

## 2023/2024 ANNUAL INFORMATION

### JOHN CARROLL UNIVERSITY

#### Description of the University

John Carroll University (the “University” or “John Carroll”), an Ohio nonprofit corporation, is a Catholic, Jesuit University dedicated to developing women and men with the knowledge and character to lead and to serve. Founded in 1886 by the Society of Jesus (the “Jesuits”), the University is one of 27 Jesuit universities in the United States and is well known for its academic excellence as evidenced by more than 30 straight years of Top Rankings from the *U.S. News & World Report*. Degree programs through the College of Arts and Sciences and the Boler College of Business are offered in 43 major fields in the arts, social sciences, natural sciences, and business at the undergraduate level, and in 22 selected areas at the master’s level.

The University offers undergraduate and master’s degree programs and full- or part-time scheduling opportunities for the convenience of its students. In the Fall of 2023, total full-time equivalent undergraduate and graduate enrollment at the University was 2,685 students, of which 2,287 were undergraduate students.

Twenty-seven buildings on 65 landscaped acres make up the University Heights campus located approximately 10 miles east of downtown Cleveland, Ohio. As its primary mission, the University provides rigorous academic programs with a solid liberal arts foundation, and is committed to instructional excellence, faculty research and community service. The University is recognized for excellent retention and graduation rates with 85% of freshmen returning as sophomores and 69% of undergrads receiving their bachelor’s degrees in four years, compared with 58% for other four-year private schools nationwide, and 45% for four-year public schools (*Source: National Center for Education Statistics*).

The University earned the #3 spot in the *U.S. News & World Report*’s Best Colleges Rankings for 2024 among “Best Regional Universities in the Midwest”.

The University was listed in The Princeton Review’s “Best in the Midwest” in 2024.

John Carroll’s Boler College of Business was ranked top in the nation by the Bloomberg Businessweek’s “Best Undergraduate Business Schools” Employer Survey for ensuring career readiness. The Boler College of Business maintains dual AACSB accreditation in business and accounting, a distinction earned by less than 20% of institutions in the United States.

Students from the Kramer School of Accountancy and Information Sciences in the Boler College of Business who sat for the 2019 CPA Exam earned the top pass rate in Ohio and ranked 27th nationally based on first time test takers. John Carroll students had the highest pass rate in Ohio in four out of the last five years.

The University is accredited by the Higher Learning Commission of the North Central Association (230 South LaSalle Street, Suite 7-500, Chicago, Illinois 60604; telephone: (800) 621-7440; ([www.ncahlc.org](http://www.ncahlc.org)).

## **Faculty and Employees**

The University has approximately 143 full-time faculty members (45% of which are female); 73% have tenure, and 98% hold doctoral or terminal degrees (excluding librarians and administrators who hold faculty rank). The University employs 135 part-time faculty members and 52 graduate assistants. The student-faculty ratio is currently 13 to 1.

The University believes that it provides a competitive compensation program for faculty and can attract and retain educators with outstanding qualifications. The University offers a competitive benefits package and has a practice of benchmarking compensation, benefits, and staffing levels with the Midwest, Private, and Custom peer groups with data provided by the College and University Professional Association for Human Resources (CUPA-HR).

As of the fall 2024 term, the University had approximately 449 full-time and 202 part-time employees, including faculty. The employees of the University are not represented by a union. The University believes that its employee relations remain positive.

## **Enrollment**

Total full-time equivalent (FTE) undergraduate enrollment at the University was 2,287 for the 2023 Fall Semester. There are only a small number of part-time students.

As depicted in the next table, full-time equivalent enrollment at the University (a combination of full-time, part-time, undergraduate and graduate student enrollments, related to full-time equivalent credit hour load) has decreased over the last ten years (3,524 during the 2015-16 academic year compared to 2,685 for 2023-24.) The total full-time equivalent enrollment is projected to approximate 2,869 in academic year 2024-25.

The University's primary commitment is to the education of full-time undergraduate students. Approximately 90% of the University's tuition revenue is derived from undergraduate full-time students. On average, 73% of the University's entering freshmen graduate from the University within four years.

The following table shows full-time (FT) undergraduate enrollment and full-time equivalent (FTE) enrollment for the past ten academic years.

<u>Academic Year</u>	<u>FTE Undergraduate Enrollment</u>	<u>FTE Total Enrollment</u>
2015-16	3,137	3,524
2016-17	3,099	3,505
2017-18	2,995	3,302
2018-19	3,031	3,401
2019-20	2,945	3,324
2020-21	2,775	3,199
2021-22	2,615	3,040
2022-23	2,373	2,777
2023-24	2,287	2,685

The University's projected full-time undergraduate enrollment for the next five academic years is approximately 3,000 for each of those years. To assure stable enrollment, the enrollment division has implemented more strategic recruitment strategies locally and nationally and is working to better target the University's merit- and need-based financial aid budget to students more likely to enroll. Further, new admission recruitment strategies are being developed, focusing on out of state students. Moreover, new majors such as Nursing, Public Health, Neuroscience, and a 3+2 program in Psychology and Applied Behavioral Analysis are being offered. A new College of Health has launched and has become a regional thought-leader in the future of the healthcare industry.

Outside of the academic programs, the University's renewed focus on internship placements for its students is timely for the focus on careers and outcomes that families expect. Renovation to the University's residence halls, Exercise Science labs, Student Center and the construction of the new Athletic Wellness and Events Center are adding spaces to campus that support the student experience. John Carroll University's move to the North Coast Athletic Conference puts the institution alongside stronger academic brands such as Denison, Kenyon, and Oberlin and positions JCU athletics to recruit on elite academic outcomes with championship athletic programs.

The University strives to meet enrollment goals through a strong recruitment program that includes an extensive direct mail program, ongoing market research, segmented marketing and personalized recruitment strategies, as well as a well-organized Alumni-in-Admissions Volunteer Program. A new National Recruitment Team has formed, where recruiters live and work in expansion markets as neighbors to students and their influencers. This team is slated to grow from 4 to 7 or more in the coming years.

The following table shows the number of applications received, the number accepted for admission, the size of the entering freshman class, and the enrollment yield percentage of the accepted applicants.

<u>Academic Year</u>	<u>Applicants</u>	<u>Accepted</u>	<u>% Accepted</u>	<u>Entering Class Size</u>	<u>% Enrolled</u>
2019-20	3,782	3,265	86	725	22
2020-21	3,610	3,171	88	631	20
2021-22	3,817	3,363	88	586	17
2022-23	4,310	3,550	82	566	16
2023-24	4238	3437	81	556	16

\*All values are as of 7/1 each cycle

The University participates in *The Common Application*, allowing prospective students to submit an on-line admission application to the University as well as any one of the over 500-member institutions. As of 2024-25, the University is now also a member of the Coalition for College, accepting applications alongside a smaller peer set that commit to affordability, access, strong outcomes, and quality in higher education.

Recent entering freshman classes have been consistent in academic quality with an average entering grade point average of 3.74 on a 4.0 scale for the entering fall 2023 class. 69% of the freshman class was from the state of Ohio and 31% came from out of state. 59% of the freshman class came from Northeast Ohio.

As with most Midwest private colleges and universities, the University is likely to continue to face increasing competition for students. Therefore, the University cannot provide any assurances that the existing demand for its educational program will continue. This is why JCU strives to increase market share in Ohio and to build enrollment headcount from out-of-state. In the next eight years, JCU strives to grow headcount and student mix to 50% of the student body coming from outside Ohio. Significant decreases in the enrollment could adversely affect the University's financial position.

### **Tuition, Fees and Room and Board**

The University meets the costs of its operations primarily through tuition, room and board fees, gifts and grants, and endowment income. Over 90% of the University's annual operating costs, including amounts paid with University funds in the form of financial assistance (see **Financial Aid** section), are met through tuition and room and board fees.

The tuition and fee charges of the University are set at levels that typically provide less than what is required to fully fund the actual costs of operation. A portion of unrestricted gifts and grants received from businesses, friends and alumni of the University is used to offset the difference between operating revenues and operating expenses.

The following table sets forth the tuition as well as room and board charges per student by the University and the total revenue from tuition and room and board (before scholarships and grants) for the University for the most recent five fiscal years, including the current fiscal year.

<b><u>Fiscal Year</u></b>	<b><u>Tuition</u></b>	<b><u>Room &amp; Board</u></b>	<b><u>Total Tuition Room &amp; Board</u></b>	<b><u>Fees</u></b>	<b><u>Total Revenue from Tuition, Room &amp; Board &amp; fees (in thousands)</u></b>
2019-20	41,230	12,232	53,462	1,680	144,040
2020-21	42,674	12,560	55,234	1,730	131,904
2021-22	43,740	12,876	56,616	1,774	138,696
2022-23	45,490	13,200	58,690	1,800	131,285
2023-24	47,300	14,160	61,460	1,800	130,794
2024-25	48,700	14,520	63,220	1,800	139,600 (projected)

The University believes that it will be necessary to modestly increase tuition and fees each year during the foreseeable future. Substantial increases in tuition and fees may diminish the University's ability to maintain its specific enrollment objectives.

The following table compares the tuition and fees charged by the University in the current academic year to other private universities and colleges with full-time undergraduate enrollment of over 1,000 students, with which the University competes for students.

<b><u>Name</u></b>	<b><u>2024-25 Tuition and fees</u></b>	<b><u>Name</u></b>	<b><u>2024-25 Tuition and fees</u></b>
Kenyon College	\$ 71,196	Capital University	\$ 42,744
Denison University	67,000	University of Findlay	42,490
Oberlin College	66,410	Marietta College	39,652
Case Western Reserve Univ	66,020	Ohio Northern University	38,250
University of Notre Dame	65,025	Baldwin Wallace University	39,832
College of Wooster	61,640	University of Mount Union	36,600
Saint Louis University	54,760	Mount St. Joseph University (OH)	38,150
Ohio Wesleyan University	53,264	Otterbein University	35,548
Loyola University of Chicago	52,230	Heidelberg University	33,650
<b>John Carroll University</b>	50,500	Muskingum University	32,390
Xavier University	50,410	Wilmington College	32,082
Marquette University	50,070	University of Detroit Mercy	32,946
University of Dayton	49,140	Ashland University	31,210
Creighton University	48,856	Wheeling University	29,690
Wittenberg University	45,376	Hiram College	27,100

Source: *U.S. News & World Report*, America's Best Colleges 2025, September 2024.

John Carroll University is a residential campus with a capacity of 1549 active beds (a residence hall was torn down due to other campus renovations) for the 2023-2024 academic year. Students of a traditional age who entered John Carroll in the Fall of 2022 are required to live in

university-sponsored housing for their first three years at John Carroll University. Students of a traditional age who entered John Carroll in the Fall of 2023 are required to live in university-sponsored housing for four years. The four-year residential experience and requirement to live in university-sponsored housing will apply to all students of a traditional age who enter John Carroll University beginning Fall 2023 forward. There is a percentage of students who are designated as commuters and who meet the requirement of commuting from the permanent and primary residence of their parent or guardian that is within 35 miles of the campus. There are currently seven residence halls, five residential houses, and seven duplexes (each with two units) available to students. Aggregate occupancy levels for the last five academic years are shown below.

<u>Academic Year</u>	<u>Occupancy %</u>
2019-20	97
2020-21	65
2021-22	82
2022-23	81
2023-24	76

## **Financial Aid**

All socioeconomic groups are represented in the student population of the University. Thus, the University's financial aid policy seeks to address the financial need of all students, utilizing the Free Application for Federal Student Aid (FAFSA). The University also maintains a portion of its own scholarship funds for those students demonstrating strong academic potential and demonstrated financial need.

Financial aid for students is provided in the form of scholarships, grants, loans, gifts and on-campus employment. The total amount of aid received by students in 2023-2024 was \$86,860,671. The following table lists the sources of this aid.

<u>Source of Aid</u>	<u>Amount of Aid</u>	<u>% of Total</u>
University scholarships/grants	\$63,940,990	73.6%
Federally funded loans:		
Stafford-subsidized	3,660,735	4.2
Stafford-unsubsidized	8,192,353	9.4
Plus	5,008,031	5.7
Federal/state grants	4,334,515	4.9
Student employment	693,486	.79
Outside scholarships	1,030,561	1.1

There is no assurance that the current level of federal, state or University assistance will be maintained in future years. Any change in the availability of financial aid from these sources could affect the University's ability to attract students from all socioeconomic groups.

Because federal and state funding is subject to outside control, the University continues to increase its commitment to providing financial aid support for students. Funding from both the annual unrestricted current and endowed budgets has markedly increased over the last several years. The University intends to stabilize the amount of aid it offers in the foreseeable future.

## **Gifts, Grants and Bequests**

The University annually solicits gifts, grants and bequests for both current operating purposes and other needs. Sources of support include alumni, parents, friends, agencies of the federal government, private foundations and corporations. The following table sets forth the value of gifts, grants and bequests collected by the University for the last five fiscal years.

<b><u>FY</u></b>	<b><u>Carroll Fund</u></b>	<b><u>Endowment</u></b>	<b><u>Restricted Operating</u></b>	<b><u>Grand Total</u></b>
2020	\$1,816,692	\$4,133,759	\$5,958,074	\$11,908,525
2021	\$2,719,613	\$3,428,065	\$6,196,432	\$12,344,110
2022	\$2,084,766	\$7,215,051	\$5,224,004	\$14,523,821
2023	\$2,119,511	\$3,039,426	\$9,957,116	\$15,116,053
2024	\$2,491,176	\$4,403,955	\$10,033,903	\$16,929,034

The University has been the beneficiary of substantial gifts and grants from national and local foundations and from corporate donors in support of capital projects, current operations and new programs.

The following table provides a five-year review of total cash received in gifts and grants from these sources.

<b><u>Fiscal Year</u></b>	<b><u>Total Gifts &amp; Grants from Foundations &amp; Corporations</u></b>
2019-20	\$2,725,406
2020-21	\$3,595,467
2021-22	\$2,615,681
2022-23	\$2,646,863
2023-24	\$3,303,633

There is no assurance that the amount of gifts, grants and bequests received by the University will remain stable or increase in the future. Future economic and other conditions, and actions by the federal government, including changes in regulations affecting the tax treatment of such contributions, may affect the level of giving in the future.

## **Endowment Funds**

Effective June 1, 2009, Ohio's version of the Uniform Prudent Management of Institutional Funds Act (UPMIFA) was enacted to update and replace Ohio's previous law, the Uniform Management of Institutional Funds Act. The University adopted the application of UPMIFA as of June 1, 2009. See Notes to the audited financial statements.

The University's Endowment Funds and other similar funds include:

(1) Endowment Funds, which are restricted by the donor as to the use of principal and income.

(2) Quasi-Endowment Funds, which are unrestricted as to use, but designated as such by the University (a) to fulfill the donor's wishes, implied but not stipulated as a condition of the gift, or (b) to hold for a time, using only the income currently.

(3) Annuity and Life Income Funds, which include annuities and life income funds that are subject to the conditions of gift instruments. Those funds include assets donated to the University through deferred gift agreements (annuity and life income contracts). The assets received under these agreements pass to the University at the time of the death of the annuitant or life-income beneficiary.

(4) Undistributed net profit from transactions in pooled securities.

Investments in the endowment and quasi-endowment funds are pooled into one professionally managed investment portfolio. Realized gains from transactions in that pooled portfolio are not distributed to the individual funds, but remain in the fund called "Undistributed Net Profit from Transactions in Pooled Securities." Assets resulting from these gains remain in the pooled portfolio and contribute to the amount of income earned. Income available for use in the individual funds is limited to the University's board approved spending rate, which in fiscal year 2023-24 was 5.00% of the most recent three years' average market value. In addition, the Board can authorize additional appropriations to fund certain strategic initiatives. For 2024, the John Carroll Board of Directors approved a supplemental draw from the board-designated endowment in the amount of \$2,500,000 to support the University's strategic growth initiatives. The funds were used for the start-up and build-out of the new College of Health. The income that is available is distributed to the particular restricted endowment and unrestricted quasi-endowment funds on the basis of units, which are assigned to the individual funds when principal is received. Income not used as designated is added back to the market value of the endowment.

As of May 31, 2024, the market value of the restricted endowment funds was \$210,062,000, and the market value of the quasi-endowment funds was \$76,417,000. The total endowment fund was \$286,479,000.

The endowment funds of the University are managed by various professional investment management firms selected by the Investment Committee of the Board. The table below sets forth the market value of the University's endowment fund assets as of the close of the last five fiscal years and the income generated from investment thereof and distributed in support of the University's operations. Income not used in operations is added back to the market value.

<b><u>Fiscal Year</u></b>	<b><u>Market Value (\$)</u></b>	<b><u>Income Distributed (\$)</u></b>
2019-20	228,660,000	10,907,000
2020-21	289,409,000	10,995,000
2021-22	271,248,000	11,238,000
2022-23	262,596,000	12,439,000
2023-24	286,479,000	15,667,000