

donor restrictions, unless their use is restricted by donor stipulations or by law. Investment returns earned by restricted donor funds are initially classified as net assets with donor restrictions and then reclassified to net assets without donor restrictions when expenses are appropriated or incurred for their intended purpose. Expirations of donor restrictions on net assets are reported as reclassifications from net assets with donor restrictions to net assets without donor restrictions and appear as “Net assets released from restrictions” and “Non-operating net assets released from restrictions” in the *Consolidated Statements of Changes in Net Assets*.

Liquidity and availability

As part of the University’s liquidity management, it has a policy to structure its financial assets to be available as its general expenditures, liabilities and other obligations come due. A significant portion of the University’s annual expenditures are funded by operating revenues in the current year including student income, sponsored support, endowment returns made available for operations, gifts for current use and other revenues.

The University’s financial assets available within one year of the balance sheet date for general expenditure, such as operating expenses, scheduled principal payments on debt, and capital construction costs not financed with debt, are as follows (in thousands):

	June 30,	
	2024	2023
FINANCIAL ASSETS		
Cash and cash equivalents	\$ 162,879	\$ 245,589
Receivables, net	370,979	349,271
Pledge receivables due in one year	407,852	459,286
Cash and short-term investments held separately by General Operating Account (GOA) ¹	2,030,830	1,418,472
Endowment returns made available for operations in the following year	2,767,274	2,649,533
TOTAL FINANCIAL ASSETS AVAILABLE WITHIN ONE YEAR	\$ 5,739,814	\$ 5,122,151
LIQUIDITY RESOURCES		
Credit facility, undrawn balance	1,500,000	1,500,000
Tax-exempt commercial paper, undrawn balance	1,000,000	975,000
Taxable commercial paper, undrawn balance	2,000,000	1,847,704
TOTAL FINANCIAL ASSETS AND LIQUIDITY RESOURCES AVAILABLE WITHIN ONE YEAR	\$ 10,239,814	\$ 9,444,855

¹ The University has a policy of maintaining liquidity outside of the General Investment Accounting (GIA) through a combination of cash equivalents and short-term investments.

Endowment and GOA returns liquidated from investments and made available for operations over the course of the fiscal year are distributed to University department and program budgets to spend, subject to donor restrictions where applicable.

While the University has no intention of doing so, there are additional investments held by the University and the endowment that could be liquidated in the event of an unexpected disruption. While a portion of the endowment is subject to donor restrictions, there was \$9.6 billion and \$9.2 billion in endowment funds without donor restrictions at June 30, 2024 and 2023, respectively, and \$6.1 billion and \$5.6 billion of General Operating Account investments (GOA) at June 30, 2024 and 2023, respectively, that could be accessed with the approval of the Corporation and subject to the redemption provisions described in *Note 3*.

Revenue recognition

Revenue is recognized when control of promised goods or services is transferred to customers, in an amount that reflects the consideration the University expects to be entitled to in exchange for those goods or services.

Student income is derived from degree programs as well as executive and continuing education programs and includes tuition, fees, and board and lodging. Student income is recognized ratably over the academic period of the course or program offered based on time elapsed, and scholarships awarded to students reduce the amount of revenue recognized. The University’s individual schools have various billing and academic cycles and the majority of our programs are completed within the fiscal year. Student income received in advance of services to be rendered is recorded as deferred revenue which totaled \$215.6 million and \$208.3 million at June 30, 2024 and 2023, respectively, which are primarily recognized in the subsequent fiscal year.