Loyola University
New Orleans

FINANCIAL STATEMENTS

July 31, 2024 and 2023

Table of Contents

REPORT

CARR, RIGGS & INGRAM, L.L.C.

Carr, Riggs & Ingram, L.L.C.
3850 North Causeway Boulevard
Suite 1400
Two Lakeway Center
Metairie, LA 70002

504.837.9116
504.837.0123 (fax)
CRIadv.com

INDEPENDENT AUDITOR'S REPORT

To the President and Board of Trustees of
Loyola University New Orleans
New Orleans, Louisiana

Opinion

We have audited the accompanying financial statements of Loyola University New Orleans (the "University"), which comprise the statements of financial position as of July 31, 2024 and 2023, and the related statements of activities and cash flows for the years then ended, and the related notes to the financial statements.

In our opinion, the accompanying financial statements referred to above present fairly, in all material respects, the financial position of the University as of July 31, 2024 and **2023**, and the changes in its net assets and its cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

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

Responsibilities of Management for the Financial Statements

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

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

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted 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 financial statements.

In performing an audit in accordance with generally accepted auditing standards, we:

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

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

Carr, Riggs & Ingram, L.L.C.

Metairie, Louisiana
December 12, 2024

FINANCIAL STATEMENTS

Loyola University New Orleans
Statements of Financial Position
(dollars in thousands)

July 31,		**2024**		2023
Assets				
Cash and cash equivalents	**$**	**4,975**	$	5,705
Short-term investments, restricted for investment in plant		**96,788**		140,109
Receivables				
Students - net		**5,089**		4,517
Contributions - net		**7,266**		8,095
Other		**2,270**		1,847
Total receivables		**14,625**		14,459
Investments		**282,924**		263,724
Properties held for investment		**4,211**		2,867
Prepaid expenses and other		**5,524**		5,739
Property and equipment, net		**299,892**		252,627
Total assets	**$**	**708,939**	$	685,230
Liabilities and Net Assets				
Liabilities				
Accounts payable and accrued liabilities	**$**	**23,369**	$	11,694
Deferred tuition revenue		**11,343**		10,482
Other liabilities		**11,585**		1,139
Bonds payable		**322,196**		327,600
Refundable government loan program		**554**		4,141
Total liabilities		**369,047**		355,056
Net assets				
Without donor restrictions		**157,211**		150,926
With donor restrictions		**182,681**		179,248
Total net assets		**339,892**		330,174
Total liabilities and net assets	**$**	**708,939**	$	685,230

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

Loyola University New Orleans
Statement of Activities
(dollars in thousands)

For the year ended July 31, 2024	Without Donor Restrictions	With Donor Restrictions	**Total**
Revenue and Other Support			
Tuition and fees - net	$ 76,296	$ -	**$ 76,296**
Endowment Income	4,454	7,394	**11,848**
Other investment income	1,327	-	**1,327**
Contributions, grants, and contracts	2,615	9,250	**11,865**
Auxiliary enterprises	13,366	-	**13,366**
Other sources	3,448	-	**3,448**
Net assets released from restrictions	16,887	(16,887)	**-**
Total revenue and other support	118,393	(243)	**118,150**
Expenses			
Instructional	50,190	-	**50,190**
Research	1,177	-	**1,177**
Public service	3,476	-	**3,476**
Academic support	12,552	-	**12,552**
Student services	13,641	-	**13,641**
Institutional support	24,685	-	**24,685**
Auxiliary enterprises	12,643	-	**12,643**
Total expenses	118,364	-	**118,364**
Change in net assets from operating activities	29	(243)	**(214)**
Nonoperating activities			
Contributions for buildings and endowment	-	2,747	**2,747**
Endowment income net of amounts appropriated for current operations	2,750	6,605	**9,355**
Non-recurring income (expense) - net	(275)	160	**(115)**
Loss on disposal of property	(2,055)	-	**(2,055)**
Released from restrictions for capital projects	5,836	(5,836)	**-**
Total nonoperating activities	6,256	3,676	**9,932**
Change in Net Assets	6,285	3,433	**9,718**
Net assets at beginning of year	150,926	179,248	**330,174**
Net assets at end of year	$ 157,211	$ 182,681	**$ 339,892**

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

Loyola University New Orleans
Statement of Activities
(dollars in thousands)

For the year ended July 31, 2023	Without Donor Restrictions	With Donor Restrictions	Total
Revenue and Other Support			
Tuition and fees - net	$ 73,399	$ -	$ 73,399
Endowment income	4,526	7,877	12,403
Other investment income	2,251	107	2,358
Contributions, grants, and contracts	1,656	9,966	11,622
Auxiliary enterprises	13,698	-	13,698
Other sources	3,056	-	3,056
Net assets released from restrictions	15,020	(15,020)	-
Total revenue and other support	113,606	2,930	116,536
Expenses			
Instructional	47,067	-	47,067
Research	1,119	-	1,119
Public service	3,019	-	3,019
Academic support	12,273	-	12,273
Student services	15,531	-	15,531
Institutional support	22,049	-	22,049
Auxiliary enterprises	12,321	-	12,321
Total expenses	113,379	-	113,379
Change in net assets from operating activities	227	2,930	3,157
Nonoperating activities			
Contributions for buildings and endowment	-	3,518	3,518
Endowment income net of amounts appropriated for current operations	(1,130)	(1,441)	(2,571)
Non-recurring income (expense) - net	(136)	(374)	(510)
Information technology system implementation related expenses	(244)	-	(244)
Hurricane Ida related expenses - net of insurance proceeds	5,741	-	5,741
Released from restrictions for capital projects	2,105	(2,105)	-
Total nonoperating activities	6,336	(402)	5,934
Change in Net Assets	6,563	2,528	9,091
Net assets at beginning of year	144,363	176,720	321,083
Net assets at end of year	$ 150,926	$ 179,248	$ 330,174

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

Loyola University New Orleans
Statements of Cash Flows
(dollars in thousands)

For the years ended July 31,		**2024**		2023
Operating Activities				
Change in net assets	**$**	**9,718**	$	9,091
Adjustments to reconcile change in net assets to net cash provided by (used in) operating activities:				
Depreciation		**6,860**		6,393
Amortization of bond premium		**(1,284)**		(1,233)
Provision for bad debt expense		**1,044**		572
Gain on extinguishment of debt		**-**		(85)
Loss on disposal of property and equipment		**2,055**		8
Accreted interest on bonds payable		**3,240**		4,615
Net realized and unrealized (gains) losses on investments		**(29,840)**		(11,599)
Restricted contributions		**(3,055)**		(3,518)
Cash paid for accreted interest		**(2,490)**		(1,069)
Changes in operating assets and liabilities:				
Students and other receivables		**(2,335)**		(551)
Contributions receivables		**829**		(2,519)
Prepaid expenses and other current assets		**215**		(2,008)
Accounts payable		**(1,117)**		(1,984)
Other liabilities		**10,446**		(1,030)
Deferred tuition revenue		**861**		4,220
Refundable government loan program		**(3,587)**		(250)
Net cash provided by (used in) operating activities		**(8,440)**		(947)
Investing Activities				
Proceeds from sales and maturities of investments		**104,479**		110,253
Purchases of investments		**(50,518)**		(219,210)
Purchases of property and equipment		**(44,732)**		(17,228)
Proceeds from loan collections		**296**		216
Net cash provided by (used in) investing activities		**9,525**		(125,969)
Financing Activities				
Principal payments on bonds and escrow deposits		**(4,870)**		(6,181)
Proceeds from issuance of debt		**-**		133,843
Payment of debt financing costs		**-**		(1,451)
Proceeds from contributions restricted for long term purposes		**3,055**		3,518
Net cash provided by (used in) financing activities		**(1,815)**		129,729
Net change in cash and cash equivalents		**(730)**		2,813
Cash and cash equivalents at beginning of year		**5,705**		2,892
Cash and cash equivalents at end of year	**$**	**4,975**	$	5,705
SUPPLEMENTAL DISCLOSURE OF CASH FLOW INFORMATION				
Cash paid for interest	**$**	**6,477**	$	4,291
SUPPLEMENTAL DISCLOSURE OF NON-CASH INVESTING ACTIVITIES				
Capital expenditures included in accounts payable	**$**	**12,792**	$	5,088
Transfer of property and equipment, net to property held for investment	**$**	**1,344**	$	-

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

Note 1: DESCRIPTION OF THE ORGANIZATION

Loyola University New Orleans (the "University"), founded as a college by the Society of Jesus in 1904, was officially established and chartered as a university on April 15, 1912. The University is led by President Dr. Xavier Cole and governed by a Board of Trustees and members of the Jesuit Corporation who serve the Loyola University New Orleans community. The University was first authorized to grant degrees by The General Assembly of Louisiana in 1912 and is a tax-exempt charitable organization under Section 501(c)(3) of the Internal Revenue Code. The University was first accredited by the Southern Association of Colleges and Schools in 1929 and most recently was reaccredited in 2016.

Loyola has undergraduate programs in liberal arts, natural sciences, behavioral and social sciences, business, music, and fine arts; a law college; and several graduate programs. Loyola also offers study abroad faculty-led programs and exchange programs in more than 50 countries.

Note 2: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of Accounting

The accompanying financial statements have been prepared on the accrual basis of accounting in accordance with accounting principles generally accepted in the United States of America (U.S. GAAP). The Financial Accounting Standards Board (FASB) provides authoritative guidance regarding U.S. GAAP through the Accounting Standards Codification (ASC) and related Accounting Standards Updates (ASUs).

Use of Estimates

The preparation of U.S. GAAP financial statements requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and changes therein, and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenue and expenses during the reporting period. Actual results could differ from those estimates. Estimates that are particularly susceptible to significant change in the near term are related to depreciable lives and estimated residual value of property and equipment; fair value of investments; allocation of expenses by function; and allowances for student accounts receivable.

Cash and Cash Equivalents

Cash and cash equivalents include cash and all highly liquid investments with an original maturity of 90 days or less. Cash and short-term money funds included in the long-term investment pool are reported as investments and totaled $59,139,000 and $55,075,000 at July 31, 2024 and 2023, respectively. Cash and short-term money funds included in the long-term investment pool which may otherwise qualify as cash equivalents under the University's policy are accounted for as investments and are accordingly not included within these cash disclosures.

Note 2: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Short-Term Investments, Restricted for Investment in Plant

Short-term investments consists of short-term investment funds from the 2021 and 2023 bond issuances set aside by the University for future capital projects and investments related to restricted donations for capital projects.

Accounts Receivable

Accounts receivable represent amounts owed to the University which are expected to be collected within twelve months and are presented in the statements of financial position net of the allowance for credit losses.

Allowance for Credit Losses

The University evaluates its receivables on an ongoing basis by analyzing prior collection experience and current economic factors which, in management's judgment, could influence the ability of recipients to repay the amounts owed. The allowance for credit losses is management's best estimate of the amount of expected credit losses in the existing account. Historically, losses on uncollectible accounts have been within management's expectations. The allowance for credit losses is reviewed on a periodic basis to ensure there is sufficient reserve to cover any potential credit losses. When receivables are considered uncollectible, they are charged against the allowance for credit losses. Collections on accounts previously written off are included in the change in net assets as received. The allowance for credit losses was $1,743,000 at July 31, 2024.

During the year ended July 31, 2023, student receivables were stated at unpaid balances, less an allowance for doubtful accounts. The University provided for losses on accounts receivable using the allowance method. The allowance is based on experience, third-party contracts, and other circumstances, including payment activity, enrollment status, and other known student information, which may affect the ability of students to meet their obligations. The allowance for doubtful accounts was $1,372,000 at July 31, 2023 (See Recent Accounting Pronouncements below).

Properties Held for Investment

The University has property adjacent to campus held for future development which is recorded at net book value.

Note 2: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Investments

The University records investments in accordance with the provision of the *Not-for Profit Entities – Investments – Debt and Equity Securities* section of the Financial Accounting Standards Board (FASB) Accounting Standard Codification (ASC) 958. This statement establishes standards for the recognition of fair value of investments in certain equity and debt securities with gains and losses included in the statement of activities. Purchases and sales of investments are recorded on the trade date. The University records investments at fair value. The estimated fair value of its investments is based on available quoted market prices, except for certain investments for which quoted market prices are not available. Where fair values are not determinable through market quotations, estimates are supplied by external investment managers and a valuation review is conducted by management. Such review includes obtaining and reviewing audited and unaudited financial information from investment managers, holding discussions with external managers and general partners, and evaluating investment returns in light of current conditions. In addition, generally accepted accounting principles provide guidance for estimating the fair value of investments in certain entities that calculate net asset value per share (or its equivalent). As such, the University utilizes net asset value as a practical valuation of fair value and other available information to determine fair value for investments meeting the prescribed requirements.

Property and Equipment, net

Land, buildings and equipment are stated at cost or fair value at the date of acquisition. Additions and major improvements are capitalized while expenditures for maintenance, repairs and minor renewals are charged to operations as incurred. The University capitalizes interest on construction of major facilities that are financed with debt. Depreciation is computed using the straight-line method over the estimated useful lives of the assets.

Land	Not depreciated
Building and improvements	10 – 75 Years
Furniture and equipment	3 – 10 Years
Software	10 Years

The University reviews long-lived assets for impairment whenever events or changes in circumstances indicate that the carrying value might not be recoverable through future utilization. An impairment charge is recognized when the fair value of an asset is less than its carrying value. There were no impairment losses recorded for the years ended July 31, 2024 or 2023.

Deferred Financing Costs

The University presents deferred financing costs related to a debt liability as a direct deduction from the related debt. Deferred financing costs are capitalized and amortized over the respective lives of the bonds using a method that approximates the effective interest method. The amortized interest expense related to the deferred financing costs are included in interest expense.

Note 2: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Net Assets

The University reports information regarding its financial position and activities according to two classes of net assets that are based upon the existence or absence of restrictions on use that are placed by its donors: net assets without donor restrictions and net assets with donor restrictions.

Net assets without donor restrictions are resources available to support operations and not subject to donor restrictions. The only limits on the use of net assets without donor restrictions are the broad limits resulting from the nature of the University, the environment in which it operates, the purposes specified in its corporate documents and its application for tax-exempt status, and any limits resulting from contractual agreements with creditors and others that are entered into in the course of its operations.

Net assets with donor restrictions are resources that are subject to donor-imposed restrictions. Some restrictions are temporary in nature, such as those that are restricted by a donor for use for a particular purpose or in a particular future period. Other restrictions may be perpetual in nature; such as those that are restricted by a donor that the resources be maintained in perpetuity.

When a donor's restriction is satisfied, either by using the resources in the manner specified by the donor or by the passage of time, the expiration of the restriction is reported in the financial statements by reclassifying the net assets from net assets with donor restrictions to net assets without donor restrictions.

Measure of Operations

The University includes in its definition of operations all revenues and expenses that are an integral part of its programs and supporting activities, including an authorized investment income spending allocation and other investment funds distributed. This measure of operations provides a presentation that depicts the manner in which the University manages its financial activities.

Non-operating activities principally include: 1) endowment investment return, net of amounts appropriated by the Board for expenditure to support operations in accordance with the endowment spending policy and Board resolutions; 2) restricted contributions for buildings and endowment; and 3) net assets released from restrictions designated for capital projects. Certain other gains and losses considered to be of a more unusual or non-recurring nature are also included as part of non-operating activities. During the year ended July 31, 2024, non-operating activities include a loss on disposal of property totaling $2,055,000.

Note 2: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Tuition and Fees, Net

Tuition revenue and University general fees charged to students are recognized in the fiscal year in which the academic programs are delivered. Institutional scholarships and externally funded scholarships awarded to students reduce the amount of revenue recognized. Students who take full semester courses and adjust their course load or withdraw completely within the first five weeks of the academic term may be eligible for a full or partial refund in accordance with the University's refund policies. Additional refund policies apply to shorter term sessions. Refunds issued reduce the amount of revenue recognized. The University's academic terms generally have start and end dates that fall within the University's fiscal year. As a result, the majority of tuition, fees, and room and board performance obligations are fulfilled prior to the University's fiscal year end. However, revenue for tuition for the summer terms are recognized as performance obligations are met. Because the summer academic terms span two reporting periods, a portion of the revenue for the summer terms are included in deferred revenue at year end. Advance payments are also recorded as deferred tuition revenue.

Contributions

Unconditional promises to give are recorded as revenue in the period in which the promise is made and requires the University to distinguish between contributions received for each net asset category in accordance with donor-imposed restrictions. When an externally imposed restriction expires, net assets with donor restrictions are reclassified to net assets without donor restrictions and are reported in the statement of activities as net assets released from restrictions.

Contributions receivable are recorded at the present value of expected future cash flows, based on both the time value of money and expectations about possible variations in the amounts and timing of the cash flows. The University considers rates on risk-free monetary assets that have maturity dates or durations that coincide with the period covered by the expected contributions receivable and are discounted at 2.8% for the years ended July 31, 2024 and 2023.

Grants and Contracts

The University receives grant and contract income for exchange and non-exchange agreements from both governmental and private sources. Revenue from exchange agreements is recognized when performance obligations are met. Revenue from conditional non-exchange agreements is recognized as performance barriers are overcome and as the University overcomes either a right of return of assets transferred or the right of release of a promisor's obligation to transfer assets. Grant and contract revenue from conditional non-exchange agreements is generally recognized as qualified costs of sponsored programs are incurred.

Note 2: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Auxiliary Enterprises

Auxiliary enterprises revenue consists primarily of fees for room and dining services during the student's education. Room fees are charged at different rates depending on the residence hall and room accommodations. Room fees are billed in advance of each academic term, and recognized as revenue on a straight-line basis over the period housing is provided. Dining service fees are charged at different rates depending on the level of access to dining services during the term of the agreement. Dining services are billed in advance of each academic term, and are recognized as revenue ratably over the period during which the dining services are offered.

Other Sources

Other Sources of revenue includes designated fees and other miscellaneous income.

Program Services

Program service expenses are primarily reported in the Statements of Activities in categories recommend by the National Association of College and University Business Officers as follows:

Instructional – Expenses incurred for all activities that are part of the University's instructional programs.

Research – Expenses incurred for all activities to produce or conduct research.

Public Service – Expenses incurred for activities established primarily to provide services for the benefit of individuals and groups that are external to the institution.

Academic Support – Expenses incurred to provide support services for the University's primary programs of instruction, research and public service.

Student Services – Expenses incurred for offices of admissions and the registrar and activities that support the student's intellectual, cultural, and social development outside the context of the formal instructional programs.

Institutional Support – Expenses for central, executive-level activities concerned with management.

Auxiliary Enterprises – Expenses incurred for those services provided to students, faculty, and others for which a separate fee is directly charged. The University's primary auxiliaries include campus housing and dining operations.

Note 2: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Income Taxes

The University is a non-profit organization as described in Section 501(c)(3) in the internal revenue code and qualifies as an organization exempt from federal and state income taxes except to the extent it has taxable income from activities that are not related to its exempt purpose.

The University utilizes the accounting requirements associated with uncertainty in income taxes using the provisions of Financial Accounting Standards Board (FASB) ASC 740, Income Taxes. Using that guidance, tax positions initially need to be recognized in the financial statements when it is more-likely-than-not the positions will be sustained upon examination by the tax authorities. It also provides guidance for derecognition, classification, interest and penalties, accounting in interim periods, disclosure and transition. As of July 31, 2024 and 2023, the University has no uncertain tax provisions that qualify for recognition or disclosure in the financial statements.

Reclassifications

Certain reclassifications were made to prior year reported amounts to conform with the current year presentation.

Subsequent Events

Management has evaluated subsequent events through the date that the financial statements were available to be issued, December 12, 2024 and determined that there were no events that occurred that required disclosure. No subsequent events occurring after this date have been evaluated for inclusion in these financial statements.

Recent Accounting Pronouncements

In June 2016, the FASB issued ASU 2016-13, Financial Instruments-Credit Losses (Topic 326): Measurement of Credit Losses on Financial Instruments, which is often referred to as the CECL model, or current expected credit losses. Among other things, the amendments in this ASU require the measurement of all expected credit losses for financial assets held at the reporting date based on historical experience, current conditions, and reasonable and supportable forecasts. Financial institutions and other organizations will now use forward-looking information to better inform their credit loss estimates. Many of the loss estimation techniques previously applied will still be permitted, although the inputs to those techniques are changed to reflect the full amount of expected credit losses. In addition, the ASU amends the accounting for credit losses on available-for-sale debt securities and purchased financial assets with credit deterioration. The University adopted this standard August 1, 2023. The impact of the adoption was not considered material to the financial statements and primarily resulted in enhanced disclosures only. Please refer to the Allowance for Credit Losses policy above.

Note 3: FINANCIAL ASSETS AND LIQUIDITY RESOURCES

The University considers all expenditures incurred in the normal course of business operations such as operating expenses, scheduled principal and interest payments on debt, and capital construction not financed with debt to be general expenditures. Resources available to the University to fund general expenditures have both seasonal and annual variations related to the timing of student billing cycles, receipt of gifts and pledge payments, and appropriations from the endowment. The University considers unrestricted investment income, appropriated earnings from donor-restricted and board-designated endowments, contributions without donor restrictions and contributions with donor restrictions for current operating activities to be available to meet cash needs for general expenditures.

The following table presents the availability of financial assets as of July 31, 2024 and 2023 (in thousands of dollars):

July 31,	**2024**	2023
Cash and cash equivalents	**$ 4,975**	$ 5,705
Short-term investments, restricted for investment in plant	**96,788**	140,109
Students receivable, net	**5,089**	4,517
Contributions receivable, net	**7,266**	8,095
Other receivables	**2,270**	1,847
Investments	**282,924**	263,724
Financial assets, at year end	**$ 399,312**	$ 423,997
Less financial assets unavailable for general expenditure within one year:		
Short-term investments related to debt issuances, restricted for investment in plant	**93,809**	134,854
Students receivable beyond one year	**3,001**	2,972
Contributions receivable collectible beyond one year	**5,899**	6,400
Other receivables collectible beyond one year	**34**	19
Endowment assets, net of appropriation for next fiscal year	**241,511**	230,495
Non-endowment investments, restricted	**1,079**	3,524
Financial assets unavailable for general expenditure within one year	**$ 345,333**	$ 378,264
Financial assets and liquidity resources available to meet cash needs for general expenditure within one year	**$ 53,979**	$ 45,733

As of July 31, 2024, the University has $68,623,000 of board-designated endowment that can be liquidated within one year with Board of Trustees approval. However, no liquidation is intended for fiscal year 2025. As of July 31, 2023, the University had $68,005,000 of board-designated endowment that could have been liquidated within one year with Board of Trustees approval. In addition, the University has $20,000,000 in the aggregate available on two lines of credit as of July 31, 2024 (See Note 8).

Note 4: RECEIVABLES

Student receivables, net consist of the following (in thousands):

July 31,	**2024**	2023
Student accounts receivable	**$ 5,967**	$ 4,808
Refundable government loan program	**865**	1,081
Total student receivables	**6,832**	5,889
Less allowance for credit losses (allowance for doubtful accounts in 2023)	**(1,743)**	(1,372)
Total student receivables, net	**$ 5,089**	$ 4,517

Changes in the allowance for credit losses during the year ended June 30, 2024, were as follows (in thousands):

For the year ended July 31,	**2024**
Balance, beginning of year	**$ 1,372**
Provision for credit losses	**1,121**
Write-offs	**(790)**
Recoveries	**40**
Balance, end of year	**$ 1,743**

Contributions consist of and are expected to be realized in the following periods (in thousands):

As of July 31,	**2024**	2023
In one year or less	**$ 5,701**	$ 6,298
Between year two and five years	**1,691**	2,031
More than five years	**80**	-
Contributions, gross	**7,472**	8,329
Less discount and allowance	**(206)**	(234)
Contributions, net	**$ 7,266**	$ 8,095

As of July 31, 2024 and 2023, the University has conditional pledges totaling $20,217,000 and $14,617,000, respectively. These conditional pledges are not included in the accompanying statements of financial position as of July 31, 2024 and 2023.

Note 5: INVESTMENTS AND ENDOWMENT FUNDS

Investments are carried at fair value or net asset value (NAV) in the financial statements. Fair value is 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. Unrealized gains or losses on investments are reflected in the statements of activities.

FASB ASC 820-10 provides the framework for measuring fair value. That framework provides a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (level 1 measurements) and the lowest priority to unobservable inputs (level 3 measurements).

The three levels of the fair value hierarchy under FASB ASC 820 are described as follows:

Level 1 - Inputs to the valuation methodology are unadjusted quoted prices for identical assets or liabilities in active markets that the University has the ability to access.

Level 2 - Inputs to the valuation methodology include:

- Quoted prices for similar assets or liabilities in active markets
- Quoted prices for identical or similar assets or liabilities in inactive markets
- Inputs, other than quoted prices, that are observable for the asset or liability; or
- Inputs that are derived principally from or corroborated by observable market data by correlation or other means.

If the asset or liability has a specified (contractual) term, the Level 2 input must be observable for substantially the full term of the asset or liability.

Level 3 - Inputs to the valuation methodology are unobservable and significant to the fair value measurement. For the years ended July 31, 2024 and 2023, the University did not have any investments valued using level 3 inputs.

The asset or liability's fair value measurement level within the fair value hierarchy is based on the lowest level of any input that is significant to the fair value measurement. Valuation techniques maximize the use of relevant observable inputs and minimize the use of unobservable inputs.

Note 5: INVESTMENTS AND ENDOWMENT FUNDS (Continued)

The following tables summarize assets measured at fair value and net asset value (in thousands):

As of July 31, 2024

Investments measured at fair value	**Level 1**	**Level 2**	**Total**
Cash and Short Term Money Funds [a]	$ 59,139	$ -	**$ 59,139**
U.S. Treasury Securities [b]	-	80,728	**80,728**
Fixed Income [c]	38,618	-	**38,618**
Domestic Equity [d]	34,948	-	**34,948**
Public Real Estate [f]	8,253	-	**8,253**
Total investments measured at fair value	$ 140,958	$ 80,728	**$ 221,686**

Investments measured at net asset value (NAV) [A]	
Fixed Income [c]	**$ 5,572**
Domestic Equity [d]	**7,737**
International Equity [d]	**45,685**
Hedged Equity [e]	**9,635**
Public Real Estate [f]	**10,459**
Partnerships:	
Diversifying Strategies [g]	**28,527**
Private Equity [h]	**25,238**
Private Debt [i]	**16,633**
Private Real Asset [j]	**8,540**
Total investments measured at net asset value (NAV)[A]	**158,026**
Total investments	**$ 379,712**

Statement of financial position:	
Short-term investments, restricted for investment in plant	**$ 96,788**
Investments	**282,924**
Total investments	**$ 379,712**

[A]Investments that are measured at fair value using the net asset value per share have been excluded from the fair value hierarchy leveling.

Note 5: INVESTMENTS AND ENDOWMENT FUNDS (Continued)

As of July 31, 2023

Investments measured at fair value	Level 1	Level 2	Total
Cash and Short Term Money Funds [(a)]	$ 55,075	$ -	$ 55,075
U.S. Treasury Securities [(b)]	-	117,254	117,254
Fixed Income [(c)]	35,472	-	35,472
Domestic Equity [(d)]	31,344	-	31,344
Public Real Estate [(f)]	8,428	-	8,428
Total investments measured at fair value	$ 130,319	$ 117,254	$ 247,573
Investments measured at net asset value (NAV) [(A)]			
Fixed Income[(c)]			$ 5,990
Domestic Equity [(d)]			6,900
International Equity [(d)]			47,723
Hedged Equity [(e)]			11,086
Public Real Estate [(f)]			7,909
Partnerships:			
Diversifying Strategies [(g)]			33,402
Private Equity [(h)]			20,322
Private Debt [(i)]			14,442
Private Real Asset [(j)]			8,486
Total investments measured at net asset value (NAV) [(A)]			156,260
Total investments			$ 403,833

Statement of financial position:	
Short-term investments, restricted for investment in plant	$ 140,109
Investments	263,724
Total investments	$ 403,833

[(A)]Investments that are measured at fair value using the net asset value per share have been excluded from the fair value hierarchy leveling.

Note 5: INVESTMENTS AND ENDOWMENT FUNDS (Continued)

Changes in Fair Value Levels

The availability of observable market data is monitored to assess the appropriate classification of financial instruments within the fair value hierarchy. Changes in economic conditions or model-based valuation techniques may require the transfer of financial instruments from one fair value level to another. In such instances, the transfer is reported at the beginning of the reporting period.

Management evaluated the significance of transfer between levels based upon the nature of the financial instrument and size of the transfer relative to total assets. For the years ended July 31, 2024 and 2023, there were no significant transfers in or out of Levels 1, 2 or 3.

The FASB issued a standards update pertaining to F*air Value Measurements and Disclosures for Investments in Certain Entities That Calculate Net Asset Value per Share* in September 2009. Fair values are determined by the use of calculated net asset value per ownership share.

Investments Measured at Net Asset Value (NAV)

In complying with the update, the following disclosures provide information regarding the University's investments as of July 31, 2024 and 2023 that feature net asset value per share (in thousands):

2024	**Fair Value**	**Unfunded Commitments**	**Redemption frequency if currently eligible**	**Redemption Notice Period**
Fixed Income[c]	$ 5,572	$ -	Quarterly	90 days
Domestic and International equities [d]	**53,422**	-	Daily, Monthly, Quarterly	1-90 days
Hedged equity [e]	**9,635**	-	Quarterly	45 – 60 days
Public real assets [f]	**10,459**	-	Monthly	30 days
Diversifying strategies [g]	**28,527**	-	Monthly, Quarterly, Yearly	45 – 90 days
Private equity [h]	**25,238**	**10,974**	N/A	N/A
Private debt [i]	**16,633**	**12,161**	N/A	N/A
Private real assets [j]	**8,540**	**7,312**	N/A	N/A
Total	**$ 158,026**	**$ 30,447**		

Note 5: INVESTMENTS AND ENDOWMENT FUNDS (Continued)

2023	Fair Value	Unfunded Commitments	Redemption frequency if currently eligible	Redemption Notice Period
Fixed Income[c]	$ 5,990	$ -	Quarterly	90 days
Domestic and International equities [d]	54,623	-	Daily, Monthly, Quarterly	1-90 days
Hedged equity [e]	11,086	-	Quarterly	45 – 60 days
Public real assets [f]	7,909	-	Monthly	30 days
Diversifying strategies [g]	33,402	-	Monthly, Quarterly, Yearly	45 – 90 days
Private equity [h]	20,322	11,358	N/A	N/A
Private debt [i]	14,442	8,109	N/A	N/A
Private real assets [j]	8,486	5,285	N/A	N/A
Total	$ 156,260	$ 24,751		

[a] This category includes investments in money market accounts as well as cash and cash equivalents.

[b] This category includes direct ownership of U.S. Treasury bonds, as well as money markets and mutual funds that own U.S. Treasury bonds.

[c] This category includes direct ownership of domestic and international corporate and governmental bonds and notes, as well as mutual funds and investments in partnerships (valued at NAV) owning such investments.

[d] This category includes direct ownership of equities, mutual funds, and investments in partnerships (valued at NAV) that invest primarily in common stocks across various sectors and market caps and across different geographic regions. Most of these funds do not normally short or employ leverage.

[e] This category includes investments in hedge funds that invest primarily in equities, both long and short. Managers of these funds have the ability to shift investments by geography, sector, and exposure, both on a net and gross basis.

[f] This category includes direct investments in publicly traded REITs, as well as investments in partnerships (valued at NAV) that invest in natural resources.

[g] This category includes investments in diversifying strategy partnerships, including event driven, distressed debt, global macro, and multi-strategy investment firm

[h] This category includes investments in private equity partnerships, including growth and venture capital investment firms. These investments are not immediately redeemable but are subject to liquidation distributions as the underlying investments are liquidated. Most funds have a primary term of ten years.

[i] This category includes investments in private debt partnerships, including core and special situations investment firms. These investments are not immediately redeemable but are subject to liquidation distributions as the underlying investments are liquidated. Most funds have a primary term of ten years.

[j] This category includes investments in private real assets partnerships, including non-public real estate and energy related investment firms. These investments are not immediately redeemable but are subject to liquidation distributions as the underlying investments are liquidated. Most funds have a primary term of ten years.

Note 5: INVESTMENTS AND ENDOWMENT FUNDS (Continued)

Endowment

The University's endowment consists of 518 and 504 individual funds established for a variety of purposes as of July 31, 2024 and 2023, respectively. The endowment includes both donor-restricted endowment funds and funds designated by the Board to function as endowments (board-designated). As required by GAAP, net assets associated with endowment funds, including funds designated by the Board to function as endowments, are classified and reported based on the existence or absence of donor-imposed restrictions.

The University complies with the Uniform Prudent Management of Institutional Funds Act of 2006 (UPMIFA).

Interpretation of Relevant Law

The Board of the University has interpreted the adopted Louisiana "Uniform Prudent Management of Institutional Funds Act" (UPMIFA) as requiring the preservation of the fair value of the original gift as of the gift date of the donor-restricted endowment funds absent explicit donor stipulations to the contrary. As a result of this interpretation, the University classifies as net assets with donor restriction, (a) the original value of gifts donated to the endowment, (b) the original value of subsequent gifts to the endowment, (c) accumulations to the endowment made in accordance with the direction of the applicable donor gift instrument at the time the accumulation is added to the fund, and (d) the remaining portion of the donor-restricted endowment fund, 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 endowment funds:

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

Return Objectives and Risk Parameters

The University has adopted investment and spending policies for endowment assets that attempt to provide a predictable stream of funding to programs supported by its endowment, while seeking to maintain the purchasing power of the endowment assets. Endowment assets include those assets of donor-restricted funds that the University must hold in perpetuity or for a donor-specified period as well as board-designated funds. Under this policy, as approved by the Board, the endowment assets are invested in a manner that is intended to produce results that exceed the price and yield results of the Barclays Aggregate Index and MSCI ACWI index, while assuming a moderate level of investment risk.

Note 5: INVESTMENTS AND ENDOWMENT FUNDS (Continued)

Return Objectives and Risk Parameters (Continued)

The University expects its endowment funds, over time, to provide an annualized total return (net of investment management expenses), through appreciation and income, greater than the rate of inflation (as measured by the Consumer Price Index) plus any spending and administrative expenses.

Strategies Employed for Achieving Objectives

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

Spending Policy and How the Investment Objectives Relate to Spending Policy

The University's Board authorized a policy of appropriating for distribution each year (spending rate) a maximum of 5% of the prior twelve-quarter average market value of the board-designated funds as of June 30th the year preceding the fiscal year in which the distribution is planned for the years ended July 31, 2024 and 2023. For donor-restricted funds, a policy of appropriating for distribution each year (spending rate) 5% of the prior twelve-quarter average market value ending June 30th the year preceding the fiscal year in which the distribution is planned for each of the years ended July 31, 2024 and 2023. In establishing this policy, the University considered the long-term expected return on its endowment. This is consistent with the University's objective to maintain the purchasing power of donor-restricted funds and board-designated funds as well as to provide additional real growth through new gifts and investment return.

During the years ended July 31, 2024 and 2023 in accordance with the spending policy, the Board authorized distributions from board-designated endowments (5% per the policy) totaling $4,454,000 and $4,526,000, respectively.

Where the Board designates funds to function as endowments (board-designated endowments), they remain classified as net assets without donor restrictions. Board-designated endowments are used to fund management priorities as approved by the Board.

Note 5: INVESTMENTS AND ENDOWMENT FUNDS (Continued)

Spending Policy and How the Investment Objectives Relate to Spending Policy (Continued)

The following tables present the University's endowment net asset composition as of and for the years ended (in thousands):

Endowment Net Asset Composition by Type of Fund

July 31, 2024	**Without Donor Restrictions**	**With Donor Restrictions**	**Total**
Board-designated endowment fund	$ 89,066	$ -	**$ 89,066**
Donor-restricted endowment funds:			
Original donor-restricted gift amount and amounts required to be maintained in perpetuity by donor	-	104,029	**104,029**
Accumulated investment gains	-	52,669	**52,669**
Total endowment funds classified as net assets	$ 89,066	$ 156,698	**$ 245,764**

Endowment Net Asset Composition by Type of Fund

July 31, 2023	Without Donor Restrictions	With Donor Restrictions	Total
Board-designated endowment fund	$ 86,307	$ -	$ 86,307
Donor-restricted endowment funds:			
Original donor-restricted gift amount and amounts required to be maintained in perpetuity by donor	-	102,712	102,712
Accumulated investment gains	-	45,758	45,758
Total endowment funds classified as net assets	$ 86,307	$ 148,470	$ 234,777

Underwater Endowments

The University considers a fund to be underwater if the fair value of the fund is less than the sum of (a) the original value of initial and subsequent gift amounts donated to the fund and (b) any accumulations to the fund that are required to be maintained in perpetuity in accordance with the donor's direction expressed in the gift instrument. There were no donor-restricted endowment funds considered underwater as of July 31, 2024 or 2023. The University has adopted a policy to not spend from underwater endowments unless directed by the donor.

Note 5: INVESTMENTS AND ENDOWMENT FUNDS (Continued)

The following tables present the University's endowment net asset changes and classifications as of and for the years ended (in thousands):

Changes in Endowment Net Assets for the Fiscal Year Ended July 31, 2024

	Without Donor Restrictions	With Donor Restrictions	Total
Endowment net assets – beginning of year	$ 86,307	$ 148,470	**$ 234,777**
Investment return, net	7,205	13,999	**21,204**
Contributions	8	1,623	**1,631**
Appropriation of endowment assets pursuant to spending-rate policy	-	(7,394)	**(7,394)**
Appropriation of board-designated endowment assets pursuant to spending-rate policy	(4,454)	-	**(4,454)**
Endowment net assets – end of year	$ 89,066	$ 156,698	**$ 245,764**

Changes in Endowment Net Assets for the Fiscal Year Ended July 31, 2023

	Without Donor Restrictions	With Donor Restrictions	Total
Endowment net assets – beginning of year	$ 87,431	$ 147,890	$ 235,321
Investment return, net	3,396	6,436	9,832
Contributions	6	2,021	2,027
Appropriation of endowment assets pursuant to spending-rate policy	-	(7,877)	(7,877)
Appropriation of board-designated endowment assets pursuant to spending-rate policy	(4,526)	-	(4,526)
Endowment net assets – end of year	$ 86,307	$ 148,470	$ 234,777

Note 6: PROPERTY, PLANT, AND EQUIPMENT

Property, plant, and equipment as of July 31, 2024 and 2023 consisted of the following (in thousands):

For the year ended July 31,	**2024**	2023
Land	**$ 9,199**	$ 9,199
Buildings	**325,893**	327,795
Equipment	**16,585**	13,218
Software	**2,820**	2,770
Construction in progress	**63,323**	12,544
Property, plant and equipment	**417,820**	365,526
Less accumulated depreciation	**(117,928)**	(112,899)
Property, plant and equipment - net	**$ 299,892**	$ 252,627

Depreciation expense included in operating expenses totaled $6,860,000 and $6,401,000 during the years ended July 31, 2024 and 2023, respectively.

Construction in progress is comprised of Mercy Hall residential hall costs of $41,382,000, Jesuit Center costs of $9,939,000, and other various campus related projects of $12,002,000 at July 31, 2024. Construction is progress of $12,544,000 is comprised of various campus related projects at July 31, 2023.

Note 7: BONDS PAYABLE

The University had bonds outstanding as of July 31, 2024 and 2023 as follows (in thousands):

For the year ended July 31,	**2024**	2023
LPFA Revenue Bonds (Loyola University Project) Series 2011, interest at rates ranging from 3.5% to 5.00%, payable semi-annually, principal installments due from October 1, 2021 through October 1, 2023; these bonds are unsecured and were issued to finance various campus renovations and additions. $43,945,000 of these bonds were refunded in 2017 and $74,455,000 in 2021.	**$ -**	$ 3,465
LPFA Revenue Refunding Bonds (Loyola University Project) Series 2017, interest at rates ranging from 2.34% to 5.00%, payable semi-annually, principal installments due from October 1, 2018 through October 1, 2046; these bonds are unsecured and were issued to refinance the LPFA 2010 bonds and a portion of the LPFA 2011 bonds.	**69,742**	70,854

(Continued)

Note 7: BONDS PAYABLE (Continued)

For the year ended July 31,	**2024**	2023
LPFA Revenue Refunding Bonds (Loyola University Project) Series 2021, interest at rates ranging from 4.00% to 5.00%, payable semi-annually, principal installments due from October 1, 2025 through October 1, 2051; these bonds are unsecured and were issued to refinance a portion of the LPFA 2011 bonds, the note payable, and finance various future capital projects.	**$ 79,650**	$ 79,650
LPFA Revenue Bonds (Loyola University Project) Series 2023, interest at rates ranging from 5.00% to 5.25%, payable semi-annually, principal installments due from October 1, 2026 through October 1, 2053; these bonds are unsecured and were issued to finance various future capital projects.	**128,735**	128,735
	$ 278,127	$ 282,704
Unamortized premium on bonds	**21,617**	23,041
Accreted interest Series 2017 bonds	**25,778**	25,321
Unamortized deferred financing costs	**(3,326)**	(3,466)
Bonds payable	**$ 322,196**	$ 327,600

Louisiana Public Facilities Authority Revenue Bonds Series 2023

On February 15, 2023, Loyola issued $128,735,000 of Louisiana Public Facilities Authority Revenue Bonds Series 2023 (“Series 2023”). The Series 2023 bonds were issued at a premium of $5,108,000. The proceeds of the bonds are being used to finance the construction of a new residence hall and other critical infrastructure improvements.

Louisiana Public Facilities Authority Revenue Refunding Bonds Series 2021

On June 9, 2021, Loyola issued $81,930,000 of Louisiana Public Facilities Authority Revenue and Refunding Revenue Bonds Series 2021 (“Series 2021”). The Series 2021 bonds were issued at a premium of $18,926,000. The proceeds of the bonds were used to refund $74,500,000 of outstanding Series 2011 Bonds, refinance $8,400,000 of a variable rate note payable, and finance $15,000,000 of critical infrastructure improvements and other capital projects. The advance refunding also included escrowing $76,287,000 into an irrevocable trust to provide for future debt service on the defeased bonds. The advance refunding resulted in an economic gain on refunding of early extinguishment of debt of $129,000.

Note 7: BONDS PAYABLE (Continued)

Louisiana Public Facilities Authority Revenue Refunding Bonds Series 2017

On January 24, 2017, Loyola issued $84,780,000 of Louisiana Public Facilities Authority Revenue Refunding Bonds Series 2017 ("Series 2017") consisting of $13,578,000 capital appreciation bonds and $71,202,000 convertible capital appreciation bonds. The proceeds of the bonds were used for the purpose of providing funds to (1) restructure debt service by deferring approximately $24,000,000 of debt service payments over an eight-year period by advance refunding the Refunded Series 2010 in the aggregate principal amount of $31,080,000 and the Refunded Series 2011 in the aggregate principal amount of $43,945,000 and (2) to pay the costs of issuance of the bonds of $1,191,000. The Series 2017 bonds were issued at a premium of $1,845,000. The advance refunding included escrowing $85,434,000 into an irrevocable trust to provide for future debt service on the defeased bonds. Accreted interest on the bonds totaled $25,778,000 and $25,321,000 at July 31, 2024 and 2023, respectively.

Bond Repurchase of Louisiana Public Facilities Authority Revenue Refunding Bonds Series 2017 and 2021

In April of 2023, the University repurchased a portion of its outstanding LPFA revenue bonds Series 2017 ($2,030,000 maturity value) and Series 2021 ($2,280,000 maturity value). The total acquisition cost of the bond repurchase to the University was $4,226,217 in connection with a planned future lease of property to a third party which was previously purchased with tax exempt debt. The difference between the bonds repurchase price and the carrying value resulted in a gain on extinguishment of debt of $85,000.

The principal obligations on indebtedness will mature as follows (in thousands):

Years ending July 31:		
2025		3,125
2026		3,245
2027		4,090
2028		4,198
2029		4,385
Thereafter		259,084
Total	$	278,127

The University is required to comply with annual reporting debt covenants for all of the LPFA Revenue Bonds that, if not met, could be considered a condition of default. The University was in compliance with its debt covenants as of and for the years ended July 31, 2024 and 2023.

Note 8: NOTES PAYABLE

The University has a $10,000,000 line of credit with a local bank that matured on January 31, 2024 and was renewed during fiscal year 2024 with a maturity of January 31, 2026. As of July 31, 2024 and 2023 and during the fiscal years then ended, the University had not drawn on the line of credit. The note has a variable interest rate of 6.88% and 6.63% of July 31, 2024 and 2023, respectively.

Note 8: NOTES PAYABLE (Continued)

The University has a second $10,000,000 line of credit with a local bank that matured on February 11, 2024 and was renewed during fiscal year 2024 with a maturity date of February 23, 2026. As of July 31, 2024 and 2023 and during the fiscal years then ended, the University had not drawn on the line of credit. The note has a variable interest rate of 7.13% and 5.31% as of July 31, 2024 and 2023, respectively.

Note 9: EMPLOYEE BENEFIT PLANS

The University participates in a defined contribution plan (the Plan) which qualifies as a deferred arrangement under Section 403(b) of the Internal Revenue Code. Effective August 1, 2021, the University's contribution to the Plan is 2% of participating employees' gross salary which totaled $895,000 and $1,018,000 in employer contributions for the year ended July 31, 2024 and 2023, respectively.

Additionally, as part of the consideration given for the purchase of St. Mary's Dominican College, the University assumed the obligation to pay pension benefits to certain Dominican Sisters. Using an interest factor of approximately 3.92%, the present value of these obligations was approximately $543,000 and $696,000 as of July 31, 2024 and 2023, respectively, which is included in other liabilities in the statements of financial position. The obligations are valued every other year and were last valued as of July 31, 2024.

Note 10: NET ASSETS

A summary of net assets without donor restrictions follows:

July 31,		**2024**		2023
Undesignated	**$**	**68,145**	$	64,619
Board designated endowment		**89,066**		86,307
Total net assets without donor restrictions	**$**	**157,211**	$	150,926

A summary of net assets with donor restrictions follows:

July 31,		**2024**		2023
Time and purpose restricted	**$**	**78,652**	$	76,536
Endowments restricted in perpetuity		**104,029**		102,712
Total net assets with donor restrictions	**$**	**182,681**	$	179,248

Note 11: REVENUE

A summary of disaggregated revenue follows (in thousands):

July 31,		**2024**		2023
Tuition and fees				
Undergraduate and continuing education tuition revenue	**$**	**126,056**	$	125,636
Graduate and law tuition revenue		**39,646**		36,118
Fee revenue		**7,522**		7,404
Institutional scholarships		**(90,748)**		(90,089)
Externally funded scholarships		**(6,180)**		(5,670)
Total tuition and fees, net	**$**	**76,296**	$	73,399
Auxiliary enterprises				
Dorm revenue	**$**	**11,110**	$	11,130
Other auxiliary revenue		**2,256**		2,568
Total auxiliary revenue	**$**	**13,366**	$	13,698
Gifts, grants and contracts				
Federal, state and local grants and contracts	**$**	**3,325**	$	2,352
Other restricted gifts and grants		**5,925**		7,614
Unrestricted gifts		**2,615**		1,656
Total gifts, grants and contracts	**$**	**11,865**	$	11,622
Other investment income		**1,327**		2,358
Endowment income – board designated		**4,454**		4,526
Endowment income – restricted		**7,394**		7,877
Other sources		**3,448**		3,056
Total operating revenues	**$**	**118,150**	$	116,536

Note 12: FUNCTIONAL EXPENSES

The University presents expenses on its statements of activities by functional classification. Program activities by functional classification include instructional, research, public service, academic support and student services. Supporting activities by functional classification include institutional support and auxiliary enterprises. Each functional classification includes expenses presented below by natural classification. Facilities operations and maintenance, depreciation, interest, and institutional insurance costs are allocated to functional categories primarily on the basis of occupied square footage. Salaries and benefits are allocated on the basis of direct time and effort. Instructional and office supplies, travel, conferences and meetings, professional and contracted services, technology and equipment and other expenses are allocated on a direct cost basis. Facilities operations and maintenance includes the salaries and benefits of the facilities staff totaling $1,944,000 and $1,757,000 for the years ended July 31, 2024 and 2023, respectively.

Note 12: FUNCTIONAL EXPENSES (Continued)

The following tables present these expenses for the years ended July 31, 2024 and 2023 (in thousands):

For the year ended July 31, 2024

	Program Activities	Support Activities	
		Institutional Support and Auxiliary	Total
Salaries and benefits	$ 51,874	$ 15,319	**$ 67,193**
Facilities operations and maintenance	6,266	4,460	**10,726**
Depreciation	3,230	3,630	**6,860**
Interest	4,192	3,004	**7,196**
Institutional insurance	2,576	2,895	**5,471**
Instructional and office supplies	2,200	390	**2,590**
Travel, conferences and meetings	4,506	1,052	**5,558**
Professional and contracted services	4,487	3,204	**7,691**
Technology and equipment	1,132	1,740	**2,872**
Other expenses	573	1,634	**2,207**
	$ 81,036	**$ 37,328**	**$ 118,364**

For the year ended July 31, 2023

	Program Activities	Support Activities	
		Institutional Support and Auxiliary	Total
Salaries and benefits	$ 49,752	$ 14,268	$ 64,020
Facilities operations and maintenance	6,171	4,521	10,692
Depreciation	3,014	3,387	6,401
Interest	4,164	2,874	7,038
Institutional insurance	2,177	2,448	4,625
Instructional and office supplies	2,737	477	3,214
Travel, conferences and meetings	3,935	1,031	4,966
Professional and contracted services	5,442	1,739	7,181
Technology and equipment	747	2,544	3,291
Other expenses	870	1,081	1,951
	$ 79,009	$ 34,370	$ 113,379

Institutional support includes fundraising of $2,997,000 and $2,988,000 for 2024 and 2023, respectively.

Note 13: CONCENTRATION OF CREDIT RISK

Financial instruments, which potentially subject the University to concentrations of credit risk, consist primarily of cash and cash equivalents, investments, and accounts receivable (students, contributions, loans and other receivables).

The University had several bank accounts at July 31, 2024 and 2023 which exceeded the amount of Federal Deposit Insurance Corporation Insurance (FDIC) coverage of $250,000 by $3,133,000 and $3,432,000 as of July 31, 2024 and 2023, respectively. The cash could be subject to additional credit risk based on its concentration; however, management is of the opinion that concentrations of credit risk with respect to cash balances are limited as the University uses financial institutions with sufficient financial position.

Concentrations of credit risk with respect to accounts receivable are limited due to the majority of the receivables resulting from widely diversified sources.

Note 14: COMMITMENTS AND CONTINGENCIES

In the normal course of business, there are various commitments and contingent liabilities, such as long-term employment contracts, construction contracts and consulting agreements, which are not reflected in the accompanying financial statements. As of July 31, 2024 and 2023, Loyola has purchase commitments for construction projects totaling approximately $45,216,000 and $9,100,000, respectively.

The University is a party to various litigation and other claims, the outcome of which cannot be presently determined. Management's opinion is that the outcome of such matters would not have a significant effect upon the University's financial position or statement of activities.

Note 15: FAIR VALUE OF FINANCIAL INSTRUMENTS

The carrying value and estimated fair values of the University's financial instruments as of July 31, 2024 and 2023 were approximately as follows (in thousands):

July 31,	**2024**		2023	
	Carrying Value	**Fair Value**	Carrying Value	Fair Value
Short-term investments, restricted for investment in plant	**$ 96,788**	**$ 96,788**	$ 140,109	$ 140,109
Receivables	**14,625**	**14,625**	14,459	14,459
Investments	**282,924**	**282,924**	263,724	263,724
Properties held for investment	**4,211**	**6,860**	2,867	2,660
Bonds payable (accreted par value)	**303,905**	**319,149**	306,401	309,136

Note 16: HURRICANE IDA

On August 29, 2021, Hurricane Ida made landfall on the Gulf Coast area causing widespread damage throughout the region, including the New Orleans Metropolitan area. Nonoperating activities in the statement of activities reflects $5,741,000 of non-operating income ($6,873,000 in insurance proceeds and from the Federal Emergency Management Association (FEMA), net of non-capital hurricane and related expenses of $1,132,000) for the year ended July 31, 2023. There were no further insurance proceeds net of non-capital hurricane and related expenses in nonoperating activities in the statement of activities for the year ended July 31, 2024. Total hurricane and related expenses through July 31, 2023 consisted primarily of disaster recovery cleanup, repairs to buildings, and environmental remediation related to water intrusion. For the fiscal year ended July 31, 2024, there were no further capitalized costs related to repairs that were determined to be capital in nature.