vehicles, equipment, supplies, and services. Unless otherwise noted, contributed nonfinancial assets did not have donor-imposed restrictions.

It is the University's policy not to accept gifts that involve financial commitments in excess of funds available or other obligations disproportionate to the usefulness of the gift. Contributed nonfinancial assets will be held or sold at the sole discretion of the University unless the asset is restricted for use in a specific program by the donor.

The contributed building consists of a property in North Haven Connecticut which will be used by the University as a conference center for continuing education programs. Buildings are accounted for according to the University's policy in Note 2.

The contributed vehicle consisted of an ambulance for the School of Medicine. Contributed equipment consisted of medical training equipment for the School of Medicine and a piano for the College of Arts and Sciences. In valuing vehicle and equipment, the University estimated the fair value on the basis of estimates of wholesale value that would be received for selling similar products in the United States.

Contributed supplies consisted of medical supplies for the School of Medicine. In valuing equipment and supplies, the University estimated the fair value on the basis of estimates of wholesale value that would be received for selling similar products in the United States.

Contributed services consisted of professional services and transportation for student events. Contributed services are valued and are reported at the estimated fair value in the financial statements based on current rates for similar services.

QUINNIPIAC UNIVERSITY AND AFFILIATES
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEARS ENDED JUNE 30, 2024 AND 2023

NOTE 18 – SUBSEQUENT EVENTS

Events subsequent to June 30, 2024 have been evaluated through October 25, 2024, the date that the financial statements were available to be issued. No events have been identified that would require recognition or disclosure in the financial statements.

**INDEPENDENT AUDITORS' REPORT ON INTERNAL CONTROL OVER
FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS
BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN
ACCORDANCE WITH *GOVERNMENT AUDITING STANDARDS***

To the Board of Trustees
Quinnipiac University and Affiliates

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in Government Auditing Standards issued by the Comptroller General of the United States, the financial statements of Quinnipiac University and Affiliates (the "University"), which comprise the consolidated statement of financial position as of June 30, 2024, and the related consolidated statements of activities and changes in net assets, and cash flows for the year then ended, and the related notes to the financial statements, and have issued our report thereon dated October 25, 2024.

Internal Control Over Financial Reporting

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

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

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

Report on Compliance and Other Matters

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

Purpose of this Report

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

Marcum LLP

New Haven, CT
October 25, 2024



To The Board of Trustees of
Quinnipiac University and Affiliates

We have audited, in accordance with the auditing standards generally accepted in the United States of America, the consolidated statement of financial position of Quinnipiac University and Affiliates (the University) as of June 30, 2024, and the related consolidated statements of activities and changes in nets assets and cash flows for the year then ended, and have issued our report thereon dated October 25, 2024.

In connection with our audit, nothing came to our attention that caused us to believe that the University failed to comply with the terms, covenants, provisions, or conditions of the Series L Revenue Bond Agreement dated August 27, 2015, including Section 5.13, between the University and the State of Connecticut Health and Educational Facilities Authority insofar as it relates to accounting matters as noted in the Agreement section 5.13. However, our audit was not directed primarily toward obtaining knowledge of noncompliance with such Sections.

This report is intended solely for the information and use of the Board of Trustees and management of the University and the State of Connecticut Health and Educational Facilities Authority and is not intended to be and should not be used by anyone other than these specified parties.

Marcum LLP

New Haven, CT
October 25, 2024

**Quinnipiac University – Undergraduate
Selected Admissions Statistics
Academic Years 2020-21 through 2024-25 (1)**

	<u>2020-21</u>	<u>2021-22</u>	<u>2022-23</u>	<u>2023-24</u>	<u>2024-25</u>
Applications:					
First Year Applications Received	19,787	15,722	18,668	21,323	23,950
Transfer Applications Received	770	699	696	772	857
Total First Year and Transfer Applications	20,557	16,421	19,364	22,095	24,807
Acceptances:					
First Year Accepted - Regular Program	16,311	13,855	15,641	16,418	17,281
Acceptance Ratio - Regular Program	82%	88%	84%	77%	72%
Matriculation:					
First Year Enrolled - Regular Program	1,759	1,492	1,605	1,797	1,917
Matriculation Ratio - Regular Program	11%	11%	10%	11%	11%
Add: Transfer Students	196	194	200	212	227
Total New Student Matriculation Deposits	1,955	1,686	1,805	2,009	2,144
Final New Student Enrollment (Fall)	1,955	1,686	1,805	2,009	2,144

(1) Admissions data comes from the "final" Admissions Enrollment Report.

Source: Administration Records.

Quinnipiac University
Student Enrollment
Academic Years 2020-21 through 2024-25 (1)

	<u>2020-21</u>	<u>2021-22</u>	<u>2022-23</u>	<u>2023-24</u>	<u>2024-25</u>
Undergraduate					
Full-time	6,482	5,985	5,847	6,070	6,405
Part-time	361	313	226	178	152
Sub-total	<u>6,843</u>	<u>6,298</u>	<u>6,073</u>	<u>6,248</u>	<u>6,557</u>
 Graduate (2)					
Full-time	1,652	1,776	1,732	1,682	1,832
Part-time	1,251	1,143	983	988	1,035
Sub-total	<u>2,903</u>	<u>2,919</u>	<u>2,715</u>	<u>2,670</u>	<u>2,867</u>
 Grand Total	<u><u>9,746</u></u>	<u><u>9,217</u></u>	<u><u>8,788</u></u>	<u><u>8,918</u></u>	<u><u>9,424</u></u>
	0.70	0.68	0.69	0.70	0.70

(1) The University's enrollment based on headcount is recorded as of the fall semester and comes from the "Fall IPEDS Enrollment Report" completed by the Registrar's Office.

(2) Includes the School of Law & Medicine

Source: Administrative Records - Fall 2022 IPEDS Enrollment Report.

Quinnipiac University
FTE Enrollment
Academic Years 2020-21 through 2024-25 (1)

	<u>2020-21</u>	<u>2021-22</u>	<u>2022-23</u>	<u>2023-24</u>	<u>2024-25</u>
Total Headcount	9,746	9,217	8,788	8,918	9,424
Total FTE	8,760	8,722	8,361	8,500	9,003
Undergraduate:					
Undergraduate Headcount	6,843	6,298	6,073	-	6,557
Undergraduate FTE	6,628	6,154	5,960	6,159	6,481
Full-Time Undergraduate	6,482	5,985	5,847	-	6,405
Part-Time Undergraduate	361	313	226	-	152
Graduate					
Graduate Headcount	2,124	2,129	1,942	1,926	2,098
Graduate FTE	1,727	1,771	1,636	1,620	1,774
Full-Time Graduate	934	1,057	1,027	1,009	1,129
Part-Time Graduate	1,190	1,072	915	917	969
Professional:					
Professional Headcount	779	790	773	744	769
Professional FTE	759	766	750	720	747
Full-Time Professional	718	719	705	673	703
Part-Time Professional	61	71	68	71	66
Grad and Professional:					
Grad and Professional Headcount	2,903	2,919	2,715	2,670	2,867
Grad and Professional FTE	2,132	2,568	2,401	2,341	2,522
Full-Time Grad and Professional	1,652	1,776	1,732	1,682	1,832
Part-Time Grad and Professional	1,251	1,143	983	988	1,035

(1) The University's enrollment based on headcount is recorded as of the fall semester and comes from the "Fall IPEDS Enrollment Report" completed by the Registrar's Office.

Quinnipiac University – Full-time Undergraduate
Schedule of Tuition, Room, Board and Fees
Academic Years 2020-21 through 2024-25

	<u>2020-21</u>	<u>2021-22</u>	<u>2022-23</u>	<u>2023-24</u>	<u>2024-25</u>
Tuition	\$ 48,200	\$ 48,680	\$ 49,170	\$ 50,400	\$ 52,670
Per Student Room Rates (1)					
Traditional Residence Halls and Suites	\$ 15,440	\$ 15,670	\$ 15,950	\$ 16,270	\$ 17,260
Mountainview Suites	\$ 15,440	\$ 15,670	\$ 15,950	\$ 16,270	\$ 17,260
Village Suites	\$ 15,440	\$ 15,670	\$ 15,950	\$ 16,270	\$ 17,260
Apartments -					
The Hill and The Complex	\$ 16,220	\$ 16,470	\$ 16,760	\$ 17,100	\$ 18,100
York Hill - Crescent & Westview Singles	\$ 18,630	\$ 18,910	\$ 19,250	\$ 19,640	\$ 20,660
York Hill - Crescent, Westview and Townhouses Doubles	\$ 16,220	\$ 16,470	\$ 16,760	\$ 17,100	\$ 18,100
York Hill - Eastview Singles	\$ 18,630	\$ 18,910	\$ 19,250	\$ 19,640	\$ 20,660
York Hill - Eastview Doubles	\$ 16,220	\$ 16,470	\$ 16,760	\$ 17,100	\$ 18,100
Off-Campus Whitney Village - Undergraduate Singles	\$ 14,500	\$ 14,720	\$ 14,990	\$ 15,290	\$ 15,450
Off-Campus University Owned Housing	\$ 14,650	\$ 14,870	\$ 15,140	\$ 15,440	\$ 15,600
Graduate Off-Campus - Circular Ave	\$ -	\$ -	\$ -	\$ -	\$ -
Graduate Off-Campus - Circular Ave & Eramo- Entire Apt.	\$ -	\$ -	\$ -	\$ -	\$ -
Graduate Off-Campus - The Flats - Studio					
Graduate Off-Campus - The Flats - 1 Bedroom A1	\$ -	\$ -	\$ -	\$ -	\$ -
Graduate Off-Campus - The Flats - 1 Bedroom A2	\$ -	\$ -	\$ -	\$ -	\$ -
Graduate Off-Campus - The Flats - 2 Bedroom B1	\$ -	\$ -	\$ -	\$ -	\$ -
Graduate Off-Campus - The Flats - 2 Bedroom B2	\$ -	\$ -	\$ -	\$ -	\$ -
Graduate Off-Campus - The Flats - 2 Bedroom B3	\$ -	\$ -	\$ -	\$ -	\$ -
 General Student Fees Per Year	 \$ 2,560	 \$ 2,590	 \$ 2,620	 \$ -	 \$ -

(1) Meal charge included for all residence units, except Whitney Village and off campus housing.

Source: Administration Records.

**Quinnipiac University - Undergraduate
Selected Measures of Student Quality (1)
Academic Years 2020-21 through 2024-25**

	<u>2020-21</u>	<u>2021-22</u>	<u>2022-23</u>	<u>2023-24</u>	<u>2024-25</u>
Percentage of enrolled First Year in Top 10% of high school class	18% *	*	*	*	*
Percentage of enrolled First Year in Top 20% of high school class	42% *	*	*	*	*
Mean SAT score ALL SCHOOLS	1178				
Mean SAT scores by School:					
School of Business	1169 *	*	*	*	*
School of Health Sciences	1189 *	*	*	*	*
School of Nursing	1196 *	*	*	*	*
College of Arts and Sciences	1158 *	*	*	*	*
School of Communications	1181 *	*	*	*	*
School of Engineering	1200 *	*	*	*	*

(1) Reflects full-time undergraduates only.

* Information available is not comparable to prior years due to applicants given option to provide class rank and standardized test scores.

Source: Administration Records.

**Quinnipiac University - Undergraduate
Geographic Distribution (1)
Academic Years 2020-21 through 2024-25**

	<u>2020-21</u>	<u>2021-22</u>	<u>2022-23</u>	<u>2023-24</u>	<u>2024-25</u>
Connecticut	27%	31%	31%	33%	34%
Other New England States	23%	21%	23%	23%	24%
Mid-Atlantic	44%	42%	40%	38%	37%
Other States & Foreign	6%	6%	6%	6%	5%
Total	100%	100%	100%	100%	100%

(1) Geographic Distribution is based on full-time undergraduate students.

Source: Administrative Records

Quinnipiac University – School of Law
Selected Admissions Statistics
Academic Years 2020-21 through 2024-25

	<u>2020-21</u>	<u>2021-22</u>	<u>2022-23</u>	<u>2023-24</u>	<u>2024-25</u>
Applications Received					
Full-time ("FT")	777	997	906	875	951
Part-time ("PT")	104	114	112	111	134
Total	<u>881</u>	<u>1,111</u>	<u>1,018</u>	<u>986</u>	<u>1,085</u>
Acceptances					
Full-time	483	599	629	525	606
Part-time	48	52	54	51	62
Total	<u>531</u>	<u>651</u>	<u>683</u>	<u>576</u>	<u>668</u>
Acceptance Ratio – FT	62%	60%	69%	60%	64%
Acceptance Ratio - PT	46%	46%	48%	46%	46%
Acceptance Ratio – Total	60%	59%	67%	58%	62%
Matriculations					
Full-time	118	109	108	93	123
Part-time	18	19	16	16	24
Total	<u>136</u>	<u>128</u>	<u>124</u>	<u>109</u>	<u>147</u>
Matriculation Ratio – FT	24%	18%	17%	18%	20%
Matriculation Ratio – PT	38%	37%	30%	31%	39%
Matriculation Ratio - Total	26%	20%	18%	19%	22%
 Add Transfers	 0	 0	 0	 1	 1
Final New Student Enrollment	<u>136</u>	<u>128</u>	<u>124</u>	<u>110</u>	<u>148</u>

Source: Administrative Records

**Quinnipiac University School of Law
Bar Passage Rates
2020 through 2024**

	February Exam		July Exam	
	<u>State</u>	<u>QUSL</u>	<u>State</u>	<u>QUSL</u>
2020	50%	43%	75%	74%
2021	56%	88%	75%	77%
2022	59%	40%	71%	65%
2023	57%	50%	64%	67%
2024	55%	54%	73%	76%

Source: Administrative Records

(1) Due to COVID-19, July 2020 exam was postponed until October 2020. Results will not be available until 12/11/2020.

**Quinnipiac University School of Law
Law Student Enrollment
2020-21 through 2024-25**

<u>Academic Year</u>	<u>Full-Time</u>	<u>Part-Time</u>	<u>Total</u>
2020-21	324	61	385
2021-22	327	72	399
2022-23	317	68	385
2023-24	289	71	360
2024-25	320	66	386

Source: Administrative Records

Quinnipiac University – School of Law
Selected Measures of Student Quality
2020-21 to 2024-25 (1)

	<u>2020-21</u>	<u>2021-22</u>	<u>2022-23</u>	<u>2023-24</u>	<u>2024-25</u>
Mean LSAT (2) (3)	152	152	152	153	153
Mean Undergraduate GPA	3.46	3.46	3.56	3.51	3.59

- (1) As of Fall Semester.
(2) Maximum possible score is 180.
(3) Per US News and World Report reporting standards.

Source: Administrative Records

Quinnipiac University – School of Law
Schedule of Tuition and Fees
2020-21 through 2024-25

	<u>2020-21</u>	<u>2021-22</u>	<u>2022-23</u>	<u>2023-24</u>	<u>2024-25</u>
Full-time Tuition (1)	\$ 50,510	\$ 51,780	\$ 52,820	\$ 53,880	\$ 54,960
Fees (including the Bar Fee)	940	960	980	1,000	1,120
Total	<u><u>\$ 51,450</u></u>	<u><u>\$ 52,740</u></u>	<u><u>\$ 53,800</u></u>	<u><u>\$ 54,880</u></u>	<u><u>\$ 56,080</u></u>
Part-Time Tuition					
Per Credit Hour (2)	\$ 1,765	\$ 1,810	\$ 1,845	\$ 1,880	\$ 1,920

(1) Full-time = 12 to 15 credits per semester.

(2) Students taking less than 12 or more than 15 credits per semester.

Source: Administrative Records

Quinnipiac University – School of Medicine
Selected Admissions Statistics
Academic Year 2020-21 through 2024-25 (1)

FALL SEMESTER:	<u>2020-21</u>	<u>2021-22</u>	<u>2022-23</u>	<u>2023-24</u>	<u>2024-25</u>
Applications Received	7,218	9,213	7,431	7,556	7,341
Acceptances	312	282	317	393	484
Acceptance Ratio – Total	4.3%	3.1%	4.3%	5.2%	6.6%
Matriculations	95	95	94	95	95
Matriculation Ratio - Total	30%	34%	30%	24%	20%

(1) Admissions data is for full-time students and comes from the fall MSAR(Medical School Applicant) Report.

Source: Administrative Records - MSAR Report

Quinnipiac University – School of Medicine
Schedule of Tuition and Fees
2020-21 through 2024-25

	<u>2020-21</u>	<u>2021-22</u>	<u>2022-23</u>	<u>2023-24</u>	<u>2024-25</u>
Full-time Tuition	\$ 59,830	\$ 61,040	\$ 62,230	\$ 62,230	\$ 63,170
Student Fee (1)	<u>\$ 980</u>	<u>\$ 990</u>	<u>\$ 1,010</u>	<u>\$ 1,010</u>	<u>\$ 1,540</u>
Tuition and Fees	\$ 60,810	\$ 62,030	\$ 63,240	\$ 63,240	\$ 64,710

(1) Student Fee includes fees for general student support and student government.

Source: Administrative Records

Quinnipiac University – School of Medicine
Selected Measures of Student Quality
2020-21 through 2024-25 (1)

	<u>2020-21</u>	<u>2021-22</u>	<u>2022-23</u>	<u>2023-24</u>	<u>2024-25</u>
Mean MCAT	513	513	513	511	511
Mean Undergraduate GPA	3.6	3.7	3.7	3.7	3.7

(1) As of Fall Semester using October Numbers

(2) Maximum possible score is 45.

Source: Administrative Records

Quinnipiac University
Faculty and Staff
Academic Years 2019-20 through 2023-24

	Academic Year				
	<u>2019-20</u>	<u>2020-21</u>	<u>2021-22</u>	<u>2022-23</u>	<u>2023-24</u>
<u>University (All)</u>					
Full Time Faculty	447	408	392	396	391
FTE Part Time Faculty	237	185	203	232	243
Total FTE Faculty	684	593	595	628	634
FTE Administrative Staff	880	822	801	780	787
Total FTE Faculty and Staff	1,564	1,415	1,396	1,408	1,421

**Quinnipiac University
Gifts and Private Grants
Fiscal Year 2020 to 2024**

<u>Total Gifts and Private Grants*</u>	
<u>Fiscal Year</u>	<u>Total</u>
2020	5,249,526
2021	4,975,518
2022	9,240,655
2023	14,016,375
2024	11,629,553

* As reported on Statement of Activities of annual Audited Financial Statements