

**UNIVERSITY OF DENVER**  
**SPECIAL-PURPOSE STATEMENT OF**  
**DEBT SERVICE COVERAGE RATIO**  
**YEAR ENDED JUNE 30, 2024**  
**(With Independent Auditors' Report Thereon)**



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## INDEPENDENT AUDITORS' REPORT

Board of Trustees  
University of Denver  
Denver, Colorado

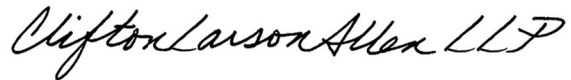
We have audited, in accordance with auditing standards generally accepted in the United States of America, the financial statements of University of Denver (the University), which comprise the statement of financial position as of June 30, 2024, and the related statements of activities and cash flows for the year then ended, and the related notes to the financial statements, and have issued our report thereon dated November 21, 2024.

In connection with our audit, nothing came to our attention that caused us to believe that the University failed to comply with the terms of the Debt Service Coverage Ratio for the fiscal year ended June 30, 2024 as required by Section 8.9 of the Colorado Educational and Cultural Facilities Authority (CECFA) Refunding Revenue Bonds Series 2007 loan agreement dated December 14, 2006; and Section 8.9 of the CECFA Revenue Bonds Series 2013 loan agreement dated February 1, 2013; Section 8.4 of the CECFA Revenue Bonds Series 2017A loan agreement dated June 1, 2017 and Section 8.4 of the CECFA Revenue Bonds Series 2017B loan agreement dated June 1, 2017; Section 8.8 of the CECFA Revenue Bonds Series 2021 loan agreement dated February 26, 2021, insofar as they relate to accounting matters. All of the loan agreements are between the CECFA and the University of Denver and various trustees. These computations are defined in Section 1.1 of the loan agreements between the University and applicable trustees. However, our audit was not directed primarily toward obtaining knowledge of such noncompliance. Accordingly, had we performed additional procedures, other matters may have come to our attention regarding the University's noncompliance with the above-referenced terms of the Indenture, insofar as they relate to accounting matters.

Our audit was performed for the purpose of forming an opinion on the financial statements as a whole. The accompanying statement of Debt Service Coverage Ratio is presented for the purposes of additional analysis and is not a required part of the financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the financial statements as a whole.

Board of Trustees  
University of Denver

This report is intended solely for the information and use of the board of trustees, the audit committee, University management, Colorado Educational and Cultural Facilities Authority, UMB Bank, Bank of New York Trust Company, United Missouri Bank, MBIA Insurance Corporation, AMBAC Insurance Corporation, Financial Guaranty Insurance Company, and PNC Bank and is not intended to be, and should not be, used by anyone other than these specified parties.

A handwritten signature in black ink that reads "CliftonLarsonAllen LLP". The script is cursive and fluid, with the letters connected in a continuous line.

**CliftonLarsonAllen LLP**

Denver, Colorado  
November 21, 2024

**UNIVERSITY OF DENVER**  
**SPECIAL-PURPOSE STATEMENT OF DEBT SERVICE COVERAGE RATIO**  
**YEAR ENDED JUNE 30, 2024**  
**(SEE INDEPENDENT AUDITORS' REPORT)**

Total Revenue from Unrestricted Operations, as Defined	\$ 600,860,073
Total Expenses from Unrestricted Operations, as Defined	<u>554,688,939</u>
Net Income Available for Debt Service, as Defined	<u>\$ 46,171,134</u>
Maximum Annual Debt Service	\$ 20,162,850
Debt Service Coverage Ratio	2.29

*See accompanying Notes to Special-Purpose Statement of Debt Service Coverage Ratio.*

**UNIVERSITY OF DENVER**  
**NOTES TO SPECIAL-PURPOSE STATEMENT OF DEBT SERVICE COVERAGE RATIO**  
**YEAR ENDED JUNE 30, 2024**

**(1) Basis of Presentation**

The accompanying special-purpose statement of debt service coverage ratio of the University of Denver (the University) for the year ended June 30, 2024, is presented in accordance with Section 8.9 of the Colorado Educational and Cultural Facilities Authority (CECFA) Refunding Revenue Bonds Series 2007 loan agreement dated December 14, 2006; and Section 8.9 of the CECFA Revenue Bonds Series 2013 loan agreement dated February 1, 2013; Section 8.4 of the CECFA Revenue Bonds Series 2017A loan agreement dated June 1, 2017 and Section 8.4 of the CECFA Revenue Bonds Series 2017B loan agreement dated June 1, 2017; Section 8.8 of the CECFA Revenue Bonds Series 2021 loan agreement dated February 26, 2021, (collectively referred to as the Loan Agreements), which is a basis of presentation other than U.S. generally accepted accounting principles.

**(2) Summary of Key Terminology**

***(a) Net Income Available for Debt Service***

Net income available for debt service is the excess of all unrestricted operations revenue of the University over related expenses as defined in the Loan Agreements. The Loan Agreements exclude depreciation and amortization, interest expense related to certain long-term debt, expenses made to the extent specifically restricted by a donor to a particular purpose, which are not available for payment of debt service, and operation and maintenance expenses from the definition of expenses. In addition, as outlined in the respective Official Statements (when applicable), the University has removed expenditures from Designated Funds which represent amounts transferred by the Board of Trustees from unrestricted current funds in one year for specific future operating purposes.

The Loan Agreements exclude revenue from restricted gifts and the related income from the definition of revenue. Furthermore, no determination of net income available for debt service shall take into account any revenue or expense of an affiliate or any gain or loss resulting from either the extinguishment of debt or the sale, exchange, or other disposition of capital assets not in the ordinary course of business. All revenue and expenses are to be determined in accordance with consistently applied U.S. generally accepted accounting principles in effect on the date of the issuance of the bonds, except as noted in this paragraph.

The University maintains its accounts in accordance with the principles of fund accounting. Resources for various purposes are classified into funds that are in accordance with activities or objectives specified by donors. Separate accounts are maintained for each fund. For financial reporting purposes, resources are classified into net asset categories according to the existence or absence of donor-imposed restrictions.

**UNIVERSITY OF DENVER**  
**NOTES TO SPECIAL-PURPOSE STATEMENT OF DEBT SERVICE COVERAGE RATIO**  
**YEAR ENDED JUNE 30, 2024**

**(2) Summary of Key Terminology (Continued)**

**(b) *Maximum Annual Debt Service***

Based on the Loan Agreements, the maximum annual debt service is, as of the date of the calculation, the highest principal and interest payment requirements of the bonds related to the Loan Agreements for any succeeding fiscal year, excluding the amount of interest which will be paid from proceeds deposited with a trustee for such purpose.

**(c) *Debt Service Coverage Ratio***

The debt service coverage ratio, as defined in the Loan Agreements, represents the ratio of the net income available for debt service to the maximum annual debt service. The minimum ratio required by the Loan Agreements is 1.15.

