

Financial Statements and Report of
Independent Certified Public
Accountants

Vassar College

June 30, 2024 and 2023

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GRANT THORNTON LLP

757 Third Ave., 9th Floor
New York, NY 10017-2013

D +1 212 599 0100

F +1 212 370 4520

REPORT OF INDEPENDENT CERTIFIED PUBLIC ACCOUNTANTS

To the Board of Trustees of
Vassar College

Opinion

We have audited the financial statements of Vassar College (the “College”), which comprise the statements of financial position as of June 30, 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 present fairly, in all material respects, the financial position of the College 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 audits of the financial statements in accordance with auditing standards generally accepted in the United States of America (US GAAS). Our responsibilities under those standards are further described in the Auditor’s Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the College and to meet our other ethical responsibilities in accordance with the relevant ethical requirements relating to our audits. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Responsibilities of management for the financial statements

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

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

Auditor’s responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor’s report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with US GAAS will always detect a material misstatement when it exists. The risk of not detecting a material

misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with US GAAS, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the College'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 College'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.

Grant Thornton LLP

New York, New York
October 25, 2024

Vassar College

STATEMENTS OF FINANCIAL POSITION

June 30,

	<u>2024</u>	<u>2023</u>
ASSETS		
Cash and cash equivalents	\$ 10,153,793	\$ 15,765,369
Accounts receivable, net	5,302,201	5,470,575
Contributions receivable, net	17,395,121	12,570,105
Prepaid and other assets	5,528,505	5,188,116
Deposits held by bond trustees	5,346,299	8,011,920
Investments	1,334,854,138	1,274,861,458
Beneficial interests in outside trusts	9,564,662	8,936,090
Land, buildings and equipment, net	<u>537,963,527</u>	<u>506,659,664</u>
Total assets	<u><u>\$1,926,108,246</u></u>	<u><u>\$1,837,463,297</u></u>
LIABILITIES AND NET ASSETS		
Liabilities		
Accounts payable and accrued expenses	\$ 24,725,751	\$ 30,106,432
Deferred revenue and students' deposits	1,763,826	2,025,144
Present value of beneficiary payments due	8,181,779	8,356,771
Deposits held for others	1,008,178	1,427,544
Finance lease liability	3,794,254	3,807,018
Long-term debt, net	277,434,774	279,790,265
Accrued pension obligation	851,141	7,828,023
Accrued postretirement benefit obligation	22,834,917	23,476,172
Asset retirement obligations	<u>12,205,793</u>	<u>11,721,989</u>
Total liabilities	<u>352,800,413</u>	<u>368,539,358</u>
Net assets		
Without donor restrictions	384,831,561	338,663,990
With donor restrictions	<u>1,188,476,272</u>	<u>1,130,259,949</u>
Total net assets	<u>1,573,307,833</u>	<u>1,468,923,939</u>
Total liabilities and net assets	<u><u>\$1,926,108,246</u></u>	<u><u>\$1,837,463,297</u></u>

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

Vassar College

STATEMENT OF ACTIVITIES

Year ended June 30, 2024
With summarized comparative totals for 2023

	2024				2024 Total	2023 Total
	Without Donor Restrictions	Program and Time Restricted	Amounts Held in Perpetuity	Total		
Operating revenue and support						
Student tuition, fees, room and board, net	\$ 140,505,128	\$ -	\$ -	\$ -	\$ 140,505,128	\$ 134,416,372
Endowment return used in support of operations	15,830,232	49,153,201	-	49,153,201	64,983,433	62,265,533
Government grants	2,986,984	-	-	-	2,986,984	1,654,529
Private gifts and grants	15,396,221	1,549,491	-	1,549,491	16,945,712	17,537,411
Other revenue	3,474,579	-	-	-	3,474,579	3,829,110
Auxiliary enterprises	4,000,409	-	-	-	4,000,409	3,605,523
Net assets released from restrictions	53,584,278	(53,584,278)	-	(53,584,278)	-	-
Total operating revenue and support	235,777,831	(2,881,586)	-	(2,881,586)	232,896,245	223,308,478
Operating expenses						
Instruction	85,507,585	-	-	-	85,507,585	81,129,685
Research	3,389,542	-	-	-	3,389,542	3,136,300
Academic support	38,533,789	-	-	-	38,533,789	36,761,219
Student services	33,074,833	-	-	-	33,074,833	29,634,209
Institutional support	43,870,525	-	-	-	43,870,525	42,696,653
Auxiliary enterprises	32,191,642	-	-	-	32,191,642	32,296,756
Total operating expenses	236,567,916	-	-	-	236,567,916	225,654,822
Change in net assets from operations	(790,085)	(2,881,586)	-	(2,881,586)	(3,671,671)	(2,346,344)
Nonoperating activities						
Private gifts and other additions	4,660,625	15,241,341	33,872,934	49,114,275	53,774,900	23,796,817
Contributions of nonfinancial assets	749,181	-	-	-	749,181	1,123,198
Net investment return	28,177,937	84,926,726	743,969	85,670,695	113,848,632	75,910,950
Appropriation of endowment net assets for operations	(15,850,956)	(49,132,477)	(22,858)	(49,155,335)	(65,006,291)	(62,287,110)
Loss on disposal of fixed assets	(2,696)	-	-	-	(2,696)	(381,612)
Redesignations, transfers and other nonoperating activity	3,994,338	(5,361,813)	1,005,948	(4,355,865)	(361,527)	2,330,210
Adjustment for pension liability	4,608,574	-	-	-	4,608,574	4,415,301
Postretirement benefits changes other than net periodic benefits cost	444,792	-	-	-	444,792	684,817
Net assets released from restrictions for capital purposes	20,175,861	(20,175,861)	-	(20,175,861)	-	-
Change in net assets from nonoperating activities	46,957,656	25,497,916	35,599,993	61,097,909	108,055,565	45,592,571
Change in net assets	46,167,571	22,616,330	35,599,993	58,216,323	104,383,894	43,246,227
Net assets, beginning of year	338,663,990	652,306,038	477,953,911	1,130,259,949	1,468,923,939	1,425,677,712
Net assets, end of year	\$ 384,831,561	\$ 674,922,368	\$ 513,553,904	\$ 1,188,476,272	\$ 1,573,307,833	\$ 1,468,923,939

The accompanying notes are an integral part of this financial statement.

Vassar College

STATEMENT OF ACTIVITIES

Year ended June 30, 2023

	Without Donor Restrictions	With Donor Restrictions			2023 Total
		Program and Time Restricted	Amounts Held in Perpetuity	Total	
Operating revenue and support					
Student tuition, fees, room and board, net	\$ 134,416,372	\$ -	\$ -	\$ -	\$ 134,416,372
Endowment return used in support of operations	16,167,164	46,098,369	-	46,098,369	62,265,533
Government grants	1,654,529	-	-	-	1,654,529
Private gifts and grants	14,187,415	3,349,996	-	3,349,996	17,537,411
Other revenue	3,829,110	-	-	-	3,829,110
Auxiliary enterprises	3,605,523	-	-	-	3,605,523
Net assets released from restrictions	44,439,277	(44,439,277)	-	(44,439,277)	-
Total operating revenue and support	218,299,390	5,009,088	-	5,009,088	223,308,478
Operating expenses					
Instruction	81,129,685	-	-	-	81,129,685
Research	3,136,300	-	-	-	3,136,300
Academic support	36,761,219	-	-	-	36,761,219
Student services	29,634,209	-	-	-	29,634,209
Institutional support	42,696,653	-	-	-	42,696,653
Auxiliary enterprises	32,296,756	-	-	-	32,296,756
Total operating expenses	225,654,822	-	-	-	225,654,822
Change in net assets from operations	(7,355,432)	5,009,088	-	5,009,088	(2,346,344)
Nonoperating activities					
Private gifts and other additions	631,245	11,063,105	12,102,467	23,165,572	23,796,817
Contributions of nonfinancial assets	1,123,198	-	-	-	1,123,198
Net investment return	19,019,509	56,601,173	290,268	56,891,441	75,910,950
Appropriation of endowment net assets for operations	(16,191,899)	(46,073,634)	(21,577)	(46,095,211)	(62,287,110)
Loss on disposal of fixed assets	(381,612)	-	-	-	(381,612)
Redesignations, transfers and other nonoperating activity	2,729,847	(2,439,907)	2,040,270	(399,637)	2,330,210
Adjustment for pension liability	4,415,301	-	-	-	4,415,301
Postretirement benefits changes other than net periodic benefits cost	684,817	-	-	-	684,817
Net assets released from restrictions	21,986,231	(22,008,399)	22,168	(21,986,231)	-
Change in net assets from nonoperating activities	34,016,637	(2,857,662)	14,433,596	11,575,934	45,592,571
Change in net assets	26,661,205	2,151,426	14,433,596	16,585,022	43,246,227
Net assets, beginning of year	312,002,785	650,154,612	463,520,315	1,113,674,927	1,425,677,712
Net assets, end of year	\$ 338,663,990	\$ 652,306,038	\$ 477,953,911	\$ 1,130,259,949	\$ 1,468,923,939

The accompanying notes are an integral part of this financial statement.

Vassar College
STATEMENTS OF CASH FLOWS
Years ended June 30,

	2024	2023
Cash flows from operating activities		
Change in net assets	\$ 104,383,894	\$ 43,246,227
Adjustments to reconcile change in net assets to net cash used in operating activities:		
Depreciation, accretion and amortization	18,184,678	18,178,019
(Gain) / loss on disposal of fixed assets	2,696	381,612
Gain on disposal of asset retirement obligation	-	(832,118)
Investment income on life income and annuity agreements	(624,102)	(745,331)
Nonoperating contributions	(47,419,797)	(21,520,357)
Contributions of capitalized nonfinancial assets	(749,181)	(1,117,635)
Realized and unrealized (gains) losses on investments	(111,471,216)	(74,473,698)
Changes in assets and liabilities:		
Accounts receivable, net	(5,182)	(640,180)
Contributions receivable, net	(4,825,016)	(230,167)
Prepaid and other assets	(340,389)	(714,124)
Accounts payable and accrued expenses	(5,267,778)	3,239,176
Deferred revenue and students' deposits	(261,318)	(665,885)
Present value of beneficiary payments due	670,533	(503,241)
Deposits held for others	(419,366)	(70,011)
Accrued pension obligations	(6,976,882)	(5,758,163)
Asset retirement obligations	(102,929)	(343,521)
Accrued postretirement benefit obligation	(641,255)	(527,087)
Net cash used in operating activities	<u>(55,862,610)</u>	<u>(43,096,484)</u>
Cash flows from investing activities		
Capital expenditures	(48,932,602)	(47,922,193)
Proceeds from sale of fixed assets	81,788	892,729
Net loans repaid by students	173,556	138,825
Purchases of investments	(362,058,583)	(206,280,760)
Proceeds from sales and maturities of investments	<u>412,908,547</u>	<u>251,616,442</u>
Net cash provided by (used in) by investing activities	<u>2,172,706</u>	<u>(1,554,957)</u>
Cash flows from financing activities		
Proceeds from contributions for:		
Investment in endowment	34,562,243	13,388,910
Investment in long-lived assets	12,433,457	7,864,117
Investment subject to life income agreements	424,097	267,330
Investment income on life income and annuity agreements	624,102	745,331
Payments to beneficiaries	(845,525)	(982,621)
Deposits held by bond trustees	2,665,621	5,296,742
Change in refundable government loan funds	(112,903)	(128,288)
Payments on finance lease liability	(12,764)	(9,651)
Issuance of long-term debt	-	102,006,870
Payments on long-term debt	<u>(1,660,000)</u>	<u>(88,510,000)</u>
Net cash provided by financing activities	<u>48,078,328</u>	<u>39,938,740</u>
NET CHANGE IN CASH AND CASH EQUIVALENTS	<u>(5,611,576)</u>	<u>(4,712,701)</u>
Cash and cash equivalents, beginning of year	<u>15,765,369</u>	<u>20,478,070</u>
Cash and cash equivalents, end of year	<u><u>\$ 10,153,793</u></u>	<u><u>\$ 15,765,369</u></u>
Supplemental data		
Interest paid	<u>\$ 11,426,855</u>	<u>\$ 14,615,181</u>
Contributions of nonfinancial assets	<u>\$ 749,181</u>	<u>\$ 1,123,198</u>

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

Vassar College

NOTES TO FINANCIAL STATEMENTS

June 30, 2024 and 2023

NOTE 1 - ORGANIZATION

The mission of Vassar College ("Vassar" or the "College") is to make accessible "the means of a thorough, well-proportioned and liberal education" that promotes analytical, informed, and independent thinking and sound judgement; encourages articulate expression; and nurtures intellectual curiosity, creativity, respectful debate and engaged citizenship. Vassar supports a high standard of engagement in teaching and learning, scholarship and artistic endeavor; a broad and deep curriculum; and a residential campus that fosters a learning community. Founded in 1861 to provide women an education equal to that once available only to men, Vassar is now open to all and strives to pursue diversity, inclusion, and equity as essential components of a rich intellectual and cultural environment in which all members, including those from underrepresented and marginalized groups, are valued and empowered to thrive.

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of Presentation

The accompanying financial statements, which are presented on the accrual basis of accounting in accordance with accounting principles generally accepted in the United States of America ("U.S. GAAP"), have been prepared to focus on the College as a whole and to present balances and transactions according to the existence or absence of donor-imposed restrictions.

Classification of Net Assets

Resources are reported for accounting purposes in the following classes of net assets based on the existence or absence of donor-imposed restrictions:

Without Donor Restrictions - Net assets that are not subject to donor-imposed stipulations but may be designated for specific purposes by action of the Board of Trustees or may otherwise be limited by contractual agreements with outside parties.

With Donor Restrictions - Net assets whose use by the College is subject to donor-imposed stipulations that can be fulfilled by actions of the College pursuant to those stipulations or that expire following the passage of time. Also included in this category are net assets subject to donor-imposed stipulations that they be maintained in perpetuity by the College. Generally, the donors of these assets permit the College to use all or part of the investment return on these assets. Such assets primarily include the College's donor-restricted endowment funds.

Statement of Activities Measure of Operations

The statement of activities reports the change in net assets from operating and nonoperating activities. Operating revenue consists of those items attributable to the College's education programs, grants for research conducted by academic departments, private gifts that are not endowed or related to the acquisition of capital expenditures, and other revenue, as well as auxiliary enterprise activities.

Nonoperating activities include investment return on short-term and long-term investments, contributions received other than for current operations, pension and postretirement benefit liability adjustments other than net periodic benefit cost, changes and related income on deferred gifts, and miscellaneous items not related to the College's academic or research activities. To the extent nonoperating contributions, investment income and gains are used for operations, they are reclassified as appropriation of endowment net assets for operations on the statement of activities.

Revenues are reported as increases in net assets without donor restrictions unless their use is limited by donor-imposed restrictions.

Vassar College

NOTES TO FINANCIAL STATEMENTS - CONTINUED

June 30, 2024 and 2023

Revenue Recognition

In accordance with Financial Accounting Standards Board ("FASB") Accounting Standards Codification ("ASC") Topic 606, *Revenue from Contracts with Customers* ("ASC 606"), the College recognizes revenue when control of the promised goods or services are transferred to outside parties in an amount that reflects the consideration the College expects to be entitled to in exchange for those goods or services. The standard outlines a five-step model whereby revenue is recognized as performance obligations within a contract are satisfied.

ASC 606 also requires disclosures regarding revenue recognition to ensure an understanding as to the nature, amount, timing and uncertainty of revenue and cash flows arising from contracts with customers. The College has identified student tuition, room and board, auxiliary enterprises and other revenue, as revenue categories subject to the principles of ASC 606. The College recognizes contracts with customers, as goods or services are transferred or provided in accordance with ASC 606.

Student Tuition, Fees, Room and Board, Net

Student tuition, fees, room and board, net, include revenues generated from tuition and auxiliary enterprises and are recorded at established rates, net of financial aid and scholarships provided directly to students. Auxiliary enterprises include a variety of services, such as housing and dining services, that enhance the quality of student life on campus.

Other auxiliary service enterprise revenue, which includes college retail operations, cash dining, catering, intercollegiate athletics, and graphic arts, are displayed separately. Expenses associated with auxiliary enterprise activities are reported as a single total and include an allocated portion of the cost of operating and maintaining College plant assets, interest, and depreciation and amortization.

Government and Private Grants, Contracts and Gifts

The College recognizes revenue from grants, contracts and gifts in accordance with Accounting Standards Update ("ASU") 2018-08, *Not-For-Profit Entities (Topic 958): Clarifying the Scope and the Accounting Guidance for Contributions Received and Contributions Made*. In accordance with ASU 2018-08, the College evaluates whether a transfer of assets is (1) an exchange transaction in which a resource provider is receiving commensurate value in return for the resources transferred or (2) a contribution. If the transfer of assets is determined to be an exchange transaction, the College applies guidance under ASC 606. If the transfer of assets is determined to be a contribution, the College evaluates whether the contribution is conditional based upon whether the agreement includes both (1) one or more barriers that must be overcome before the College is entitled to the assets transferred and promised and (2) a right of return of assets transferred or a right of release of a promisor's obligation to transfer assets.

Contributions, including unconditional promises to give are reported as contributions receivable and are recognized as revenue in the period received. Contributions of assets other than cash are recorded at their estimated fair value. Contributions to be received after one year are discounted using an appropriate interest rate commensurate with the risks involved. Amortization of the discount is recorded as additional contribution revenue in accordance with the donor-imposed restrictions, if any, on the contributions. Expirations of restrictions on net assets, that is, the donor-imposed stipulated purpose has been accomplished and/or the stipulated time period has elapsed, are reported as net assets released from restrictions on the statement of activities. Restricted contributions received and expended for the restricted purpose in the same fiscal year are recorded as part of net assets without donor restrictions.

Contributions of land, buildings, or equipment are reported as nonoperating support without donor restrictions unless the donor places restrictions on their use. Contributions of cash or other assets that must be used to acquire long lived assets are reported as increases in net assets with donor restrictions until the assets are acquired and placed into service.

Vassar College

NOTES TO FINANCIAL STATEMENTS - CONTINUED

June 30, 2024 and 2023

Conditional promises to give are not recognized until they become unconditional, that is when the conditions on which they depend are met.

From time to time, the College receives gifts of nonfinancial assets including works of art, historical treasures and similar assets. Such gifts are recognized at their estimated fair value based upon independent appraisals or similar valuations at the date of acquisition or donation. The College generally does not monetize such assets as a matter of policy. If the College does sell such assets, proceeds are used to acquire other works of art, historical treasures or similar assets. For the years ended June 30, 2024 and 2023, the College recognized donated goods within the statements of activities totaling \$749,181 and \$1,117,635, respectively, which were primarily donated artwork and library books. There were no donor-imposed restrictions placed upon the donated goods received.

A number of volunteers have made significant contributions of their time in furtherance of the College's program and support functions. The value of this contributed time does not meet the criteria for recognition as contributed services in accordance with U.S. GAAP and, accordingly, is not reflected in the accompanying financial statements.

Cash and Cash Equivalents

Cash and cash equivalents include operating funds that are short-term, highly liquid investments with a maturity of three months or less at the time of purchase.

Receivables

The College extends credit to students in the form of accounts receivable and loans for educational purposes.

The College records an allowance for doubtful accounts (credit losses) for long-term receivables, including Perkins loans and other student loans. Management regularly assesses the adequacy of the allowance for credit losses by performing ongoing evaluations of the student loan portfolio, including differing economic risks associated with each loan category, the financial condition of specific borrowers, the economic environment, the level of delinquent loans, review of the default rate by category in comparison to prior years, the value of any collateral and, where applicable, the existence of any guarantees or indemnifications. The level of the allowance is adjusted based on actual collections.

The College's Perkins loan receivable represents the amounts due from current and former students under the Federal Perkins Loan Program. Loans disbursed under the Federal Perkins Loan Program are able to be assigned to the Federal Government in certain nonrepayment situations. In these situations, the federal portion of the loan balance is guaranteed. Management believes that its allowance for credit losses at the end of the fiscal year is adequate to absorb credit risk inherent in the portfolio.

Fair Value Measurements

U.S. GAAP defines fair value, establishes a framework for measuring fair value and requires certain disclosures about fair value measurements. Fair value is defined as the exchange price that would be received to sell an asset, or paid to transfer a liability (an exit price), in the principal or most advantageous market for the asset or liability in an orderly transaction between market participants on the measurement date. The College categorizes assets and liabilities into a three-tiered hierarchy based on the valuation methodology employed. The hierarchy categories are defined as follows:

- Level 1 - Valuation is based upon quoted prices in active markets that the College has the ability to access for identical assets and liabilities. Market price data is generally obtained from exchange or dealer markets.

Vassar College

NOTES TO FINANCIAL STATEMENTS - CONTINUED

June 30, 2024 and 2023

Level 2 - Valuation is based on inputs other than quoted prices that are observable for the asset or liability, either directly or indirectly.

Level 3 - Valuation is based on unobservable inputs.

The fair value hierarchy gives the highest priority to Level 1 inputs and the lowest priority to Level 3 inputs. Transfers between categories occur when there is an event that changes the inputs used to measure the fair value of an asset or liability.

Investments

Investments are reported at fair value with realized and unrealized gains and losses included in the statement of activities. Certain alternative investments are recognized at the net asset value ("NAV") per ownership interest as a practical expedient to estimate fair value as of the reporting date. Realized gains and losses on the sale of the College's investments are based upon the average cost of the investment. All investment transactions are recorded on a trade date basis.

Endowment Funds and Spending Policy

Included in investments are assets of the College's endowment and similar funds. These institutional funds are invested in long-term vehicles and strategies to produce investment return to support the operations of the College. Investment guidelines are set under the direction of the Investment Committee of the Board of Trustees with the objective to enhance the real fair value of the portfolio while providing a relatively predictable and growing stream of revenue to the College's operating budget. The majority of the endowment and similar funds are unitized and invested in a consolidated investment pool. Nonconsolidated endowed funds are invested separately. Funds are added to or withdrawn from the pool at the unit fair value of the fund at the beginning of the quarter in which the transaction occurred.

The College utilizes a "total return" policy for endowment spending. This approach considers current yield (primarily interest and dividends), as well as the net appreciation in the fair value of investments when determining a spending amount. Under this policy, the Board of Trustees establishes a spending rate, which is then applied to the average fair value of investments.

Annually, as part of the College's operating and capital budget plans, the Board approves a spending rate for endowment units. The guideline is to adjust per unit spending annually based on the one year change in the Higher Education Price Index, lagged one year, provided that the resulting rate does not exceed 5.5% nor fall below 4.5% for the trailing 12 quarter average fair value of the fund, lagged one year. For fiscal year 2023-2024, the Board approved, and the College spent, \$65,006,291, of which \$768,625 represented a supplemental draw from board-designated quasi-endowment above per unit spending. For fiscal year 2022-2023, the Board approved, and the College spent, \$62,287,110, of which \$1,818,339 represented a supplemental draw from board-designated quasi-endowment above per unit spending.

Beneficial Interest in Outside Trusts

The College is the beneficiary of various perpetual trusts created by donors, the assets of which are not in the control of Vassar. The College has legally enforceable rights or claims to such assets, including the right to income generated. The fair value of these interests and the net realized and unrealized gains or losses are recorded as part of the net assets with donor restrictions category.

Land, Buildings and Equipment

Land, buildings and equipment are recorded at cost, or if donated, at estimated fair value at the date of donation. Depreciation is computed on a straight line basis over the estimated useful lives of the assets.

Vassar College

NOTES TO FINANCIAL STATEMENTS - CONTINUED

June 30, 2024 and 2023

When an asset retirement obligation is identified, the College records the fair value of the obligation as a liability. Over time, the liability is accreted to its estimated settlement value. Upon settlement of the liability, the College will recognize a gain or loss for any difference between the settlement amount and the liability recorded. The fair value of the obligation is also capitalized as part of land, buildings and equipment and then amortized over the estimated remaining useful life of the associated asset.

Right of Use Assets (Finance Leases)

The College recognizes leases on the statement of financial position as right-of-use ("ROU") assets and lease liabilities based on the value of the discounted future lease payments. The College adopted a \$250,000 capitalization threshold in determining which ROU assets and lease liabilities should be recognized. The College uses practical expedients, including but not limited to not recording assets or liabilities for leases with terms of one year or less. The commitment of this lease is further described in Note 15.

Deferred Gift Arrangements

The College's deferred gift arrangements with donors consist of irrevocable charitable remainder trusts, charitable gift annuities, and pooled income funds for which the College is the remainder beneficiary. Assets held under these arrangements are included in investments and recorded at fair value. The fair value of these assets is included in investments on the statements of financial position and totaled \$16,891,268 and \$16,685,740 at June 30, 2024 and 2023, respectively. Contribution revenue is recognized at the dates the trusts are established, net of the liabilities recorded for the present value of beneficiary payments to be made to the donors and/or other stipulated beneficiaries. The liabilities are adjusted during the term of the trusts for changes in the value of the assets, accretion of the discount, and other changes in the estimates of future benefits. The College recognizes its interest in the assets received as contribution revenue, at the fair value of the assets received net of a discount for future interest based on the life expectancy of the donor, calculated using the Annuity 2012 mortality table. The liability for the present value of deferred gifts is based upon actuarial estimates and assumptions regarding the duration of the arrangements and the assumed discount rate. Discount rates range from 0.06% to 2.80% and are established as of the date of the gift. Circumstances affecting these assumptions can change the estimate of this liability in future periods. At June 30, 2024 and 2023, the present value of beneficiary payments due totaled \$8,181,779 and \$8,356,771, respectively, of which \$5,288,478 and \$5,432,618, respectively, relates to the College's charitable gift annuity program.

Discount and Bond Premium

Long-term debt is recorded net of the discount or premium. Amortization of this discount or premium is recorded using the straight-line method. Net amortization expense amounted to \$741,467 and \$741,467 for the fiscal years ended June 30, 2024 and 2023, respectively.

Bond Issuance Costs

Bond issuance costs are capitalized and amortized over the term of the related bond, using the straight-line method. Bond issuance costs totaled \$1,419,630 and \$1,465,606, net of amortization, at June 30, 2024 and 2023, respectively, and are included in the long-term debt balance on the accompanying statements of financial position. Amortization expense amounted to \$45,976 and \$61,246 for the fiscal years ended June 30, 2024 and 2023, respectively.

Vassar College

NOTES TO FINANCIAL STATEMENTS - CONTINUED

June 30, 2024 and 2023

Workers' Compensation

The College recognizes a worker's compensation liability for future payments for current and prior years' claims. The liability is based on estimated claims payable and claims incurred but not reported discounted to present value at 4.0%. As of June 30, 2024 and 2023, the workers' compensation liability totaled \$3,174,191 and \$3,100,534, respectively, and is recorded within accounts payable and accrued expenses on the accompanying statements of financial position.

Expenses

Expenses are recognized by the College as incurred and reported as decreases in net assets without donor restrictions. Expenses paid in advance and not yet incurred are reported as prepaid expenses until the applicable period.

The costs of program and supporting activities have been summarized on a functional basis on the statement of activities. Expenses directly attributable to a specific functional area are reported within that functional area. Indirect expenses that benefit multiple areas have been allocated based upon reasonable ratios determined by management. Expenses associated with the operation and maintenance of the College's plant assets, including interest and depreciation, are allocated on the basis of square footage utilized by the functional categories. Expenses associated with fundraising activities of the College totaled \$7,542,990 and \$7,079,294 in 2024 and 2023, respectively, and are included in institutional support in the accompanying statements of activities.

Use of Estimates

The preparation of financial statements in conformity with U.S. GAAP requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements. Estimates also effect the reported amounts of revenues and expenses during the reporting period. The College's significant estimates include the valuation of certain investments, the realizable amount of contributions receivable, valuation of asset retirement obligations, and valuation of its pension and postretirement benefit obligations. Actual results could differ from those estimates.

Risks and Uncertainties

Investment securities are exposed to various risks, such as interest rate, market, and credit. Due to the level of risk associated with certain investment securities and the level of uncertainty related to changes in the value of investments, it is at least reasonably possible that changes in risk in the near-term could materially affect the amounts reported in the accompanying financial statements.

Contributions and the actuarial present value of accumulated plan benefits for the pension and postretirement benefit obligations are estimated based on certain assumptions pertaining to interest rates, inflation rates, and employee demographics, all of which are subject to change. Due to uncertainties inherent in the estimation process, it is at least reasonably possible that changes in these estimates and assumptions in the near-term could be material to the accompanying financial statements.

Concentrations of Credit Risk

The College maintains its cash and money market funds with high credit quality financial institutions, which at times may exceed federally insured limits. The College has not experienced, nor does it anticipate, any losses with respect to such accounts. The College has a significant investment in equities, fixed income securities, mutual and exchange-traded funds and alternative investments, both marketable and non-marketable, and is therefore subject to concentrations of credit risk.

Vassar College

NOTES TO FINANCIAL STATEMENTS - CONTINUED

June 30, 2024 and 2023

Tax Status

The College generally does not provide for income taxes since it is a tax exempt organization under Section 501(a) of the Internal Revenue Code as an organization described in Section 501(c)(3). U.S. GAAP permits an organization to recognize the benefit and requires accrual of an uncertain tax position only when the position is “more likely than not” to be sustained in the event of examination by tax authorities. Tax positions deemed to meet the “more likely than not” threshold are recorded as a tax expense in the current year. The College has analyzed all open tax years and believes it has no significant uncertain tax positions.

New Accounting Pronouncement

In June 2016, the FASB issued ASU 2016-13 *Financial Instruments - Credit Losses (Topic 326): Measurement of Credit Losses on Financial Instruments (ASC 326)*. This standard replaced the incurred loss methodology with an expected loss methodology that is referred to as the current expected credit loss (“CECL”) methodology. CECL requires an estimate of credit losses for the remaining estimated life of the financial asset using historical experience, current conditions, and reasonable and supportable forecasts and generally applies to financial assets measured at amortized cost, including accounts and loan receivables. Financial assets measured at amortized cost will be presented at the net amount expected to be collected by using an allowance for credit losses. This standard is effective for fiscal years beginning after December 15, 2022 (i.e. fiscal year 2024), and requires a modified-retrospective approach. Early adoption is permitted. The College adopted this standard for the year ended June 30, 2024. The adoption did not have a material effect on reported assets, liabilities, or net assets.

NOTE 3 - CONTRIBUTIONS RECEIVABLE, NET

Contributions receivable, net, consist of the following at June 30:

	2024	2023
Unconditional promises expected to be collected in		
Less than one year	\$ 7,060,360	\$ 5,263,162
One to five years	11,653,035	6,660,862
Thereafter	452,445	1,484,246
	<u>19,165,840</u>	<u>13,408,270</u>
Less present value discounts (rates between 0.22% and 4.52%)	(1,233,989)	(454,936)
Allowance for uncollectible pledges	<u>(536,730)</u>	<u>(383,229)</u>
	<u>\$ 17,395,121</u>	<u>\$ 12,570,105</u>

Conditional pledges and bequest intentions totaling \$147,439,849 at June 30, 2024 have been excluded from these amounts and are not recorded in the accompanying financial statements.

NOTE 4 - STUDENT LOANS RECEIVABLE AND REFUNDABLE GOVERNMENT LOAN FUNDS

Student loans receivable are carried at unpaid principal balances, which are believed to represent net realizable value. These loans have mandated interest rates and repayment terms subject to significant restrictions as to their transfer and disposition. At June 30, 2024 and 2023, student loans receivables totaled \$1,495,285 and \$1,805,835, respectively, net of reserves for loans to students estimated to be uncollectible totaling of \$95,200 and \$78,031, respectively, and are included in accounts receivable on the accompanying statements of financial position.

Vassar College

NOTES TO FINANCIAL STATEMENTS - CONTINUED

June 30, 2024 and 2023

Amounts received from the federal government to fund a portion of the student loans are ultimately refundable to the federal government and are classified as refundable government loan funds on the statement of financial position. At June 30, 2024 and 2023, advances refundable to the U.S. government totaled \$59,855 and \$172,758, respectively, and are included in accounts payable and accrued expenses on the accompanying statements of financial position.

Amounts due under the Federal Perkins Loan program are almost fully guaranteed by the government and, therefore, no reserves are placed on any past due balances. At June 30, 2024 and 2023, the following amounts were past due under student loan program:

	In Default < 240 Days (Monthly Installments) or 270 Days (Other Installment)	In Default < 240 Days (Monthly Installments) or 270 Days (Other Installment and < 2 years	In Default > 2 Years, Up to 5 years	In Default > 5 Years	Total Past Due
June 30, 2024	\$ 105,756	\$ 40,470	\$ 18,732	\$ -	\$ 164,958
June 30, 2023	\$ 80,044	\$ 51,570	\$ 61,220	\$ 114,751	\$ 307,585

NOTE 5 - INVESTMENTS

The College's investment objective is to earn average annual returns sufficient to support regular spending appropriations, and compensate for the impact of inflation over time. The asset allocation for the endowment, which employs multiple managers organized into several asset classes, is designed to achieve this return objective on average over the long-term at an appropriate level of risk. Short-term investments are intended to provide liquidity for operating and nonoperating activities. Fixed income investments are intended to provide income, liquidity, and diversification benefits. Equity investments, real estate, oil and gas partnerships, venture capital/private placements, institutional mutual funds, and balanced funds are intended to provide growth, income, and diversification benefits.

The fair value of the College's investments has been determined in the following manner:

Investments	Investments Fair Value
Short-term investments consisting principally of money market instruments, certificates of deposit, commercial paper, and cash management funds	At quoted fair value or amortized cost
Equity securities, fixed income, mutual funds, shares in real estate investment trusts, and other publicly-traded securities	At quoted fair value
Privately held partnerships, including alternative investments such as private equity and hedge fund limited partnerships	Net asset value, as determined by the general partner

The values of publicly-traded fixed income and equity securities are based upon quoted market prices at the close of business on the last day of the fiscal year. Investments in units of nonpublicly traded pooled funds are valued at the unit value determined by the fund's administrator based on quoted fair values of the

Vassar College

NOTES TO FINANCIAL STATEMENTS - CONTINUED

June 30, 2024 and 2023

underlying securities. Alternative investments, which consist of hedge funds, real estate, oil and gas partnerships, venture capital and private partnerships, are valued using current estimates of fair value based upon the NAV per ownership interest of the funds determined by the general partner or investment manager for the respective funds. These valuations consider variables such as financial performance of investments, including comparison of comparable companies' earnings multiples, cash flow analysis, recent sale prices of investments, and other pertinent information. NAV is used as a practical expedient to estimate the fair value of the College's interest in these funds, unless it is probable that all or a portion of the investment will be sold for an amount different than NAV. The College has assessed the NAV provided by the external managers and general partners and believes the amounts reported represent a reasonable estimate of fair value.

The following tables summarize the valuation of the College's investment portfolio by asset class, excluding beneficial interests in outside trusts, under the fair value hierarchy levels as of June 30:

2024				
	Investments Measured at NAV	Level 1	Level 3	Total
Short-term investments	\$ -	\$ 16,317,982	\$ -	\$ 16,317,982
Fixed income	-	116,872,759	-	116,872,759
Marketable real estate	-	3,326,702	560,000	3,886,702
Equity investments				
U.S. stocks	-	177,122,511	-	177,122,511
International stocks	-	2,745,043	-	2,745,043
Hedge funds	245,745,043	-	-	245,745,043
Real estate, oil, and gas partnerships	92,228,996	-	8,981,024	101,210,020
Venture capital/private partnerships	670,954,078	-	-	670,954,078
	<u>\$ 1,008,928,117</u>	<u>\$ 316,384,997</u>	<u>\$ 9,541,024</u>	<u>\$ 1,334,854,138</u>
2023				
	Investments Measured at NAV	Level 1	Level 3	Total
Short-term investments	\$ -	\$ 6,071,831	\$ -	\$ 6,071,831
Fixed income	-	123,750,750	-	123,750,750
Marketable real estate	-	3,034,876	560,000	3,594,876
Equity investments				
U.S. stocks	-	134,701,637	-	134,701,637
International stocks	-	2,210,477	-	2,210,477
Hedge funds	248,461,116	-	-	248,461,116
Real estate, oil, and gas partnerships	85,315,125	-	9,249,405	94,564,530
Venture capital/private partnerships	661,506,241	-	-	661,506,241
	<u>\$ 995,282,482</u>	<u>\$ 269,769,571</u>	<u>\$ 9,809,405</u>	<u>\$ 1,274,861,458</u>

The College had no Level 2 investments at June 30, 2024 and 2023.

There were no transfers between levels of the fair value hierarchy during the years ended June 30, 2024 and 2023.

Vassar College

NOTES TO FINANCIAL STATEMENTS - CONTINUED

June 30, 2024 and 2023

The following table presents a reconciliation of Level 3 investments measured at fair value for the years ended June 30, 2024 and 2023:

	2024	2023
Balance, July 1,	\$ 9,809,405	\$ 12,455,654
Purchases	429,333	1,276,859
Sales	(72,480)	(1,307,900)
Investment loss	(625,234)	(2,615,208)
Balance, June 30,	<u>\$ 9,541,024</u>	<u>\$ 9,809,405</u>

Liquidity

Hedge funds and certain equity investments are redeemable with the funds or limited partnerships at NAV under the terms of the subscription agreement and/or partnership agreements. Investments with daily liquidity generally do not require any notice prior to withdrawal. Investments with monthly, quarterly, or annual redemption frequency typically require notice periods ranging from 15 to 90 days. Investment fair values are detailed below by their redemption frequency as of June 30, 2024.

	Daily	Monthly	Quarterly	Annual	Illiquid	Total
Short-term investments	\$ 16,317,982	\$ -	\$ -	\$ -	\$ -	\$ 16,317,982
Fixed income	116,872,759	-	-	-	-	116,872,759
Marketable real estate	3,326,702	-	-	-	560,000	3,886,702
Equity investments						
U.S. stocks	177,122,511	-	-	-	-	177,122,511
International stocks	2,745,043	-	-	-	-	2,745,043
Hedge funds	-	-	74,115,156	171,629,887	-	245,745,043
Real estate, oil, and gas partnerships	-	-	-	-	101,210,020	101,210,020
Venture capital/private partnerships	-	81,201,553	29,147,554	37,104,808	523,500,163	670,954,078
	<u>\$ 316,384,997</u>	<u>\$ 81,201,553</u>	<u>\$ 103,262,710</u>	<u>\$ 208,734,695</u>	<u>\$ 625,270,183</u>	<u>\$ 1,334,854,138</u>

Investments with a redemption frequency of illiquid includes lock-ups with expiration dates, restricted shares, side pockets, gates or funds in liquidation which have suspended normal liquidity terms, as well as private equity and real asset funds where the College has no liquidity terms until the investments are sold by the respective fund manager. The estimated life of the real assets and venture capital/private placement funds range from 7 to 15 years. At June 30, 2024, the College's remaining outstanding commitments on investments totaled \$213.6M and are expected to be funded from existing investments included within the endowment. Generally, private equity and real asset funds call the capital for investment within the first 5 years of the fund life. However, each fund may also have special provisions for capital calls and investments through the later years of the fund life.

Vassar College

NOTES TO FINANCIAL STATEMENTS - CONTINUED

June 30, 2024 and 2023

NOTE 6 - BENEFICIAL INTEREST IN OUTSIDE TRUSTS

The College has a beneficial interest in several perpetual trusts. At June 30, 2024 and 2023, the College's proportionate share in the fair value of such assets totaled \$9,564,662 and \$8,936,090, respectively. Such interests are reported as net assets with donor restrictions and are classified as Level 3 within the fair value hierarchy. The following table summarizes the changes in fair values associated with these Level 3 assets for the years ended June 30, 2024 and 2023.

	2024	2023
Balance, July 1,	\$ 8,936,090	\$ 8,678,661
Distributions	(509,977)	(535,761)
Investment return	1,138,549	793,190
Balance, June 30,	<u>\$ 9,564,662</u>	<u>\$ 8,936,090</u>

NOTE 7 - ENDOWMENT

The College's endowment consists of approximately 900 individual donor-restricted endowment funds and 100 board-designated quasi-endowment funds for a variety of purposes. Pledges receivable and deferred gift arrangements that have been restricted for endowment are not considered to be part of the endowment until the funds are received. The net assets associated with endowment funds, including funds designated by the Board of Trustees to function as endowments, are classified and reported based on the existence or absence of donor-imposed restrictions.

The New York Prudent Management of Institutional Funds Act ("NYPMIFA") governs the management and investment of donor-restricted endowment funds held by not-for-profit corporations and other institutions. Absent donor stipulations to the contrary, the statutory guidelines contained in NYPMIFA relate to the prudent management, investment, and expenditure of donor-restricted endowment funds without regard to the original value of the gifts. However, NYPMIFA contains specific factors that must be considered prior to making investment decisions or appropriating funds for expenditure. The Board of Trustees has interpreted its fiduciary responsibilities for donor-restricted endowment funds under New York State's Not for Profit Corporation Law, including NYPMIFA, to include the preservation of intergenerational equity to the extent possible by prudently managing, investing, and spending from the endowment funds.

As a result of this interpretation, the College classifies as net assets with donor restrictions: (a) the original value of gifts donated to a true endowment fund; (b) the original value of subsequent gifts to a true endowment fund; and (c) accumulations to a true endowment fund made in accordance with the direction of the applicable donor gift instrument at the time the accumulation is added to the fund. In addition, unspent earnings related to donor-restricted endowment funds are classified as net assets with donor restrictions until the amounts are expended by the College in a manner consistent with the donor's intent and appropriated for expenditure by the Board of Trustees. The remaining portion of the endowment fund that is not classified in net assets with donor restrictions is classified as net assets without donor restrictions.

The College considers the following factors in making a determination to appropriate or accumulate endowment funds: (i) the duration and preservation of the fund; (ii) the purposes of the College and its donor-restricted endowment fund; (iii) general economic conditions; (iv) the possible effect of inflation and deflation; (v) the expected total return from income and the appreciation of endowment investments; (vi) other resources of the College; and (vii) the investment policies of the College.

Vassar College

NOTES TO FINANCIAL STATEMENTS - CONTINUED

June 30, 2024 and 2023

Endowment net asset composition, excluding pledges and beneficial interests in outside trusts, and changes in endowment net assets, consists of the following at June 30:

	2024				
	With Donor Restrictions				Total
	Without Donor Restriction	Program and Time Restricted	Amounts Held in Perpetuity	Total	
Board-designated quasi-endowment funds	\$ 190,012,527	\$ -	\$ -	\$ -	\$ 190,012,527
Donor-restricted endowment funds	-	616,397,833	494,578,760	1,110,976,593	1,110,976,593
Total endowment funds at June 30, 2024	<u>\$ 190,012,527</u>	<u>\$ 616,397,833</u>	<u>\$ 494,578,760</u>	<u>\$ 1,110,976,593</u>	<u>\$ 1,300,989,120</u>
	2024				
	With Donor Restrictions				Total
	Without Donor Restriction	Program and Time Restricted	Amounts Held in Perpetuity	Total	
Net endowment assets at June 30, 2023	\$ 175,569,896	\$ 585,558,389	\$ 463,035,423	\$1,048,593,812	\$1,224,163,708
Gifts received/designated	4,156,922	(32,002)	31,569,483	31,537,481	35,694,403
Other transfers and redesignations	(1,269,981)	(4,007,993)	-	(4,007,993)	(5,277,974)
Investment return (loss), net	27,406,646	84,011,916	(3,288)	84,008,628	111,415,274
Appropriation of endowment assets for expenditure	(15,850,956)	(49,132,477)	(22,858)	(49,155,335)	(65,006,291)
Net endowment assets at June 30, 2024	<u>\$ 190,012,527</u>	<u>\$ 616,397,833</u>	<u>\$ 494,578,760</u>	<u>\$1,110,976,593</u>	<u>\$1,300,989,120</u>
	2023				
	With Donor Restrictions				Total
	Without Donor Restriction	Program and Time Restricted	Amounts Held in Perpetuity	Total	
Board-designated quasi-endowment funds	\$ 175,569,896	\$ -	\$ -	\$ -	\$ 175,569,896
Donor-restricted endowment funds	-	585,558,389	463,035,423	1,048,593,812	1,048,593,812
Total endowment funds at June 30, 2023	<u>\$ 175,569,896</u>	<u>\$ 585,558,389</u>	<u>\$ 463,035,423</u>	<u>\$1,048,593,812</u>	<u>\$1,224,163,708</u>

Vassar College

NOTES TO FINANCIAL STATEMENTS - CONTINUED

June 30, 2024 and 2023

	2023				
	Without Donor Restriction	With Donor Restrictions			Total
		Program and Time Restricted	Amounts Held in Perpetuity	Total	
Net endowment assets at June 30, 2022	\$ 173,612,043	\$ 575,564,571	\$ 447,159,850	\$1,022,724,421	\$1,196,336,464
Gifts received/designated	1,064,831	(22,285)	15,900,221	15,877,936	16,942,767
Investment return (loss), net	17,084,921	56,089,737	(3,071)	56,086,666	73,171,587
Appropriation of endowment assets for expenditure	(16,191,899)	(46,073,634)	(21,577)	(46,095,211)	(62,287,110)
Net endowment assets at June 30, 2023	<u>\$ 175,569,896</u>	<u>\$ 585,558,389</u>	<u>\$ 463,035,423</u>	<u>\$1,048,593,812</u>	<u>\$1,224,163,708</u>

NOTE 8 - AVAILABLE RESOURCES AND LIQUIDITY

The College regularly monitors liquidity required to meet its operating needs and other contractual commitments, while also striving to maximize the investment of its available funds. The College has various sources of liquidity at its disposal, including cash and cash equivalents, marketable debt and equity securities and a line of credit.

For purposes of analyzing resources available to meet general expenditures over a 12-month period, the College considers all expenditures related to its ongoing activities of instruction, research and public service as well as the conduct of services undertaken to support those activities. Student notes receivables are not included in the analysis as principal and interest on these loans are used solely to make new loans, and are therefore, not available to meet current operating needs.

As of June 30, 2024 and 2023, the following tables present the total financial assets held by the College and the amounts of those financial assets that could readily be made available within one year of the statement of financial position date to meet general expenditures:

	2024	2023
Financial assets due within one year:		
Cash and cash equivalents	\$ 10,153,793	\$ 15,765,369
Accounts receivable	3,806,916	3,664,746
Contributions receivable due within one year	7,060,360	5,263,162
Subsequent year's endowment return used in support of operations	66,816,537	65,006,291
	<u>87,837,606</u>	<u>89,699,568</u>
Less:		
Amounts unavailable for general expenditures within one year due to:		
Donor-restricted gifts for plant and endowment	1,781,420	6,631,690
Donor-restricted pledges	6,791,726	4,953,062
	<u>8,573,146</u>	<u>11,584,752</u>
Total amounts unavailable due to donor restrictions or law		
	<u>8,573,146</u>	<u>11,584,752</u>
Total financial assets available to management for general expenditure within one year	<u>\$ 79,264,460</u>	<u>\$ 78,114,816</u>

Vassar College

NOTES TO FINANCIAL STATEMENTS - CONTINUED

June 30, 2024 and 2023

NOTE 9 - LAND, BUILDINGS AND EQUIPMENT, NET

The following is a summary of the College's property and equipment, net, at June 30:

	Lives	2024	2023
Land	-	\$ 2,175,273	\$ 2,125,873
Land improvements	50 years	41,946,258	40,474,720
Buildings and improvements	10 to 50 years	649,858,650	622,561,366
Equipment (including computers)	4 - 7 years	77,317,971	104,421,621
ROU assets - finance leases	49 years	4,241,801	4,241,801
Library books	4 years	65,684,764	64,812,318
Art works and collectibles	-	81,817,219	80,207,937
Construction-in-progress	-	66,569,047	53,192,526
		989,610,983	972,038,162
Less accumulated depreciation		(451,647,456)	(465,378,497)
		<u>\$ 537,963,527</u>	<u>\$ 506,659,664</u>

Depreciation for the years ended June 30, 2024 and 2023 totaled \$18,293,436 and \$18,248,836, respectively.

NOTE 10 - LONG-TERM DEBT, NET

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

	2024	2023
Dutchess County Local Development Corporation Revenue Bonds, Series 2017, maturing in 2046, with interest rates ranging from 2.5% to 5%. The bonds are unsecured general obligations of the College. ^(a)	\$ 97,695,000	\$ 98,680,000
Dutchess County Local Development Corporation Revenue Bonds, Series 2020, maturing in 2049, with interest rates ranging from 4% to 5%. The bonds are unsecured general obligations of the College. ^(b)	57,675,000	58,350,000
New York Life Insurance Company Bonds, Series 2022, maturing in 2052, with interest rate of 3.890%. The bond is an unsecured general obligation of the College. ^(c)	102,200,000	102,200,000
	257,570,000	259,230,000
Add net premium received on bond issuance	21,284,404	22,025,871
Less bond issuance costs	(1,419,630)	(1,465,606)
	<u>\$ 277,434,774</u>	<u>\$ 279,790,265</u>

Vassar College

NOTES TO FINANCIAL STATEMENTS - CONTINUED

June 30, 2024 and 2023

- (a) On April 25, 2017, the College entered into an agreement with the Dutchess County Local Development Corporation, which provided for the issuance of \$102,095,000 Vassar College Revenue Bonds, Series 2017. A portion of the proceeds were deposited into bond trustee escrow accounts to extinguish the then outstanding Vassar College Revenue Series 2007 Bonds. A portion of the proceeds was also received by the College to pay certain costs associated with the issuance.
- (b) On April 2, 2020, the College entered into an agreement with the Dutchess County Local Development Corporation, which provided for the issuance of \$59,095,000 Vassar College Revenue Bonds, Series 2020. A portion of the proceeds were deposited into bond trustee escrow accounts to extinguish the then outstanding Vassar College Revenue Series 2010 Bonds. A portion of the proceeds was also received by the College to pay certain costs associated with the issuance and the remaining amount was deposited into a bond trustee escrow account to be used for capital renovations and improvements to various facilities throughout the College's campus.
- (c) On July 7, 2022, the College entered into a private placement note purchase agreement with New York Life Insurance Company, which provided for the issuance of \$102,200,000 Vassar College Bonds, Series 2022. A portion of the proceeds were deposited into bond trustee escrow accounts to extinguish the then outstanding Vassar College Revenue Series 2013A Bonds. A portion of the proceeds was also received by the College to pay certain costs associated with the issuance and the remaining amount was deposited into a bond trustee escrow account to be used for capital renovations and improvements to various facilities throughout the College's campus.

Maturities of bonds for the fiscal years after June 30, 2024 are as follows:

2025	\$ 1,715,000
2026	1,805,000
2027	785,000
2028	825,000
2029	865,000
Thereafter	<u>251,575,000</u>
	<u>\$ 257,570,000</u>

Interest expense for the years ended June 30, 2024 and 2023 totaled \$11,233,480 and \$13,139,805, respectively.

The Dutchess County Local Development Corporation requires the College to establish certain reserve funds, which are included in deposits held by bond trustees on the accompanying statements of financial position. These funds are invested in cash and cash equivalents and fixed income securities where the fair value is based on quoted market prices and are considered to be Level 1 in the fair value hierarchy. At June 30, 2024 and 2023, such assets totaled \$5,346,299 and \$8,011,920, respectively.

At June 30, 2024, the College is in compliance with all debt covenants.

Line of Credit

The College maintains a revolving line of credit for \$10,000,000 of which \$8,500,000 is available for working capital and \$1,500,000 can be used for the issuance of letters of credit. As of June 30, 2024, the College had a letter of credit issued on its behalf in the amount of \$1,324,000. As of June 30, 2024 and 2023, the College had not drawn on the designated working capital portion of the revolving line of credit.

Vassar College

NOTES TO FINANCIAL STATEMENTS - CONTINUED

June 30, 2024 and 2023

NOTE 11 - EMPLOYEE BENEFITS - RETIREMENT PLANS

Retirement benefits for substantially all full-time employees are provided under a defined contribution plan with Teachers Insurance and Annuity Association ("TIAA") and Fidelity Investments ("Fidelity"). In accordance with current plan documents, all employees who have completed one year of service at the College are eligible to participate in the Plan. The College makes contributions to TIAA and Fidelity based on eligible employees' earnings and age. Employer contributions to the plan by the College on behalf of eligible employees for the years ended June 30, 2024 and 2023 totaled \$8,559,998 and \$8,282,473, respectively.

Retirement benefits for nonacademic employees, excluding secretarial, clerical, technical and supervisory staff, are provided under the Vassar College Defined Benefit Pension Plan.

The following tables and associated disclosures set forth information related to the Vassar College Defined Benefit Pension Plan:

	2024	2023
Change in projected benefit obligation		
Benefit obligation at beginning of year	\$ 52,650,456	\$ 54,171,724
Service cost	1,323,380	1,320,434
Interest cost	2,525,188	2,151,504
Plan amendments	700,681	-
Benefits paid	(2,479,783)	(2,378,517)
Actuarial gain	(2,169,725)	(2,614,689)
	<u>\$ 52,550,197</u>	<u>\$ 52,650,456</u>
Benefit obligation at end of year		
Change in plan assets		
Fair value of plan assets at beginning of year	\$ 44,822,433	\$ 40,585,538
Actual return on plan assets	5,438,405	3,561,412
Employer contribution	3,918,001	3,054,000
Benefits paid	(2,479,783)	(2,378,517)
	<u>51,699,056</u>	<u>44,822,433</u>
Fair value of plan assets at end of year		
Funded status at June 30 - amount recognized in statements of financial position	<u>\$ (851,141)</u>	<u>\$ (7,828,023)</u>
Amounts recognized in net assets without donor restrictions		
Net prior service cost	\$ (2,725,350)	\$ (2,471,488)
Net actuarial loss	\$ (3,309,879)	\$ (8,172,315)

Based on the current funding level, the College anticipates making a contribution for fiscal year 2025 to the plan in the amount of \$2,915,433.

Vassar College

NOTES TO FINANCIAL STATEMENTS - CONTINUED

June 30, 2024 and 2023

Components of net periodic benefit cost for the years ended June 30 are as follows:

	<u>2024</u>	<u>2023</u>
Service cost	\$ 1,323,380	\$ 1,320,434
Interest cost	2,525,188	2,151,504
Expected return on plan assets	(2,945,076)	(2,642,847)
Amortization of		
Prior service cost	446,819	397,579
Actuarial net loss	<u>199,382</u>	<u>484,468</u>
Net periodic benefit cost	<u>\$ 1,549,693</u>	<u>\$ 1,711,138</u>

Other changes in plan assets and benefit obligations recognized in net assets without donor restrictions for the years ended June 30 are as follows:

	<u>2024</u>	<u>2023</u>
New prior service credit	\$ 700,681	\$ -
Net actuarial gain	(4,663,054)	3,533,254
Amortization of		
Prior service cost	(446,819)	397,579
Actuarial net loss	<u>(199,382)</u>	<u>484,468</u>
Total recognized in nonoperating activities	<u>\$ (4,608,574)</u>	<u>\$ 4,415,301</u>

The weighted average rates forming the basis of net periodic benefit cost and amounts recognized in the statements of financial position at June 30 are as follows:

	<u>2024</u>	<u>2023</u>
Year-end benefit obligation		
Discount rate	5.30%	4.89%
Net periodic benefit cost		
Discount rate	4.89%	4.40%
Expected return on plan assets	6.50%	6.50%

The expected long-term rate of return assumption represents the expected average rate of return or earnings on funds invested or to be invested to provide for the benefits included in the benefit obligations. This assumption is based on a number of factors, including historical market index returns, the anticipated long-term asset allocation of the plan, historical plan return data, plan expenses, and the potential to outperform market index returns.

Vassar College

NOTES TO FINANCIAL STATEMENTS - CONTINUED

June 30, 2024 and 2023

The estimated future benefit payments to participants from the defined benefit pension plan for the fiscal years ended June 30 are as follows:

2025	\$ 3,515,035
2026	3,582,455
2027	3,577,006
2028	3,616,797
2029	3,617,179
Next five years	<u>18,180,590</u>
	<u>\$ 36,089,062</u>

Defined Benefit Plan Investment Policy

The assets of the defined benefit plan are invested to generate long-term real returns with reduced volatility while sustaining moderate levels of risk. Target weighting for investment of the plan assets are 60% equities, 30% fixed income, and 10% real estate. These target weightings, bounded by allowable ranges, are expected to allow the Plan assets to meet its objectives over the long-term with respect to investment return, volatility, and liquidity. As of June 30, 2024, actual weightings approximated the targets.

The Plan's assets are shown below at fair value by investment class and hierarchy, as of June 30, 2024 and 2023:

	2024		
	Level 1	Level 2	Total
Common/collective trusts	\$ -	\$ 14,217,242	\$ 14,217,242
Mutual funds	37,481,814	-	37,481,814
	<u>\$ 37,484,814</u>	<u>\$ 14,217,242</u>	<u>\$ 51,699,056</u>
	2023		
	Level 1	Level 2	Total
Common/collective trusts	\$ -	\$ 12,326,169	\$ 12,326,169
Mutual funds	32,496,264	-	32,496,264
	<u>\$ 32,496,264</u>	<u>\$ 12,326,169</u>	<u>\$ 44,822,433</u>

NOTE 12 - EMPLOYEE BENEFITS - POSTRETIREMENT HEALTH INSURANCE

The College provides postretirement medical benefits for certain retirees and employees. The cost of postretirement benefits is accrued as earned during an employee's service with the College.

Vassar College

NOTES TO FINANCIAL STATEMENTS - CONTINUED

June 30, 2024 and 2023

The following table presents the postretirement medical plan's funded status and amounts recognized in the financial statements. The calculations were based upon data as of June 30, 2024 and 2023.

	<u>2024</u>	<u>2023</u>
Change in benefit obligation		
Benefit obligation at beginning of year	\$ 23,476,172	\$ 24,003,259
Service cost	720,880	820,031
Interest cost	1,110,447	950,045
Plan participants' contributions	76,118	90,830
Benefits paid	(910,675)	(689,120)
Actuarial gain	<u>(1,638,025)</u>	<u>(1,698,873)</u>
Benefit obligation at end of year	<u>\$ 22,834,917</u>	<u>\$ 23,476,172</u>
	<u>2024</u>	<u>2023</u>
Change in plan assets		
Fair value of plan assets at beginning of year	\$ -	\$ -
Retiree drug subsidy receipts	-	-
Employer contribution	834,557	598,290
Plan participants' contributions	76,118	90,830
Benefits paid	<u>(910,675)</u>	<u>(689,120)</u>
Fair value of plan assets at end of year	<u>-</u>	<u>-</u>
Funded status at June 30 - amount recognized in statement of financial position	<u>\$ (22,834,917)</u>	<u>\$ (23,476,172)</u>
Amounts recognized in net assets without donor restrictions		
Net actuarial loss	<u>\$ 10,405,236</u>	<u>\$ 9,960,444</u>
Components of net periodic benefit cost		
Service cost	\$ 720,880	\$ 820,031
Interest cost	1,110,447	950,045
Amortization of	-	-
Prior service credit	-	-
Actuarial net gain	<u>(1,193,233)</u>	<u>(1,014,056)</u>
Net postretirement benefit cost	<u>\$ 638,094</u>	<u>\$ 756,020</u>

Other changes in benefit obligations recognized in net assets without donor restrictions for the years ended June 30 are as follows:

	<u>2024</u>	<u>2023</u>
Net actuarial loss	<u>\$ (1,638,025)</u>	<u>\$ 1,698,873</u>
Amortization of		
Prior service credit	-	-
Actuarial net gain	<u>1,193,233</u>	<u>(1,014,056)</u>
Total recognized in nonoperating activities	<u>\$ (444,792)</u>	<u>\$ 684,817</u>

Vassar College

NOTES TO FINANCIAL STATEMENTS - CONTINUED

June 30, 2024 and 2023

The weighted average rates forming the basis of net periodic benefit cost and amounts recognized in the statements of financial position are as follows:

	<u>2024</u>	<u>2023</u>
Year-end benefit obligation		
Discount rate	5.29%	4.89%
Net periodic benefit cost		
Discount rate	4.89%	4.38%

Based on the current funding level, the College anticipates making a contribution for fiscal year 2025 to the plan in the amount of \$1,340,276.

The estimated future benefit payments from the postretirement health insurance plan for the fiscal years ended June 30 are as follows:

2025	\$ 1,340,276
2026	1,405,274
2027	1,466,315
2028	1,516,700
2029	1,566,371
Next five years	<u>8,332,075</u>
	<u>\$ 15,627,011</u>

Assumed healthcare cost trend rates have a significant effect on the amounts reported for the postretirement benefit plan. Assumed health care cost trends are 6.48% and 6.88% as of June 30, 2024 and 2023, respectively, decreasing annually to an ultimate trend rate of 4.00% by 2048.

NOTE 13 - STUDENT TUITION, FEES, ROOM AND BOARD, NET

The College has various revenue streams that revolve mainly around student enrollment and instruction. Revenue is generated mainly through tuition, housing and meals and various fees associated with enrollment in the College. Generally, enrollment and instructional services are billed when a course or term begins, and paid within 30 days of the bill date.

Revenue is also generated through late fees and payment plan fees for tuition payments, as well as from various parking facilities and vending machines across campuses. Generally, this other fees revenue is recognized when the fee is charged to the student, which coincides with the completion of the specific performance obligation to the student.

In the following table, revenue is disaggregated by type of service provided:

	<u>For the year ended June 30, 2024</u>		
	<u>Tuition and Fees</u>	<u>Room and Board</u>	<u>Total</u>
Revenues	\$ 172,049,220	\$ 40,995,732	\$ 213,044,952
Less: Student aid	<u>(58,581,159)</u>	<u>(13,958,665)</u>	<u>(72,539,824)</u>
Student tuition, fees, room and board, net	<u>\$ 113,468,061</u>	<u>\$ 27,037,067</u>	<u>\$ 140,505,128</u>

Vassar College

NOTES TO FINANCIAL STATEMENTS - CONTINUED

June 30, 2024 and 2023

	For the year ended June 30, 2023		
	Tuition and Fees	Room and Board	Total
Revenues	\$ 163,984,191	\$ 39,546,519	\$ 203,530,710
Less: Student aid	(55,685,251)	(13,429,087)	(69,114,338)
Student tuition, fees, room and board, net	<u>\$ 108,298,940</u>	<u>\$ 26,117,432</u>	<u>\$ 134,416,372</u>

The College has taken a portfolio approach in determining whether student aid should apply across tuition and fees, housing, and meals. In general, the College awards student aid based on the students expected ability to contribute toward the total cost of attendance including tuition, fees, room and board, and other expenses. Accordingly, student aid has been applied against all student services revenues.

Deferred revenue at June 30, 2024 and 2023 totaled \$1,763,826 and \$2,025,144, respectively, and represents the College's performance obligation to transfer future enrollment and instructional services to students. For the years ended June 30, 2024 and 2023, the College recognized revenue of \$2,025,144 and \$2,691,029, respectively, from amounts that were included in deferred revenues at the beginning of each fiscal year. The changes in deferred revenues were caused by normal timing differences between the satisfaction of performance obligations and customer payments.

The College has elected, as a practical expedient, not to disclose additional information about unsatisfied performance obligations for contracts with customers that have an expected duration of one year or less.

NOTE 14 - RESTRICTED NET ASSETS AND NET ASSETS RELEASED FROM RESTRICTIONS

The College's donor-restricted net assets consist of the following at June 30:

	2024		2023	
	Program and Time Restrictions	Amounts Held in Perpetuity	Program and Time Restrictions	Amounts Held in Perpetuity
Instruction	\$ 254,642,307	\$ 127,644,063	\$ 243,563,607	\$ 121,570,441
Scholarships	269,241,446	205,749,829	257,174,414	202,754,513
Student services	30,330,925	20,446,444	28,889,211	19,330,819
Academic support	50,110,632	30,426,559	47,242,037	30,079,914
Institutional support	32,579,146	100,431,571	33,252,342	79,639,584
Other	25,409,898	9,761,322	31,498,417	9,541,180
Annuities and trusts	1,393,100	12,954,882	1,101,023	12,231,488
Pledges	11,214,914	6,139,235	9,584,987	2,805,972
Total	<u>\$ 674,922,368</u>	<u>\$ 513,553,904</u>	<u>\$ 652,306,038</u>	<u>\$ 477,953,911</u>

Net assets with donor restrictions at June 30, 2024 and 2023 includes \$616,397,833 and \$585,558,389, respectively, of appreciation on donor-restricted endowment funds available principally to support instruction, scholarships, student services, academic support, and institutional support costs.

Vassar College

NOTES TO FINANCIAL STATEMENTS - CONTINUED

June 30, 2024 and 2023

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

	2024	2023
Instruction	\$ 18,934,318	\$ 17,349,018
Scholarships	22,339,682	20,433,005
Student services	2,085,883	1,823,223
Academic support	4,158,613	3,465,430
Institutional support	4,323,587	1,673,979
Other	21,918,056	21,680,853
	<u>\$ 73,760,139</u>	<u>\$ 66,425,508</u>

NOTE 15 - LEASES

The College leases a commercial space adjacent to the College and rents to local businesses. The related ROU asset, net of accumulated depreciation, totaled \$2,770,156 and \$2,856,723 at June 30, 2024 and 2023, respectively, and is reported under the caption land, buildings, and equipment, net, on the statement of financial position. The College also leases office equipment for academic, and administrative purposes under operating leases expiring at various dates through 2027. Operating leases are not reflected on the statements of financial position as they did not meet the College's criteria for capitalization.

	2024	2023
Components of lease cost		
Operating lease cost	\$ 192,080	\$ 501,192
Finance lease cost		
Amortization of ROU assets	354,719	86,567
Interest on lease liabilities	295,441	167,447
Total finance lease cost	<u>650,160</u>	<u>254,014</u>
Total lease cost	<u>\$ 842,240</u>	<u>\$ 755,206</u>
Supplemental cash flow information related to leases:	2024	2023
Cash paid for amounts included in the measurement of lease liabilities:		
Operating cash flows from operating leases	\$ -	\$ -
Operating cash flows from finance leases	488,865	177,097
Financing cash flows from finance leases	193,424	9,651

For the years ended June 30, 2024 and 2023, there were no operating or finance leases obtained in exchange for lease obligations.

Vassar College

NOTES TO FINANCIAL STATEMENTS - CONTINUED

June 30, 2024 and 2023

At June 30, 2024 and 2023, finance lease ROU assets, included in land, building and equipment on the statements of financial position, and finance lease liabilities follows:

	<u>2024</u>	<u>2023</u>
ROU assets	\$ 4,241,801	\$ 4,241,801
Accumulated amortization	<u>(1,471,645)</u>	<u>(1,385,078)</u>
Total	<u>\$ 2,770,156</u>	<u>\$ 2,856,723</u>
Lease liabilities	<u>\$ 3,794,254</u>	<u>\$ 3,807,018</u>
Weighted average remaining lease term:	33 years	34 years
Weighted average discount rate:	4.35%	4.35%
<u>Fiscal year ending June 30,</u>		
2025		\$ 182,450
2026		185,186
2027		187,964
2028		190,784
2029		193,645
Thereafter		<u>6,629,341</u>
		7,569,370
Less: amount relating to discount		<u>(3,775,115)</u>
Financing lease liability		<u>\$ 3,794,254</u>

Operating Leases

At June 30, 2024, minimum annual commitments under operating leases not reflected on the 2024 statement of financial position are as follows:

<u>Fiscal year ending June 30,</u>		
2025	\$	113,323
2026		79,810
2027		48,436
2028		<u>-</u>
	<u>\$</u>	<u>241,569</u>

The College is subject to various litigation incidental to its business activities. Management and its counsel believe that existing insurance policies are sufficient and that pending litigation will not have a material adverse effect on the College's financial position, changes in net assets or cash flows.

A provision for amounts due to government agencies for costs which may be disallowed upon examination by government auditors has not been included in the accompanying financial statements. Management believes that the effect of such disallowances, if any, would not have a material effect on the financial position, changes in net assets or cash flows of the College.

Vassar College

NOTES TO FINANCIAL STATEMENTS - CONTINUED

June 30, 2024 and 2023

NOTE 16 - NATURAL CLASSIFICATION OF EXPENSES

Operating expenses presented by natural classification are as follows for the fiscal year ended June 30, 2024:

	Instruction	Research	Academic Support	Student Services	Institutional Support	Auxiliary Enterprise	Operations and Maintenance	2024 Total
Salaries and wages	\$ 41,551,956	\$ 1,023,113	\$ 15,888,044	\$ 12,296,238	\$ 16,092,022	\$ 6,138,304	\$ 11,226,434	\$ 104,216,111
Payroll taxes and fringe benefits	14,295,730	217,280	5,391,608	3,953,802	5,667,871	7,560,761	5,644,714	42,731,766
Depreciation, accretion and amortization	6,511,128	258,104	2,924,308	2,518,101	3,339,311	2,437,926	-	17,988,878
Interest	4,065,992	161,178	1,954,589	1,572,474	2,099,060	1,544,374	-	11,397,667
Utilities	1,899,519	75,246	855,042	740,355	977,414	864,643	-	5,412,219
Professional service fees	834,449	67,291	1,233,000	1,448,691	3,161,069	8,051,764	2,549,141	17,345,405
Conferences meetings and travel	1,269,178	217,860	1,472,441	1,976,148	2,640,047	143,689	289,384	8,008,747
Information technology	57,644	1,247	3,014,668	224,992	135,812	60,169	424,851	3,919,383
Other operating	6,118,043	1,015,266	1,801,107	4,900,537	5,191,422	2,056,158	4,465,208	25,547,740
Operations and maintenance	8,903,947	352,957	3,998,982	3,443,495	4,566,497	3,333,854	(24,599,732)	-
Total operating expenses	<u>\$ 85,507,585</u>	<u>\$ 3,389,542</u>	<u>\$ 38,533,789</u>	<u>\$ 33,074,833</u>	<u>\$ 43,870,525</u>	<u>\$ 32,191,642</u>	<u>\$ -</u>	<u>\$ 236,567,916</u>

Operating expenses presented by natural classification are as follows for the fiscal year ended June 30, 2023:

	Instruction	Research	Academic Support	Student Services	Institutional Support	Auxiliary Enterprise	Operations and Maintenance	2023 Total
Salaries and wages	\$ 39,107,237	\$ 876,823	\$ 16,822,947	\$ 10,535,926	\$ 14,894,767	\$ 6,043,301	\$ 10,045,903	\$ 98,326,904
Payroll taxes and fringe benefits	14,129,997	215,595	4,348,152	3,629,572	5,155,214	8,261,584	5,233,926	40,974,040
Depreciation, accretion and amortization	6,695,910	259,710	3,042,587	2,453,983	2,851,297	2,663,462	-	17,966,949
Interest	4,522,128	175,397	2,066,578	1,657,314	2,432,275	1,823,593	-	12,677,285
Utilities	1,646,497	63,859	755,771	603,617	884,037	763,343	-	4,717,124
Professional service fees	779,528	80,643	1,434,267	1,532,847	3,627,106	7,967,637	1,466,751	16,888,779
Conferences meetings and travel	988,665	250,028	1,029,546	1,811,558	3,176,794	74,073	211,928	7,542,592
Information technology	67,772	2,787	2,970,191	195,399	173,393	23,450	138,396	3,571,388
Other operating	5,283,662	904,724	697,694	4,315,684	5,258,490	1,530,599	4,998,908	22,989,761
Operations and maintenance	7,908,290	306,734	3,593,486	2,898,308	4,243,280	3,145,714	(22,095,812)	-
Total operating expenses	<u>\$ 81,129,685</u>	<u>\$ 3,136,300</u>	<u>\$ 36,761,219</u>	<u>\$ 29,634,209</u>	<u>\$ 42,696,653</u>	<u>\$ 32,296,756</u>	<u>\$ -</u>	<u>\$ 225,654,822</u>

Vassar College

NOTES TO FINANCIAL STATEMENTS - CONTINUED

June 30, 2024 and 2023

NOTE 17 - RELATED-PARTY TRANSACTIONS

Members of the College's Board of Trustees, Senior Management, and other employees may, from time to time, be associated, either directly or indirectly, with companies doing business with the College. The College has a written conflict of interest policy that requires, among other things, that no member of the Board of Trustees may participate in any decision in which he or she has a material financial interest. Each Trustee, Senior Manager, and employee who has the ability to spend or influence the spending of College or grant funds are required to certify compliance with the conflict of interest policy on an annual basis as well as disclose any potential related-party transactions to an authorized body of the College. When such a relationship exists, the College requires that such transactions be conducted at arms' length, with terms that are fair and reasonable to and for the benefit of the College. Senior Management and employees with the ability to spend or influence spending must also disclose significant financial interests in, or governance of employment or consulting relationships with, entities doing business with the College. When such relationships exist, measures are taken to appropriately manage the actual or perceived conflict in the best interest of the College. During the year ended June 30, 2024, except for contributions received from Trustees, the College did not enter into related party transactions.

NOTE 18 - SUBSEQUENT EVENTS

For purposes of determining the effects of subsequent events on these financial statements, management has evaluated events subsequent to June 30, 2024 and through October 25, 2024, the date on which the financial statements were issued.