

**SAINT JOHN'S UNIVERSITY  
COLLEGEVILLE, MINNESOTA**

**FINANCIAL STATEMENTS**

**YEARS ENDED JUNE 30, 2019 AND 2018**



**SAINT JOHN'S UNIVERSITY  
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**SAINT JOHN'S UNIVERSITY  
HIGHLIGHTS  
YEARS ENDED JUNE 30, 2019 AND 2018**

	2019	2018
<b>Enrollment, Full-Time Equivalent Fall Semester</b>		
Fall FTE, St. John's University Total	1,726	1,779
Fall FTE, College of Arts and Sciences	1,655	1,712
Fall FTE, School of Theology	71	67
<b>Application, Acceptances, Enrollments and Graduates</b>		
Applications	1,421	1,461
Acceptances	1,241	1,315
Percent Accepted	87%	90%
Enrolled	398	465
Percent Enrolled to Accepted	32%	35%
ACT	25	25
Graduates, College of Arts and Sciences	382	382
Graduates, School of Theology	16	21
<b>Faculty and Staff</b>		
Total Employment (FTE)	507	494
# of Full-Time Faculty	129	131
Tenured Faculty	84	84
<b>Tuition and Fees</b>		
Tuition	\$ 44,184	\$ 42,574
Room (Average Room)	5,172	5,070
Board	5,148	5,046
Campus Center Fee	518	500
Technology Fee	288	282
Total	<u>\$ 55,310</u>	<u>\$ 53,472</u>
<b>Financial Aid</b>		
Grants/Scholarships:		
College	\$ 35,289,258	\$ 35,126,022
Endowment	3,925,580	3,537,931
Federal	2,105,395	2,060,623
State	2,481,410	2,303,294
Private	1,054,203	616,850
Total Grants/Scholarships	<u>44,855,846</u>	<u>43,644,720</u>
Loans	13,052,116	13,554,406
Student Employment	3,038,007	3,137,752
Total Financial Aid	<u>\$ 60,945,969</u>	<u>\$ 60,336,878</u>
Number of Students Receiving Financial Aid	<u>1,645</u>	<u>1,710</u>
<b>Endowment (at Market)</b>		
Without Donor Restriction	\$ 64,958,058	\$ 59,718,094
With Donor Restriction	143,779,589	137,047,811
Total	<u>\$ 208,737,647</u>	<u>\$ 196,765,905</u>
Total Return	<u>7.08%</u>	<u>9.82%</u>
<b>Gifts and Grants</b>		
Without Donor Restriction	\$ 9,228,441	\$ 7,162,121
With Donor Restriction	4,206,044	10,345,094
Total Gifts and Grants	<u>\$ 13,434,485</u>	<u>\$ 17,507,215</u>





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## INDEPENDENT AUDITORS' REPORT

Dr. Eugene McAllister, Interim President  
Saint John's University  
Collegeville, Minnesota

### ***Report on the Financial Statements***

We have audited the accompanying financial statements of Saint John's University (the University), which comprise the statements of financial position as of June 30, 2019 and 2018, and the related statements of activities and cash flows for the years then ended, and the related notes to the financial statements.

### ***Management's Responsibility for the Financial Statements***

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes 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.

### ***Auditors' Responsibility***

Our responsibility is to express an opinion on these financial statements based on our audits. We conducted our audits in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements 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 entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.





Dr. Eugene McAllister, Interim President  
Saint John's University

***Opinion***

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Saint John's University as of June 30, 2019 and 2018, 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.

*CliftonLarsonAllen LLP*

**CliftonLarsonAllen LLP**

St. Cloud, Minnesota  
October 23, 2019



**SAINT JOHN'S UNIVERSITY**  
**STATEMENTS OF FINANCIAL POSITION**  
**JUNE 30, 2019 AND 2018**

<b>ASSETS</b>	2019	2018
<b>ASSETS</b>		
Cash and cash equivalents	\$ 12,545,777	\$ 12,154,289
Student receivables, net	492,558	393,656
Contributions receivable, net	8,742,684	13,332,626
Unitrust, interest, and other receivables	3,074,342	3,233,689
Inventories and prepaid expenses	7,150,016	7,657,511
Student loans receivable, net	2,013,540	2,333,604
Investments	245,601,786	228,959,933
Property, plant, and equipment, net	149,002,180	151,229,084
Total Assets	428,622,883	419,294,392
<b>LIABILITIES AND NET ASSETS</b>		
<b>LIABILITIES</b>		
Accounts payable and accrued expenses	5,602,697	6,420,107
Deferred revenue	1,496,231	1,327,753
Funds held for others	239,763	199,667
Other liabilities	1,724,165	1,645,601
Annuities and unitrusts payable	5,349,818	5,599,675
Notes and bonds payable	33,258,815	36,621,193
Government grants repayable - Federal Perkins loan program	2,327,188	2,333,606
Total Liabilities	49,998,677	54,147,602
<b>NET ASSETS</b>		
Without Donor Restriction:		
Reserves, program funds, and undesignated	33,421,594	29,253,026
Board designated endow ment	64,958,058	59,718,094
Investment in property, plant and equipment	114,822,470	113,655,268
Annuities	3,326,686	3,559,015
Contributions receivable	149,717	257,038
Total Without Donor Restriction	216,678,525	206,442,441
With Donor Restriction:		
Purpose and time restrictions	5,022,248	4,228,274
Endow ment	143,779,589	137,047,811
Unitrusts and life insurance	4,550,878	4,352,679
Contributions receivable	8,592,966	13,075,585
Total With Donor Restriction	161,945,681	158,704,349
Total Net Assets	378,624,206	365,146,790
<b>TOTAL LIABILITIES AND NET ASSETS</b>	<b>\$ 428,622,883</b>	<b>\$ 419,294,392</b>

See accompanying Notes to Financial Statements.

**SAINT JOHN'S UNIVERSITY**  
**STATEMENTS OF ACTIVITIES**  
**YEAR ENDED JUNE 30, 2019**

	WITHOUT DONOR RESTRICTION	WITH DONOR RESTRICTION	TOTAL
<b>OPERATING ACTIVITIES</b>			
<b>OPERATING REVENUES</b>			
Tuition and fees	\$ 76,156,722	\$ -	\$ 76,156,722
Less: Funded scholarships and grants - restricted funds	(4,312,449)	-	(4,312,449)
Less: Funded scholarships and grants - quasi-endowments	(1,235,324)	-	(1,235,324)
Less: Unfunded scholarships and grants	(35,406,899)	-	(35,406,899)
Net tuition and fees	35,202,050	-	35,202,050
Government grants:			
Federal grants	638,724	296,847	935,571
State grants	279,401	1,078,545	1,357,946
Private gifts and grants	8,258,874	2,377,088	10,635,962
Other investment income	326,378	6,753	333,131
Investment return allocated for operations (draw)	7,838,650	175,805	8,014,455
Other sources	2,739,613	-	2,739,613
Sales and services of auxiliary enterprises:			
Residence halls	8,304,732	-	8,304,732
Food services	9,092,034	-	9,092,034
Other auxiliaries	3,389,187	-	3,389,187
	76,069,643	3,935,038	80,004,681
Net assets released from restrictions (Note 8)	4,641,713	(4,641,713)	-
Total Operating Revenues, Gains and Other Support	80,711,356	(706,675)	80,004,681
<b>OPERATING EXPENSES</b>			
Program expenses:			
Instruction	26,302,294	-	26,302,294
Academic support	10,270,128	-	10,270,128
Student services	10,429,703	-	10,429,703
Auxiliary enterprises			
Residence halls	4,220,819	-	4,220,819
Food services	7,535,319	-	7,535,319
Other auxiliaries	3,034,158	-	3,034,158
Support expenses:			
Institutional support	11,125,449	-	11,125,449
Other:			
Sponsored programs	2,467,694	-	2,467,694
Total Operating Expenses	75,385,564	-	75,385,564
<b>INCREASE (DECREASE) IN NET ASSETS FROM OPERATING ACTIVITIES</b>	5,325,792	(706,675)	4,619,117
<b>NONOPERATING ACTIVITIES</b>			
Long-term investment activities			
Endowment income	6,292,929	9,734,453	16,027,382
Less: Investment return allocated for operations (draw)	(2,570,394)	(5,444,061)	(8,014,455)
	3,722,535	4,290,392	8,012,927
Private gifts and grants	34,595	4,936,183	4,970,778
Other investment income	2,347	41,772	44,119
Change in contributions	(107,321)	(4,482,619)	(4,589,940)
Annuity and unitrust net gifts	124,168	-	124,168
Adjustment of actuarial liability	(603,211)	899,458	296,247
Gain (Loss) on extinguishment of debt	-	-	-
Reclassification of net assets	39,640	(39,640)	-
	(509,782)	1,355,154	845,372
Net assets released from restrictions (Note 8)	1,697,539	(1,697,539)	-
	1,187,757	(342,385)	845,372
<b>INCREASE (DECREASE) IN NET ASSETS FROM NONOPERATING ACTIVITIES</b>	4,910,292	3,948,007	8,858,299
<b>INCREASE (DECREASE) IN NET ASSETS</b>	10,236,084	3,241,332	13,477,416
Net Assets - Beginning of Year	206,442,441	158,704,349	365,146,790
<b>NET ASSETS - END OF YEAR</b>	\$ 216,678,525	\$ 161,945,681	\$ 378,624,206

See accompanying Notes to Financial Statements.

**SAINT JOHN'S UNIVERSITY  
STATEMENT OF ACTIVITIES  
YEAR ENDED JUNE 30, 2018**

	WITHOUT DONOR RESTRICTION	WITH DONOR RESTRICTION	TOTAL
<b>OPERATING ACTIVITIES</b>			
<b>OPERATING REVENUES</b>			
Tuition and fees	\$ 74,837,007	\$ -	\$ 74,837,007
Less: Funded scholarships and grants - restricted funds	(3,794,799)	-	(3,794,799)
Less: Funded scholarships and grants - quasi-endowments	(1,081,197)	-	(1,081,197)
Less: Unfunded scholarships and grants	<u>(35,237,990)</u>	-	<u>(35,237,990)</u>
Net tuition and fees	34,723,021	-	34,723,021
Government grants:			
Federal grants	715,264	215,654	930,918
State grants	132,859	113,646	246,505
Private gifts and grants	5,920,225	1,825,015	7,745,240
Other investment income	357,609	4,161	361,770
Investment return allocated for operations (draw)	7,968,218	194,795	8,163,013
Other sources	2,304,299	-	2,304,299
Sales and services of auxiliary enterprises:			
Residence halls	8,483,063	-	8,483,063
Food services	9,101,272	-	9,101,272
Other auxiliaries	<u>3,841,899</u>	-	<u>3,841,899</u>
	73,547,729	2,353,271	75,901,000
Net assets released from restrictions (Note 8)	<u>3,692,580</u>	<u>(3,692,580)</u>	<u>-</u>
Total Operating Revenues, Gains and Other Support	<u>77,240,309</u>	<u>(1,339,309)</u>	<u>75,901,000</u>
<b>OPERATING EXPENSES</b>			
Program expenses:			
Instruction	26,876,743	-	26,876,743
Academic support	9,103,004	-	9,103,004
Student services	10,248,264	-	10,248,264
Auxiliary enterprises			
Residence halls	4,179,547	-	4,179,547
Food services	7,310,270	-	7,310,270
Other auxiliaries	3,150,758	-	3,150,758
Support expenses:			
Institutional support	12,105,726	-	12,105,726
Other:			
Sponsored programs	<u>2,350,265</u>	-	<u>2,350,265</u>
Total Operating Expenses	<u>75,324,577</u>	<u>-</u>	<u>75,324,577</u>
<b>INCREASE (DECREASE) IN NET ASSETS FROM OPERATING ACTIVITIES</b>	<u>1,915,732</u>	<u>(1,339,309)</u>	<u>576,423</u>
<b>NONOPERATING ACTIVITIES</b>			
Long-term investment activities			
Endowment income	7,944,336	12,454,689	20,399,025
Less: Investment return allocated for operations (draw)	<u>(3,062,912)</u>	<u>(5,100,101)</u>	<u>(8,163,013)</u>
	4,881,424	7,354,588	12,236,012
Private gifts and grants	426,917	9,445,988	9,872,905
Other investment income	2,446	10,208	12,654
Change in contributions	(117,281)	(1,255,208)	(1,372,489)
Annuity and unitrust net gifts	84,136	-	84,136
Adjustment of actuarial liability	(326,258)	505,917	179,659
Gain (Loss) on extinguishment of debt	(469,339)	-	(469,339)
Reclassification of net assets	-	-	-
	<u>(399,379)</u>	<u>8,706,905</u>	<u>8,307,526</u>
Net assets released from restrictions (Note 8)	<u>4,735,205</u>	<u>(4,735,205)</u>	<u>-</u>
	<u>4,335,826</u>	<u>3,971,700</u>	<u>8,307,526</u>
<b>INCREASE (DECREASE) IN NET ASSETS FROM NONOPERATING ACTIVITIES</b>	<u>9,217,250</u>	<u>11,326,288</u>	<u>20,543,538</u>
<b>INCREASE (DECREASE) IN NET ASSETS</b>	<u>11,132,982</u>	<u>9,986,979</u>	<u>21,119,961</u>
Net Assets - Beginning of Year	<u>195,309,459</u>	<u>148,717,370</u>	<u>344,026,829</u>
<b>NET ASSETS - END OF YEAR</b>	<u>\$ 206,442,441</u>	<u>\$ 158,704,349</u>	<u>\$ 365,146,790</u>

See accompanying Notes to Financial Statements.

**SAINT JOHN'S UNIVERSITY**  
**STATEMENTS OF CASH FLOWS**  
**YEARS ENDED JUNE 30, 2019 AND 2018**

	2019	2018
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Change in net assets	\$ 13,477,416	\$ 21,119,961
Adjustments to reconcile change in net assets to net cash provided (used) by operating activities:		
Depreciation	5,677,602	5,700,040
Non-cash interest expense	(369,735)	(387,866)
Non-Cash Loss on extinguishment of debt	-	469,339
Non-cash donation of fixed assets	(34,167)	(425,188)
Adjustment of actuarial liability	(296,247)	(179,659)
Change in annuity and unitrust liability	1,305,930	426,417
Realized (gains) losses on investments	(9,294,660)	(8,104,811)
Unrealized (gains) losses on investments	(2,262,621)	(8,913,243)
Contributions and income restricted for long-term investment	4,969,721	(9,444,374)
Change in total contributions receivable	4,589,942	1,372,486
Gain on sale of fixed assets	1,040	(9,624)
Change in current assets:		
Student receivables	221,162	9,772
Other receivables	(12,447)	894,869
Inventories	457,328	72,767
Prepaid expenses	50,167	70,684
Change in current liabilities:		
Accounts payable	(739,043)	204,316
Accrued payroll liabilities	(297,927)	107,790
Other liabilities	78,564	(191,439)
Deferred revenue	168,478	(731,188)
Funds held for others	40,096	(27,140)
Net Cash Provided (Used) by Operating Activities	17,730,599	2,033,908
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Purchase of property, plant and equipment	(3,198,011)	(6,025,063)
Proceeds from sales of property, plant and equipment	-	4,600
Proceeds from sales and maturities of investments	14,493,186	24,998,911
Purchases of investments	(19,577,758)	(25,851,806)
Net Cash Provided (Used) by Investing Activities	(8,282,583)	(6,873,358)
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
Contributions and income restricted for long-term investment	(4,969,721)	9,444,374
Payment of principal on long-term debt	(2,992,643)	(3,632,779)
Change in government grants repayable - Federal Perkins loan program	(6,418)	18,128
Annuity and unitrust payments	(1,087,746)	(689,592)
Net Cash Provided (Used) by Financing Activities	(9,056,528)	5,140,131
<b>NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS</b>	391,488	300,681
Cash and Cash Equivalents - Beginning of Year	12,154,289	11,853,608
<b>CASH AND CASH EQUIVALENTS - END OF YEAR</b>	\$ 12,545,777	\$ 12,154,289

**SAINT JOHN'S UNIVERSITY**  
**NOTES TO FINANCIAL STATEMENTS**  
**YEARS ENDED JUNE 30, 2019 AND 2018**

**NOTE 1    SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

**Organization**

Saint John's University (University) is a Roman Catholic University located in Collegeville, Minnesota. Two schools make up Saint John's University: the College of Arts and Sciences and the graduate School of Theology. The College, an all-male institution, operates in coordination with the College of Saint Benedict, an all-female college; sharing academic programs, facilities and staff. The coeducational School of Theology educates and provides student development programs for priesthood candidates, candidates for other ministries, and persons interested in theological studies. The Hill Museum and Manuscript Library and Artist in Residence are part of the University programming.

Prior to July 1, 2012, the University was an operating division of the Order of Saint Benedict (OSB), which is a Benedictine Monastery in Collegeville, Minnesota. Starting on July 1, 2012, Saint John's University began operations as a new separate civil corporation. OSB relinquished control to the University Board, and gifted all assets and liabilities previously held by the University operating division, to the new University civil corporation as of July 1, 2012.

The University has a land lease agreement with OSB for all of the land that the campus sits on. In addition, the University leases several OSB buildings needed for University operations. The University and OSB share certain administrative and facility costs, which are allocated between the two entities. The University's statement of financial position includes a payable to OSB in the amount of \$10,388 and \$131,104 for the years ended June 30, 2019 and 2018, respectively.

**Measure of Operations**

In its statements of activities, the University includes in its definition of operations, all revenues and expenses that are an integral part of its programs and supporting activities. Non-operating activity consists primarily of investment income, including net realized and unrealized gains and losses earned in excess of the University's aggregate authorized spending amount, change in value of split-interest agreements, and endowment and capital contributions to non-operating activities or projects.

**Basis of Presentation**

Net assets and revenues, gains and losses are classified based on the existence or absence of donor-imposed restrictions. Accordingly, net assets of the University and changes therein are classified and reported as follows:

Net Assets Without Donor Restriction - Net assets that are not subject to donor-imposed restrictions. Net asset may be designated for specific purposes by action of the board of trustees.

**SAINT JOHN'S UNIVERSITY**  
**NOTES TO FINANCIAL STATEMENTS**  
**YEARS ENDED JUNE 30, 2019 AND 2018**

**NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**Basis of Presentation (Continued)**

Net Assets with Donor Restrictions – Net assets whose use by the University is subject to donor-imposed restrictions that can be fulfilled by actions of the University pursuant to those restrictions or that expire by the passage of time. Net assets may be subject to donor-imposed restrictions that they be maintained in perpetuity by the University. Generally, the donors of these assets permit the University to use the income earned on related investments for general or specific purposes.

Revenues are reported as increases in net assets without donor restrictions unless use of the revenue is restricted by donor-imposed restrictions. Expenses are reported as decreases in net assets without donor restriction. Gains and losses on investment and other assets or liabilities are reported as increases or decreases in net assets without donor restriction unless their use is defined by donor-imposed restrictions.

Net assets with donor restrictions, which are met in the current period, are reclassified to net assets without donor restriction and reported as net assets released from restrictions.

**Accrual Basis**

The financial statements of the University have been prepared on the accrual basis of accounting.

**Estimates and Assumptions**

Management uses estimates and assumptions in preparing the financial statements in accordance with U.S. generally accepted accounting principles. Those estimates and assumptions affect the reported amounts of assets and liabilities, disclosure of contingent assets and liabilities, and the reported revenues and expenses. Actual results could vary from those estimates that were used.

**Cash and Cash Equivalents**

Cash and cash equivalents includes all cash and highly liquid investments with a maturity of three months or less. The University deposits its temporary cash investments in U.S. Bank. At times, cash investments at financial institutions may be in excess of the FDIC insurance limit.

**Student and Other Receivables**

Receivables are stated at net realizable value and are unsecured. The University provides an allowance for bad debts using the allowance method, which is based on management's judgment considering historical information. Accounts past due more than 90 days, are individually analyzed for collectability. Accounts continue to accrue finance charges until the account is paid in full. When all collection efforts have been exhausted, the accounts are written off against the related allowance. At June 30, 2019 and 2018, an allowance of \$294,500 and \$336,300, respectively, has been recorded.



**SAINT JOHN'S UNIVERSITY  
NOTES TO FINANCIAL STATEMENTS  
YEARS ENDED JUNE 30, 2019 AND 2018**

**NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**Contributions Receivable**

Promises to give that are expected to be collected within one year are recorded at their net realizable value. Promises that are expected to be collected in future years are recorded at the present value of the amounts expected to be collected. The discounts on those amounts are computed using an imputed interest rate applicable to the year in which the promise is received. Conditional promises to give are not included as support until such time as the conditions are substantially met.

**Inventories**

Inventories are valued at the lower of cost or net realizable value on a first-in, first-out basis. Inventories consist primarily of books and other educational materials held for resale through the University Bookstore, and costs associated with the Heritage Editions of the Saint John's Bible.

**Investments**

Debt and equity investments are carried at fair market value. Land is carried at the estimated fair market value. Private equity investments are investments in limited partnership interests and are carried at fair market value, based upon appraisals done within the individual partnerships.

**Property, Plant and Equipment**

Property, plant and equipment are stated at cost less accumulated depreciation. If donated, property, plant and equipment are recorded at fair value on the date received. If donors stipulate how long the assets must be used, the contributions are recorded as restricted support. In the absence of such stipulation, contributions of property and equipment are recorded as without donor restriction.

The University capitalizes property, plant and equipment additions in excess of \$5,000. Normal repair and maintenance expenses are charged to operations as incurred.

The University removes, from its accounting records, the cost and accumulated depreciation for fully depreciated assets that are either no longer in use, or under \$50,000.

The University depreciates its assets on the straight-line basis over estimated useful lives as follows:

	<u>Depreciation Period</u>	<u>2019</u>	<u>2018</u>
Land Improvements	10-50 Years	\$ 12,902,811	\$ 12,775,740
Buildings	7-50 Years	127,835,304	126,985,822
Furniture and Equipment	3-40 Years	17,817,245	16,400,696
Library Books and Rare Books	0-20 Years	12,946,511	12,873,064
HMML Microfilm and Library Books	No Depreciation	7,988,721	7,634,540
Construction in Progress	No Depreciation	865,038	661,684
Total		180,355,630	177,331,546
Less: Accumulated Depreciation		31,353,450	26,102,462
Total Property, Plant and Equipment - net		\$ 149,002,180	\$ 151,229,084

**SAINT JOHN'S UNIVERSITY**  
**NOTES TO FINANCIAL STATEMENTS**  
**YEARS ENDED JUNE 30, 2019 AND 2018**

**NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

Depreciation expense for the years ended June 30, 2019 and 2018 was \$5,677,602 and \$5,700,040, respectively.

**Construction in Progress**

Construction in progress for the years ended June 30, 2019 and 2018 are the costs incurred to date on various construction projects not completed at June 30. Interest capitalized was \$0 and \$78,800 for the years ended June 30, 2019 and 2018, respectively. The estimated cost to complete the various projects in progress was \$1,039,300 and \$348,156 as of June 30, 2019 and 2018, respectively. There was \$423,198 and \$251,295 of construction related costs included in accounts payable as of June 30, 2019 and 2018, respectively.

**Revenue Recognition**

Deferred revenue results primarily from registration and tuition revenue, and Heritage Edition Bible sales. Accordingly, registration and tuition fees received for the next academic year are deferred until the instruction commences. Sales of the Bible Heritage Editions are deferred until the editions are delivered to the buyers. Also see note 20 for further revenue recognition disclosures.

**Funds Held for Others**

The University holds funds transferred to them from other organizations for investment management purposes. The funds are to be distributed back to these organizations as they request them. The University has recognized the funds as a liability in the accompanying statement of financial position.

**Annuities and Unitrusts**

The University has received contributions under various annuity contracts and charitable remainder unitrust agreements, which generally provide for payments to the annuitant or grantor for life. Assets received under these agreements are recorded at their fair value. Contribution income is recognized for the difference between the asset and related liability. Liabilities related to future payments under these agreements have been recorded at their present value using life expectancy tables and the U.S. Treasury rate ranging from 1.2% to 6.0% to arrive at a calculated discount rate. Additionally, the charitable remainder unitrust agreements use an earnings rate of 4.6% to 8.2%. Liabilities related to annuities and split-interest agreements are recalculated annually, with the amortization of discounts and adjustments for changes in life expectancies recognized as actuarial liability adjustments on the statement of activities.

For the year ended June 30, 2019, adjustments to reflect the amortization of discounts and changes in life expectancies resulted in an increase of \$296,247 in net assets. Total contribution income recognized under annuity and charitable remainder unitrust agreements for the year ended June 30, 2019 was \$124,168.

**SAINT JOHN'S UNIVERSITY**  
**NOTES TO FINANCIAL STATEMENTS**  
**YEARS ENDED JUNE 30, 2019 AND 2018**

**NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**Annuities and Unitrusts (Continued)**

For the year ended June 30, 2018, adjustments to reflect the amortization of discounts and changes in life expectancies resulted in an increase of \$179,659 in net assets. Total contribution income recognized under annuity and charitable remainder unitrust agreements for the year ended June 30, 2018 was \$84,136.

**Advertising Costs**

Advertising costs are expensed as incurred. Total advertising costs during 2019 and 2018 totaled \$220,309 and \$277,789, respectively.

**Retirement Plan**

The University has a defined contribution retirement plan covering substantially all of its full-time lay employees. For employees beginning full-time benefit eligible employment prior to July 1, 2017, the University contributes 9% of the covered employee's salary and the employee contributes 2%. For employees beginning full-time benefit eligible employment after July 1, 2017, the University contributes a graduated amount for the first four years until reaching 9% in year five and then after, and the employee contributes 3%. Total retirement plan contributions by the University for the years ended June 30, 2019 and 2018 was \$1,960,981 and \$2,000,500, respectively.

**Tax Exempt Status**

The University is exempt from federal income taxes under Section 501(c)(3) of the Internal Revenue Code. It is also exempt from state income tax. The Organization qualifies for the charitable contribution deduction under Section 170(b)(1)(a) and has been classified as an organization that is not a private foundation under Section 509(a)(2). The University is subject to unrelated business income tax with respect to partnership investment income, advertising revenue, events revenue, and Bookstore website sales.

The University has adopted Accounting for Uncertainty in Income Taxes. This standard clarifies the accounting for uncertainty in income taxes recognized in an entity's financial statements and prescribes a recognition threshold for the financial statement recognition of tax positions taken or expected to be taken on a tax return that are not certain to be realized. The implementation of this standard had no impact on the University's financial statements.

**Adoption of New Standard**

On August 18, 2016, FASB issued Accounting Standards Update (ASU) 2016-14, *Not-for-Profit Entities (Topic 958) – Presentation of Financial Statements of Not-for-Profit Entities*. The update addresses the complexity and understandability of net asset classification, deficiencies in information about liquidity and availability of resources, and the lack of consistency in the type of information provided about expenses and investment return. We have implemented ASU 2016-14 and have adjusted the presentation in these financial statements accordingly.

**SAINT JOHN'S UNIVERSITY**  
**NOTES TO FINANCIAL STATEMENTS**  
**YEARS ENDED JUNE 30, 2019 AND 2018**

**NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**Adoption of New Standard (Continued)**

In May 2014, FASB issued Accounting Standards Update (ASU) 2014-09, Revenue from Contracts with Customers (Topic 606). Subsequent to May 2014, the FASB has issued six ASUs to clarify certain matters related to Topic 606. Topic 606 supersedes the revenue recognition requirements in FASB ASC 605, Revenue Recognition, and requires the recognition of revenue when promised goods or services are transferred to customers in an amount that reflects the consideration to which an entity expects to be entitled in exchange for those goods or services. The updates address the complexity and understandability of revenue recognition and provide sufficient information to enable financial statements users to understand the nature, amount, timing, and uncertainty of revenue and cash flows arising from contracts with customers.

Our financial statements reflect the application of ASC 606 guidance beginning in 2018. No cumulative-effect adjustment in net assets was recorded as the adoption of ASU 2014-09 did not significantly impact the Organization's reported historical revenue.

Additionally in June 2018, FASB issued Accounting Standards (ASU) 2018-08, *Accounting Guidance for Contributions Received and Made*. This ASU was issued to clarify accounting guidance for contributions received and contributions made. The amendments to this ASU assists entities in (1) evaluating whether transactions should be accounted for as contributions (nonreciprocal transactions) within the scope of Topic 958, Not-for-Profit Entities, or as an exchange (reciprocal) transactions subject to other guidance and (2) determining whether a contribution is conditional.

All ASU's have been applied retrospectively to all periods presented, with the exception of the liquidity footnote which has been presented for the period ended June 30, 2019 only, which resulted in no change to the total previously reported net assets.

**Subsequent Events**

In preparing these financial statements, Saint John's University has evaluated events and transactions for potential recognition or disclosure through October 23, 2019, the date the financial statements were available to be issued.

**NOTE 2 FAIR VALUE MEASUREMENTS**

The University categorizes its assets and liabilities measured at fair value into a three-level hierarchy based on the priority of the inputs to the valuation technique used to determine fair value. The fair value hierarchy gives the highest priority to quoted prices in active markets for identical assets or liabilities (Level 1) and the lowest priority to unobservable inputs (Level 3). If the inputs used in the determination of the fair value measurement fall within different levels of the hierarchy, the categorization is based on the lowest level input that is significant to the fair value measurement.

**SAINT JOHN'S UNIVERSITY**  
**NOTES TO FINANCIAL STATEMENTS**  
**YEARS ENDED JUNE 30, 2019 AND 2018**

**NOTE 2 FAIR VALUE MEASUREMENTS (CONTINUED)**

Assets and liabilities valued at fair value are categorized based on the inputs to the valuation techniques as follows:

*Level 1* – Inputs that utilize quoted prices (unadjusted) in active markets for identical assets or liabilities that the University has the ability to access.

*Level 2* – Inputs that include quoted prices for similar assets and liabilities in active markets and inputs that are observable for the asset or liability, either directly or indirectly, for substantially the full term of the financial instrument. Fair values for these instruments are estimated using pricing models, quoted prices of securities with similar characteristics, or discounted cash flows.

*Level 3* – Inputs that are unobservable inputs for the asset or liability, which are typically based on an entity's own assumptions, as there is little, if any, related market activity.

Subsequent to initial recognition, the University may re-measure the carrying value of assets and liabilities measured on a nonrecurring basis to fair value. Adjustments to fair value usually result when certain assets are impaired. Such assets are written down from their carrying amounts to their fair value.

Professional standards allow entities the irrevocable option to elect to measure certain financial instruments and other items at fair value for the initial and subsequent measurement on an instrument-by-instrument basis. The University has not elected to measure any existing financial instruments at fair value. However, it may elect to measure newly acquired financial instruments at fair value in the future.

The following table presents financial instruments that are measured at fair value on a recurring basis by the fair value hierarchy as of June 30, 2019:

	Total	Level 1	Level 2	Level 3	NAV
<b>ASSETS</b>					
Unitrusts Receivable	\$ 1,294,940	\$ -	\$ -	\$ 1,294,940	\$ -
Long-Term Investments:					
Equity Securities					
Common Stocks	68,690,046	68,690,046	-	-	-
Mutual Funds	64,944,881	64,944,881	-	-	-
Bonds*	47,616,697	31,185,690	-	-	16,431,007
Alternative Investments measured at NAV:*					
Private Equity	22,196,454	-	-	-	22,196,454
Venture Capital and Buyouts	10,386,371	-	-	-	10,386,371
Real Estate	19,760,497	-	-	-	19,760,497
Securities Held Outside	11,261,844	-	-	11,261,844	-
Beneficial Interests in Trusts	744,996	-	-	744,996	-
Subtotal - Long-Term Investments	<u>245,601,786</u>	<u>164,820,617</u>	<u>-</u>	<u>12,006,840</u>	<u>68,774,329</u>
Total	<u>\$ 246,896,726</u>	<u>\$ 164,820,617</u>	<u>\$ -</u>	<u>\$ 13,301,780</u>	<u>\$ 68,774,329</u>

**SAINT JOHN'S UNIVERSITY**  
**NOTES TO FINANCIAL STATEMENTS**  
**YEARS ENDED JUNE 30, 2019 AND 2018**

**NOTE 2 FAIR VALUE MEASUREMENTS (CONTINUED)**

The following table presents financial instruments that are measured at fair value on a recurring basis by the fair value hierarchy as of June 30, 2018:

	Total	Level 1	Level 2	Level 3	NAV
<b>ASSETS</b>					
Unitrusts Receivable	\$ 1,466,734	\$ -	\$ -	\$ 1,466,734	\$ -
Long-Term Investments:					
Equity Securities					
Common Stocks	65,667,034	65,667,034	-	-	-
Mutual Funds	62,690,018	62,690,018	-	-	-
Bonds*	40,890,152	25,976,672	-	-	14,913,480
Alternative Investments measured at NAV:*					
Private Equity	19,398,023	-	-	-	19,398,023
Venture Capital and Buyouts	8,758,885	-	-	-	8,758,885
Real Estate	19,359,618	-	-	-	19,359,618
Securities Held Outside	11,434,614	-	-	11,434,614	-
Beneficial Interests in Trusts	761,589	-	-	761,589	-
Subtotal - Long-Term Investments	228,959,933	154,333,724	-	12,196,203	62,430,006
Total	<u>\$ 230,426,667</u>	<u>\$ 154,333,724</u>	<u>\$ -</u>	<u>\$ 13,662,937</u>	<u>\$ 62,430,006</u>

\* In accordance with Subtopic 820-10, certain investments that are measured at fair value using the NAV per share (or its equivalent) practical expedient have not been classified in the fair value hierarchy. The fair value amounts presented in this table are not intended to permit reconciliation of the fair value hierarchy to the amounts presented in the statements of financial position.

The following methods and assumptions were used to estimate the fair value for each class of financial instruments measured at fair value:

**Unitrusts Receivable** – The University as remainder beneficiary in several irrevocable split interest agreements held or controlled by a third party are classified as Level 3 as the fair values are based on a combination of Level 2 inputs (interest rates and yield curves) and significant unobservable inputs (entity specific estimates of cash flows). The fair values are measured at the present value of the future distributions the University expects to receive over the term of the agreements.

**Equity Securities** – Investments in equity securities, including both common stocks and mutual funds, are measured at fair value using quoted market prices. They are classified as Level 1 as they are traded in an active market for which closing prices are readily available.

**Bonds** – Investments in fixed-income securities are measured at fair value using quoted market prices. They are classified as Level 1 as they are traded in an active market for which closing prices are readily available. Certain fixed-income securities are recorded at net asset value in accordance with the methodologies utilized for Alternative Investments as further described in this footnote.

**SAINT JOHN'S UNIVERSITY**  
**NOTES TO FINANCIAL STATEMENTS**  
**YEARS ENDED JUNE 30, 2019 AND 2018**

**NOTE 2 FAIR VALUE MEASUREMENTS (CONTINUED)**

**Alternative Investments** – Investments in certain fixed-income securities, private equity funds, venture capital and buyouts, real estate funds, and funds of funds for which there is no readily determinable fair value are recorded at net asset value per share, which has been calculated in accordance with the AICPA Audit and Accounting Guide, *Investment Companies*. The University has estimated its fair value by using the net asset value provided by the investee as of the last statement date, adjusted for cash receipts, cash disbursements, and significant known valuation changes in market values of publicly held securities contained in the portfolio through June 30, 2019 and 2018. Distributions from each fund will be received as the underlying investments of the funds are liquidated. It is estimated that the underlying assets of the funds will be liquidated at various times throughout the next 15 years. See redemption restrictions as further described in Note 2.

**Securities Held Outside** – The University's beneficial interest in annuities and trusts are administered by a third party and classified as Level 3 as the fair values are based on a combination of Level 2 inputs (interest rates and yield curves) and significant unobservable inputs (entity specific estimates of cash flows).

**Beneficial Interest in Trusts** – The University's beneficial interest in perpetual trusts administered by a third party are classified as Level 3 as the fair values are based on a combination of Level 2 inputs (interest rates and yield curves) and significant unobservable inputs (entity specific estimates of cash flows). Since the University has an irrevocable right to receive the income earned from the trusts' assets, the fair value of the University's beneficial interest is estimated to approximate the fair value of the trusts' assets.

While the University believes its valuation methods are appropriate and consistent with other market participants, the use of different methodologies or assumptions to determine the fair value of certain financial instruments could result in a different estimate of fair value at the reporting date.

The University values certain investment holdings at fair value using their net asset value and has the ability to redeem its investment with the investee at net asset value per share (or its equivalent) at the measurement date.

Fair value measurements of investments in certain entities that calculate net asset value per share (or its equivalent) as of June 30, 2019:

	Net Asset Value	Unfunded Commitments	Redemption Frequency (If Currently Eligible)	Redemption Notice Period
Bonds	\$ 16,431,007	\$ -	Weekly-Monthly	7-30 Days
Alternative Investments				
Private equity	22,196,454	19,538,000	Not Eligible	N/A
Venture capital and buyouts	10,386,371	2,975,000	Not Eligible	N/A
Real Estate	19,760,497	8,200,000	Not Eligible	N/A
Total	<u>\$ 68,774,329</u>	<u>\$ 30,713,000</u>		

**SAINT JOHN'S UNIVERSITY**  
**NOTES TO FINANCIAL STATEMENTS**  
**YEARS ENDED JUNE 30, 2019 AND 2018**

**NOTE 2 FAIR VALUE MEASUREMENTS (CONTINUED)**

Fair value measurements of investments in certain entities that calculate net asset value per share (or its equivalent) as of June 30, 2018:

	Net Asset Value	Unfunded Commitments	Redemption Frequency (If Currently Eligible)	Redemption Notice Period
Bonds	\$ 14,913,480	\$ -	Weekly-Monthly	7-30 Days
Alternative Investments				
Private equity	19,398,023	20,026,500	Not Eligible	N/A
Venture capital and buyouts	8,758,885	2,975,500	Not Eligible	N/A
Real Estate	19,359,618	8,657,000	Not Eligible	N/A
Total	<u>\$ 62,430,006</u>	<u>\$ 31,659,000</u>		

The following table presents a reconciliation of the statement of financial position amounts for financial instruments measured at fair value on a recurring basis using significant unobservable inputs (Level 3) for the year ended June 30, 2019:

Asset Category	Balance 6/30/2018	Total Investment Return	Purchases	Sales	Net Transfers In/Out of Level 3	Balance 6/30/2019
Unitrusts Receivable	\$ 1,466,734	\$ 131,402	\$ -	\$ (303,196)	\$ -	\$ 1,294,940
Long-Term Investments:						
Securities Held Outside	11,434,614	667,647	247,329	(1,087,746)	-	11,261,844
Beneficial Interest in Trusts	761,589	20,300	-	(36,893)	-	744,996
	<u>\$13,662,937</u>	<u>\$ 819,349</u>	<u>\$ 247,329</u>	<u>\$(1,427,835)</u>	<u>\$ -</u>	<u>\$13,301,780</u>

The following table presents a reconciliation of the statement of financial position amounts for financial instruments measured at fair value on a recurring basis using significant unobservable inputs (Level 3) for the year ended June 30, 2018:

Asset Category	Balance 6/30/2017	Total Investment Return	Purchases	Sales	Net Transfers In/Out of Level 3	Balance 6/30/2018
Unitrusts Receivable	\$ 1,129,293	\$ 337,441	\$ -	\$ -	\$ -	\$ 1,466,734
Long-Term Investments:						
Endowment Held by Others	185,392	-	-	-	(185,392)	-
Securities Held Outside	11,111,062	968,144	45,000	(689,592)	-	11,434,614
Beneficial Interest in Trusts	753,353	45,252	-	(37,016)	-	761,589
	<u>\$13,179,100</u>	<u>\$1,350,837</u>	<u>\$ 45,000</u>	<u>\$ (726,608)</u>	<u>\$ (185,392)</u>	<u>\$13,662,937</u>



**SAINT JOHN'S UNIVERSITY**  
**NOTES TO FINANCIAL STATEMENTS**  
**YEARS ENDED JUNE 30, 2019 AND 2018**

**NOTE 3 CREDIT QUALITY OF STUDENT LOANS RECEIVABLE**

Through September 30, 2017, the University issued uncollateralized loans to students based on financial need. Student loans are funded through Federal government loan programs. At June 30, 2019 and 2018, student loans represented 0.47% and 0.56% of total assets, respectively.

At June 30, 2019 and 2018, student loans consisted of the following:

	2019	2018
Federal government programs	\$ 2,013,540	\$ 2,333,604

The University participates in the Federal Perkins Loan Program, however, the federal government discontinued the Perkins Loan Program, and no new loans could be issued after September 30, 2017. Funds advanced by the Federal government of \$2,327,188 and \$2,333,606 at June 30, 2019 and 2018, respectively, are ultimately refundable to the government and are classified as liabilities in the statement of financial position. Outstanding loans cancelled under the program result in a reduction of the funds available for loan and a decrease in the liability to the government.

At June 30, 2019 and 2018, the following amounts were past due under the Perkins Loan Program:

	2019	2018
1-3 months past due	\$ 3,553	\$ 5,191
4-6 months past due	4,587	5,962
7-12 months past due	7,503	6,559
13-24 months past due	29,688	33,072
25+ months past due	70,142	29,327
Total	\$ 115,473	\$ 80,111

Allowances for doubtful accounts are established based on prior collection experience and current economic factors which, in management's judgment, could influence the ability of loan recipients to repay the amounts per the loan terms. Amounts due under the Perkins Loan Program are guaranteed by the government and, therefore, no reserves are placed on any past due balances under the program.

**NOTE 4 CONTRIBUTIONS RECEIVABLE**

Contributions receivable consists of unconditional promises to give from various individuals and organizations. The present value was imputed at 2% for the years ended June 30, 2019 and June 30, 2018, which approximates the University's current incremental borrowing rate. The long-term contributions receivable are receivable within 2 to 12 years. The amount to be received in 2 to 5 years is \$5,997,826. The amount to be received in 6 to 12 years is \$478,150.

**SAINT JOHN'S UNIVERSITY**  
**NOTES TO FINANCIAL STATEMENTS**  
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**NOTE 4 CONTRIBUTIONS RECEIVABLE (CONTINUED)**

At June 30, 2019 and 2018, contributions receivable consisted of the following:

	2019	2018
Unconditional Promises to Give	\$ 9,427,619	\$ 14,264,283
Unamortized Discount	(224,794)	(229,941)
Allowance for Doubtful Pledges	(460,141)	(701,716)
Total	\$ 8,742,684	\$ 13,332,626
Net Contributions Receivable:		
Current	\$ 2,804,061	\$ 6,019,030
Long-Term	5,938,623	7,313,596
Total	\$ 8,742,684	\$ 13,332,626

**NOTE 5 LONG-TERM INVESTMENTS**

The investments include funds traditionally considered the endowment of the University (including quasi-endowment) as well as other assets. As of June 30, the carrying value of investments are as follows:

	2019	2018
Common Stock	\$ 68,690,046	\$ 65,667,034
Equity Funds	64,944,881	62,690,018
Bond Funds	47,616,697	40,890,152
Private Equity	22,196,454	19,398,023
Venture Capital and Buyout Funds	10,386,371	8,758,885
Real Estate Funds	19,760,497	19,359,618
Charitable Remainder Trusts *	6,332,941	6,285,595
Charitable Annuities *	4,928,903	5,149,019
Beneficial Interest in Trusts **	744,996	761,589
Total Long-Term Investments	\$ 245,601,786	\$ 228,959,933

\* Assets held under Charitable Remainder Trusts and Charitable Annuities are held and administered by an outside fiscal agent. See Note 1 for additional information on such agreements.

\*\* Beneficial interest in trusts are neither in the possession of nor under control of the University, but held and administered by an outside fiscal agent, with the University deriving annual income from such funds. See Note 2 for additional information.

**SAINT JOHN'S UNIVERSITY**  
**NOTES TO FINANCIAL STATEMENTS**  
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**NOTE 5 LONG-TERM INVESTMENTS (CONTINUED)**

The University invests in a variety of partnerships that include: real estate, private equity and international private equity, venture capital, and mezzanine funds. Under terms of certain limited partner agreements, the University is obligated to periodically advance additional funding for such investments. See Note 2 for additional information on the remaining commitments. The University anticipates that it will maintain sufficient liquidity in its investment portfolio to cover such calls.

The University invests in a variety of investment vehicles. In general, investments are exposed to various risks, such as interest rate, credit and overall market volatility risk. Due to the level of risk associated with certain investments, it is reasonably possible that changes in the values of the investments will occur in the near term and that such changes could materially affect the amounts reported in the statements of net assets available for use.

**NOTE 6 ENDOWMENT**

The University's endowment consists of over 700 individual funds established for a variety of purposes. Its endowment includes both donor-restricted endowment funds and funds designated by the Board of Trustees to function as an endowment. 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.

**Interpretation of Relevant Law**

The Board of Trustees of the University has interpreted the Minnesota Uniform Prudent Management of Institutional Funds Act (UPMIFA) as requiring the preservation of the fair value of the original gift as of the gift date of the donor-restricted endowment fund absent explicit donor stipulations to the contrary. As a result of this interpretation, the University classifies as perpetually restricted net assets the original value of the gifts to the permanent endowment and the value of subsequent gifts to the permanent endowment.

In accordance with UPMIFA, the University considers the following factors in making a determination to appropriate or accumulate donor-restricted endowment funds:

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

**SAINT JOHN'S UNIVERSITY**  
**NOTES TO FINANCIAL STATEMENTS**  
**YEARS ENDED JUNE 30, 2019 AND 2018**

**NOTE 6 ENDOWMENT (CONTINUED)**

Endowment net asset composition by type of fund as of June 30, 2019 is as follows:

	Without Donor Restriction	With Donor Restriction		Total With Donor Restriction	Total
		Purpose	Perpetual		
June 30, 2019					
Donor-Restricted Endowment Funds	\$ -	\$ 57,495,954	\$ 86,283,635	\$ 143,779,589	\$ 143,779,589
Board-Designated Endowment Funds	64,958,058	-	-	-	64,958,058
Total Funds	<u>\$ 64,958,058</u>	<u>\$ 57,495,954</u>	<u>\$ 86,283,635</u>	<u>\$ 143,779,589</u>	<u>\$ 208,737,647</u>

Changes in endowment net assets for the fiscal year ended June 30, 2019 are as follows:

	Without Donor Restriction	With Donor Restriction		Total With Donor Restriction	Total
		Purpose	Perpetual		
Endowment Net Assets, July 1, 2018	\$ 59,718,094	\$ 53,451,252	\$ 83,596,559	\$ 137,047,811	\$ 196,765,905
Investment Return:					
Investment Income	1,178,647	2,629,453	-	2,629,453	3,808,100
Net Realized and Unrealized Gains	3,183,482	7,102,055	-	7,102,055	10,285,537
Total Investment Return	4,362,129	9,731,508	-	9,731,508	14,093,637
Contributions	3,027,306	-	2,204,958	2,204,958	5,232,264
Appropriations of Endowment Assets for Expenditure	(2,205,518)	(5,444,061)	-	(5,444,061)	(7,649,579)
Other Changes:					
Other Additions (Subtractions)	56,047	(242,745)	482,118	239,373	295,420
Investment Gains Transferred to Net Assets Without Restriction	-	-	-	-	-
Endowment Net Assets, June 30, 2019	<u>\$ 64,958,058</u>	<u>\$ 57,495,954</u>	<u>\$ 86,283,635</u>	<u>\$ 143,779,589</u>	<u>\$ 208,737,647</u>

Endowment net asset composition by type of fund as of June 30, 2018 is as follows:

	Without Donor Restriction	With Donor Restriction		Total With Donor Restriction	Total
		Purpose	Perpetual		
June 30, 2018					
Donor-Restricted Endowment Funds	\$ (56,048)	\$ 53,451,252	\$ 83,596,559	\$ 137,047,811	\$ 136,991,763
Board-Designated Endowment Funds	59,774,142	-	-	-	59,774,142
Total Funds	<u>\$ 59,718,094</u>	<u>\$ 53,451,252</u>	<u>\$ 83,596,559</u>	<u>\$ 137,047,811</u>	<u>\$ 196,765,905</u>

**SAINT JOHN'S UNIVERSITY**  
**NOTES TO FINANCIAL STATEMENTS**  
**YEARS ENDED JUNE 30, 2019 AND 2018**

**NOTE 6 ENDOWMENT (CONTINUED)**

Changes in endowment net assets for the fiscal year ended June 30, 2018 are as follows:

	Without Donor Restriction	With Donor Restriction		Total With Donor Restriction	Total
		Purpose	Perpetual		
Endowment Net Assets, July 1, 2017	\$ 54,533,333	\$ 46,156,325	\$ 79,057,346	\$ 125,213,671	\$ 179,747,004
Investment Return:					
Investment Income	824,993	1,923,675	-	1,923,675	2,748,668
Net Realized and Unrealized Gains	4,514,770	10,527,296	-	10,527,296	15,042,066
Total Investment Return	5,339,763	12,450,971	-	12,450,971	17,790,734
Contributions	17,368	-	4,494,963	4,494,963	4,512,331
Appropriations of Endowment Assets for Expenditure	(228,092)	(5,100,100)	-	(5,100,100)	(5,328,192)
Other Changes:					
Other Additions (Subtractions)	1,997	(2,219)	44,250	42,031	44,028
Investment Gains Transferred to Net Assets Without Restriction	53,725	(53,725)	-	(53,725)	-
Endowment Net Assets, June 30, 2018	<u>\$ 59,718,094</u>	<u>\$ 53,451,252</u>	<u>\$ 83,596,559</u>	<u>\$ 137,047,811</u>	<u>\$ 196,765,905</u>

**Funds with Deficiencies**

From time to time, the fair value of assets associated with individual donor-restricted endowment funds may fall below the level that the donor requires the University to retain as a fund of perpetual duration (underwater). As of June 30, 2019, there were no endowments underwater. As of June 30, 2018, funds with original gift values of \$1,108,273, and fair values of \$1,052,225, and deficiencies of \$56,048 were reported in net assets without donor restriction. These deficiencies, which the University believes are temporary, resulted from unfavorable market fluctuations. Continued spending of appropriations are deemed prudent.

**Investment Objectives and Strategies**

The University has adopted an investment policy to provide guidelines for investing endowment assets. Under this policy, as approved by the Finance Committee of the Board of Trustees, the endowment assets are invested in a manner that is intended to maintain the purchasing power of the current assets and all future contributions, maximize return within reasonable and prudent levels of risk, and maintain an appropriate asset allocation based on a total return policy that is compatible with a flexible spending policy. To achieve these objectives, the University follows an asset diversification plan, sets performance benchmarks for investment managers, and has established various asset quality and limitations thresholds. The University expects its endowment funds, over time, to provide an average rate of return of 4.5% to 5.0% above the rate of inflation (inflation is defined as the consumer price index). Actual returns in any given year may vary from this amount.

**SAINT JOHN'S UNIVERSITY  
NOTES TO FINANCIAL STATEMENTS  
YEARS ENDED JUNE 30, 2019 AND 2018**

**NOTE 6    ENDOWMENT (CONTINUED)**

**Strategies Employed for Achieving Objectives**

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

**Spending Policy**

The University's endowment spending policy for the years ended June 30, 2019 and 2018 was to appropriate for distribution up to 4.50%, based on a three-year moving average of beginning endowment market values (except for the School of Theology, which expended up to 5.50% and 5.75% for the years ended June 30, 2019 and 2018, respectively). In establishing this policy, the University considered the long-term expected return on its endowment. Accordingly, over the long term, the University expects the current spending policy to allow its endowment to grow at or above the annual rate of inflation. This is consistent with the University's objective to maintain the purchasing power of the endowment assets held in perpetuity or for a specified term as well as to provide additional real growth through new gifts and investment return.

**NOTE 7    DEBT**

The University had the following debt obligations at June 30:

	2019	2018
<u>Notes Payable</u>		
Unsecured note payable related to a term endowment.	\$    40,569	\$    38,212

**SAINT JOHN'S UNIVERSITY**  
**NOTES TO FINANCIAL STATEMENTS**  
**YEARS ENDED JUNE 30, 2019 AND 2018**

**NOTE 7 DEBT (CONTINUED)**

<u>Bonds Payable</u>	<u>2019</u>	<u>2018</u>
Bond/8H; Secured by the Science Center, Athletic Complex, renovation of first floor Quadrangle, Dormitories, etc.; payable to the Minnesota Higher Education Facilities Authority, in eleven annual installments ranging from \$415,000 to \$1,875,000 commencing October 1, 2016 and the final payment due October 1, 2026. The principal amount of each installment is subject to a specific interest rate ranging from 2.0% to 5.0%. A current installment of \$1,580,000 is due October 1, 2019.	8,615,000	10,115,000
Bond Premium/8H; Deferred bond premiums on the 8H issuance are being expensed using the effective interest method over the term of the bonds of 11 years beginning in fiscal year 2016 and ending in fiscal year 2027.	670,172	921,545
Bond Issuance/8H; Deferred bond costs on the 8H issuance are being expensed using the effective interest rate method over the term of the bonds of 11 years beginning in fiscal year 2016 and ending in fiscal year 2027.	(73,113)	(100,537)
Bond/8I; Secured by the Alcuin Library and the Learning Commons; payable to the Minnesota Higher Education Facilities Authority, in eighteen annual installments ranging from \$300,000 to \$1,400,000 commencing October 1, 2016 and the final payment due October 1, 2035. The principal amount of each installment is subject to a specific interest rate ranging from 2.0% to 5.0%. A current installment of \$1,110,000 is due October 1, 2019.	15,445,000	16,575,000
Bond Premium/8I; Deferred bond premiums on the 8I issuance are being expensed using the effective interest method over the term of the bonds of 20 years beginning in fiscal year 2016 and ending in fiscal year 2036.	1,049,569	1,159,066
Bond Issuance/8I; Deferred bond costs on the 8I issuance are being expensed using the effective interest rate method over the term of the bonds of 20 years beginning in fiscal year 2016 and ending in fiscal year 2036.	(147,378)	(162,753)

**SAINT JOHN'S UNIVERSITY**  
**NOTES TO FINANCIAL STATEMENTS**  
**YEARS ENDED JUNE 30, 2019 AND 2018**

**NOTE 7 DEBT (CONTINUED)**

<u>Bonds Payable (Continued)</u>	<u>2019</u>	<u>2018</u>
Bond/2017; Secured by housing and community center construction projects, also dining and Seton renovations, payable to the Minnesota Higher Education Facilities Authority over 16 years in semi-annual installments ranging from \$365,000 to \$620,000 commencing October 1, 2018 and the final payment is due October 1, 2033. The principal amount of each installment is subject to a specific interest rate ranging from 2.0% to 5.0%. A current installment of \$370,000 is due October 1, 2019.	7,230,000	7,595,000
Bond Premium/2017; Deferred bond premiums on the 2017 issuance are being expensed using the effective interest method over the term of the bonds of 17 years beginning in fiscal year 2018 and ending in fiscal year 2034.	565,764	633,898
Bond Issuance/2017; Deferred bond costs on the 2017 issuance are being expensed using the effective interest rate method over the term of the bonds of 17 years beginning in fiscal year 2018 and ending in fiscal year 2034.	<u>(136,768)</u>	<u>(153,238)</u>
Total Bonds Payable	<u>33,218,246</u>	<u>36,582,981</u>
Total Notes and Bonds Payable	33,258,815	36,621,193
Less: Current Portion	<u>3,385,173</u>	<u>3,364,734</u>
Total Long-Term	<u>\$ 29,873,642</u>	<u>\$ 33,256,459</u>

Debt maturity requirements in each of the next five years are as follows:

<u>Year</u>	<u>Principal Amount</u>	<u>Premium/ Discount</u>	<u>Issuance Costs</u>	<u>Total Amount</u>
2020	3,060,000	378,448	(53,275)	3,385,173
2021	2,995,000	326,280	(47,117)	3,274,163
2022	2,130,000	275,051	(41,103)	2,363,948
2023	2,275,569	224,040	(35,136)	2,464,473
2024	1,615,000	188,793	(30,817)	1,772,976
Later Years	19,255,000	892,892	(149,810)	19,998,082
Total	<u>\$31,330,569</u>	<u>\$ 2,285,504</u>	<u>\$ (357,258)</u>	<u>\$33,258,815</u>

Total interest expense for the year ended June 30, 2019 was \$1,001,353 which included \$59,270 of deferred bond issuance costs, and \$(429,004) of deferred bond premium.

Total interest expense for the year ended June 30, 2018 was \$1,073,081 which included \$57,053 of deferred bond issuance costs, and \$(444,919) of deferred bond premium.



**SAINT JOHN'S UNIVERSITY**  
**NOTES TO FINANCIAL STATEMENTS**  
**YEARS ENDED JUNE 30, 2019 AND 2018**

**NOTE 7 DEBT (CONTINUED)**

In fiscal year 2018 the University expensed \$469,339 of costs related to the 6U bond refinance as a loss on extinguishment of debt. Of this amount, \$44,305 was bond discount, \$136,590 were bond issuance costs, and \$288,444 was the additional amount needed to fund the escrow account interest expense until the optional redemption date of October 1, 2018.

**NOTE 8 RESTRICTIONS AND LIMITATIONS ON NET ASSET BALANCES**

As of June 30, the University's net assets with donor restrictions were recorded as follows:

	2019	2018
Donor-restricted net assets not invested in perpetuity		
Program and operations support	\$ 4,649,844	\$ 3,986,608
Capital asset acquisition	372,404	241,666
Accumulated earnings on endowment funds	57,495,954	53,451,252
Unitrusts	1,853,797	1,711,684
Life Insurance	238,698	230,470
Contributions receivable	7,071,770	8,494,702
Total Donor-Restricted Net Assets not Invested in Perpetuity	71,682,467	68,116,382
Donor-restricted net assets invested in perpetuity		
Endowment	86,283,635	83,596,559
Unitrusts	1,984,873	1,970,552
Life Insurance	473,510	439,973
Contributions receivable	1,521,196	4,580,883
Total Donor-Restricted Net Assets Invested in Perpetuity	90,263,214	90,587,967
Total Assets With Donor Restrictions	\$ 161,945,681	\$ 158,704,349

The source of net assets released from donor restrictions during the years ended June 30 by incurring expenses satisfying the restricted purpose or by occurrence of events specified by the donors were as follows:

	2019	2018
Scholarship and Program Support - Operating	\$ 4,641,713	\$ 3,692,580
Capital Projects - Nonoperating	1,697,539	4,735,205
Total Released	\$ 6,339,252	\$ 8,427,785

**SAINT JOHN'S UNIVERSITY**  
**NOTES TO FINANCIAL STATEMENTS**  
**YEARS ENDED JUNE 30, 2019 AND 2018**

**NOTE 9 CONTINGENCIES**

The University sponsors a self-insurance plan for its employees' health insurance. The University is responsible for a maximum of \$215,000 per year for each employee. Amounts in excess of the \$215,000 cap are reimbursed through Specific Stop Loss coverage. Those amounts in excess of 125% of overall expected annual claims are also protected by Aggregate Stop Loss coverage.

The University is subject to certain claims arising out of the ordinary course of business. Although it is not possible to predict the outcome of these claims, management believes they will not have a material effect on the financial condition of the University.

The University has conditional promises to give from various individuals and organizations. The promises consist of private equity stock. Upon a public offering of the stock, the University will receive the promised shares in the company. A reasonable estimate of the fair value of the conditional promises to give could not be made because the private equity stocks are not readily salable.

For calendar year 2019, the University had received a conditional grant from the Katherine B. Andersen Fund of The Saint Paul Foundation for use in the Hill Museum and Manuscript Library. The grant is for \$10,000, but is conditional on the University matching this grant in contributions for the Hill Museum and Manuscript Library. As of June 30, 2019, \$9,284 has been raised in matching fund contributions.

Beginning in fiscal year 2019, the University received a conditional grant from Dan and Angie Bastain for endowed Cristo Rey scholarship funds. The grant is for \$500,000, but is conditional on the University matching this grant in contributions for Cristo Rey scholarships. As of June 30, 2019, \$350,000 has been raised in matching fund contributions.

**NOTE 10 COORDINATE EFFORT**

The University entered into an agreement with the College of Saint Benedict (an all-women's college located five miles away) to provide a coordinate effort between the two institutions for academic and certain administrative, employment and student services. The coordinate effort was arranged to provide economic efficiencies when possible. The agreement provides for such services to be reimbursed between the two institutions. There was a payable to the College for \$193,156 and \$465,258 as of June 30, 2019 and 2018, respectively.

**NOTE 11 DONOR RECLASSIFICATION OF NET ASSETS**

Periodically donor restrictions related to net assets may be clarified or changed. Such changes are reflected as reclassification of net assets at the time they are identified. During the years ended June 30, 2019 and 2018, the University made reclassifications to certain net assets to accommodate donor requests to change restrictions.

**SAINT JOHN'S UNIVERSITY**  
**NOTES TO FINANCIAL STATEMENTS**  
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**NOTE 12 EXPENSES BY FUNCTION AND NATURAL CLASSIFICATION**

In its statement of activities, the University reports expenditures in categories reflecting core operational objectives for higher education, as defined by Integrated Postsecondary Education Data System (IPEDS). During the year, expenses are directly coded to program (instruction, academic support, student services, auxiliary services, and sponsored programs) or support services (institutional support) whenever possible. Expenses which are not directly identifiable by program or support service are allocated based on the best estimates of management.

Expenses reported by function on the statement of activities are summarized by natural classification for the year ended June 30, 2019.

	Program Activities	Support Activities	Total
<b>EXPENSES</b>			
Salary & Wages	\$ 25,265,109	\$ 6,183,706	\$ 31,448,815
Fringe	5,961,738	1,517,207	7,478,945
Tuition Remission	2,956,610	(15,832)	2,940,778
Advertising & Promotion	360,927	252,200	613,127
Office Expense	888,919	849,241	1,738,160
Occupancy	9,018,966	821,280	9,840,246
Insurance	70,463	140,411	210,874
Information Technology	574,735	472,487	1,047,222
Student Programming	3,251,994	-	3,251,994
Royalties	94,927	-	94,927
Lobbying	-	140,737	140,737
Travel	1,837,890	236,330	2,074,220
Conferences, Conventions, Meetings	328,518	589,056	917,574
Interest	235,659	-	235,659
Services - Accounting	-	70,252	70,252
Services - Legal	-	265,808	265,808
Services - Professional Fundraising	-	6,973	6,973
Services - Other	1,574,801	217,988	1,792,789
Depreciation	4,717,059	639,141	5,356,200
Other Auxiliaries	6,049,654	-	6,049,654
Allocations	-	(1,884,529)	(1,884,529)
Other	1,072,146	622,993	1,695,139
	<b>\$ 64,260,115</b>	<b>\$ 11,125,449</b>	<b>\$ 75,385,564</b>
Total Expenses	<b>\$ 64,260,115</b>	<b>\$ 11,125,449</b>	<b>\$ 75,385,564</b>

**SAINT JOHN'S UNIVERSITY**  
**NOTES TO FINANCIAL STATEMENTS**  
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**NOTE 12 EXPENSES BY FUNCTION AND NATURAL CLASSIFICATION (CONTINUED)**

Expenses reported by function on the statement of activities are summarized by natural classification for the year ended June 30, 2018.

	Program Activities	Support Activities	Total
<b>EXPENSES</b>			
Salary & Wages	\$ 25,079,900	\$ 6,310,727	\$ 31,390,627
Fringe	6,574,510	1,805,093	8,379,603
Tuition Remission	2,433,207	362,660	2,795,867
Advertising & Promotion	392,964	265,107	658,071
Office Expense	899,229	847,467	1,746,696
Occupancy	8,444,336	798,672	9,243,008
Insurance	77,289	138,940	216,229
Information Technology	572,419	476,501	1,048,920
Student Programming	3,567,211	-	3,567,211
Royalties	28,317	-	28,317
Lobbying	-	138,238	138,238
Travel	1,817,695	295,887	2,113,582
Conferences, Conventions, Meetings	367,592	586,986	954,578
Interest	303,731	-	303,731
Services - Accounting	-	62,816	62,816
Services - Legal	-	289,985	289,985
Services - Professional Fundraising	-	29,368	29,368
Services - Other	1,501,021	299,276	1,800,297
Depreciation	4,767,083	652,213	5,419,296
Other Auxiliaries	6,276,258	-	6,276,258
Allocations	-	(1,998,863)	(1,998,863)
Other	116,089	744,653	860,742
	<u>\$ 63,218,851</u>	<u>\$ 12,105,726</u>	<u>\$ 75,324,577</u>
Total Expenses			

Development expenses incurred by the University are charged to institutional support and included in support activities above. For the years ended June 30, 2019 and 2018, the University had development expenses of \$3,587,877 and \$3,667,437, respectively.

**NOTE 13 RELATED PARTY**

For the years ended June 30, 2019 and 2018, pledges totaling \$425,907 and \$603,203, respectively, from the Board of Trustees and Boards of Overseers are included in the statement of financial position as contributions receivable.

**SAINT JOHN'S UNIVERSITY  
NOTES TO FINANCIAL STATEMENTS  
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**NOTE 14 SUPPLEMENTAL DISCLOSURE OF CASH FLOW INFORMATION**

	2019	2018
Interest paid	\$ 1,402,963	\$ 1,525,735
Interest paid and capitalized through PPE	-	78,800
Noncash:		
Retirement of fully depreciated assets	427,655	983,878
Property, plant & equipment included in accounts payable	513,336	293,775
Proceeds from issuance of long-term debt	-	7,595,000
Payment of principal on long-term debt through refinance	-	(8,595,000)
Debt premium & acquisition costs on refinance	-	508,445
Use of debt reserve on refinance	-	779,998
Donation of fixed assets	34,167	425,188

**NOTE 15 SAINT JOHN'S BIBLE**

In 1998, the University embarked on a project to create and produce a handwritten and illuminated Bible, which was based on the new Revised Standard Version. This Bible is made up of seven volumes, and was completed in June 2011.

Three hundred and ninety museum-quality reproduction sets have been made. Of these sets, which are referred to as Heritage Editions, three hundred and sixty of them will be sold to generate revenue for the University. A major objective of the Saint John's Bible is to increase national and international awareness of Saint John's University and to promote its position among expanded constituencies and recruitment markets. Through June 30, 2019, one hundred twenty nine sets have been sold or gifted.

As of June 30, 2019, the University statement of financial position includes accounts receivable of \$420,844, inventory of \$6,180,869, accounts payable and accrued expenses of \$86,696, and deferred revenue of \$680,401, related to the Heritage Edition program.

As of June 30, 2018, the University statement of financial position includes accounts receivable of \$365,348, inventory of \$6,547,577, accounts payable and accrued expenses of \$416,830, and deferred revenue of \$614,845, related to the Heritage Edition program.

**NOTE 16 ENVIRONMENTAL REMEDIATION**

The University owns several buildings on campus that contain asbestos in various forms. At this time, the University has no plans to renovate or demolish the buildings over their estimated remaining useful lives. Management has estimated the cost of any potential obligation to remove asbestos. The University used a future value rate assumption of 3.00% and brought that estimate back to present value using risk-free rates of return of 5.15% to 5.31% in making this determination. The potential environmental remediation liability at June 30, 2019 and 2018 is \$961,464 and \$990,837, respectively.

**SAINT JOHN'S UNIVERSITY  
NOTES TO FINANCIAL STATEMENTS  
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**NOTE 17 OPERATING LEASE**

Effective July 1, 2012, the University entered into a ground lease agreement with the Order of Saint Benedict for all of the land that the campus sits on. The lease term is for 50 years. In addition, and at the same time, the University entered into leases for several Order of Saint Benedict buildings needed for University operations. These lease terms range from 2 to 50 years. The annual ground and building lease payment is calculated at 0.25% of the without donor restriction "Total Operating Revenues, Gains, and Other Support" as reported on the University's prior year's audited financial statement. This amounted to \$193,102 and \$189,305 for the years ended June 30, 2019 and 2018, respectively. The ground lease renews every 5 years, and at which time a \$250,000 lease extension payment is due. The University accrues \$50,000 per year for this. The lease was last renewed on July 1, 2017.

**NOTE 18 REQUIRED ANNUAL REPORT INFORMATION FOR BONDS**

The following information, which is required annual reporting, is in this footnote for easy reference. This information has not been subjected to any auditing procedures.

This information is provided as of the end of the most recent complete academic or fiscal year, as appropriate.

**University Housing**

The chart below shows historical occupancy levels at the University housing system.

St. John's University Undergraduate Student Housing Recap

Fiscal Year	Spaces Available	Total Housed On Campus*	Occupancy Rate	Total Fr. - Sr. Student Body*	Percent Housed On Campus
2014-15	1,546	1,502	97%	1,758	85%
2015-16	1,529	1,470	96%	1,716	86%
2016-17	1,529	1,499	98%	1,739	86%
2017-18	1,536	1,483	97%	1,706	87%
2018-19	1,532	1,400	91%	1,650	85%

\*Fall enrollment figures

**SAINT JOHN'S UNIVERSITY  
NOTES TO FINANCIAL STATEMENTS  
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**NOTE 18 REQUIRED ANNUAL REPORT INFORMATION FOR BONDS (CONTINUED)**

**Student Enrollment and Geographic Distribution of Entering Freshmen**

The University's total historic enrollment for undergraduate and graduate students for the past five years and the estimated enrollment for fiscal year 2019/2020 are as follows:

<u>Fiscal Year</u>	<u>Head Count</u>	<u>FTE</u>
Actual:		
2014/15	1,895	1,845
2015/16	1,869	1,804
2016/17	1,849	1,808
2017/18	1,815	1,779
2018/19	1,777	1,726
Estimated:		
2019/20	1,727	1,679

**Freshman Applications, Acceptances and Enrollments**

	<u>2014/15</u>	<u>2015/16</u>	<u>2016/17</u>	<u>2017/18</u>	<u>2018/19</u>
Applications	1,280	1,334	1,457	1,461	1,421
Acceptances	1,157	1,191	1,279	1,315	1,241
Percent Accepted	90%	89%	88%	90%	87%
Enrolled	450	451	461	465	398
Percent Enrolled to Accepted	39%	38%	36%	35%	32%
Mean ACT Score	25	25	25	25	25
Mean SAT Verbal/ Math Scores*	545/547	518/525	518/525	542/555	564/576

*All scores re-centered.*

Of the 398 persons enrolled in the 2018/2019 freshman class, 293 or 74% are Minnesota residents.

**SAINT JOHN'S UNIVERSITY**  
**NOTES TO FINANCIAL STATEMENTS**  
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**NOTE 18 REQUIRED ANNUAL REPORT INFORMATION FOR BONDS (CONTINUED)**

**Student Retention**

The University reports the following student retention percentages, based on tracking incoming freshmen through to graduation.

Fall Semester	New Freshmen	Percent of Students Returning				Percent of Graduates	
		2nd Year	3rd Year	4th Year	5th Year	4 Years	By 5th Year
2013	497	87.7	82.1	78.7	4.8	70	74
2014	450	85.3	80.2	79.8	5.3	69	73
2015	451	88.7	80.9	80.7			
2016	461	87.9	80.7				
2017	465	87.1					
2018	398						

**Tuition and Fees**

The University meets the costs of its educational programs primarily through tuition and fees. The following table lists the tuition, room and board fees for the past five years, charged to a full-time, incoming freshman.

	2014/15	2015/16	2016/17	2017/18	2018/19
Tuition	\$ 38,024	\$ 39,530	\$ 41,016	\$ 42,574	\$ 44,184
Room*	4,640	4,802	4,946	5,070	5,172
Board	4,640	4,802	4,946	5,046	5,148
Activity Fee	418	428	440	500	518
Technology Fee	262	268	276	282	288
Total	<u>\$ 47,984</u>	<u>\$ 49,830</u>	<u>\$ 51,624</u>	<u>\$ 53,472</u>	<u>\$ 55,310</u>

\* Amounts represented above are average room charges; actual amounts may be more or less depending on the residence.

Special fees may be charged for specific courses such as science labs, arts fees or music lessons.

**Faculty**

The student-faculty ratio is approximately 12 to 1. There are no religious or denominational prerequisites or any participatory religious requirements for faculty membership. The University subscribes to the 1940 Statement of Principles on Academic Freedom of the American Association of University Professors and the Association of American Colleges.



**SAINT JOHN'S UNIVERSITY**  
**NOTES TO FINANCIAL STATEMENTS**  
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**NOTE 18 REQUIRED ANNUAL REPORT INFORMATION FOR BONDS (CONTINUED)**

For the 2018/2019 fiscal year, the University has 129 full-time and 26 part-time faculty. The number and average salary by rank for full-time faculty during the 2018/2019 fiscal year were:

Rank	Head Count *	Average *
	Number	Salary
Professor	43	\$ 93,202
Associate Professor	41	73,345
Assistant Professor	16	63,035
Instructor/Lecturer	29	67,311

\* Head count and average salary calculated per AAUP survey criteria.

The percentage of full-time tenured faculty is 65%.

**Financial Aid**

Approximately 97% of the student body annually receives some form of financial aid. The following table is a five-year summary of financial assistance received from both University and non-University sources.

	2014/15	2015/16	2016/17	2017/18	2018/19
Loans:					
Federal	\$ 8,866,254	\$ 8,847,261	\$ 9,229,689	\$ 8,966,794	\$ 8,235,439
Private	5,207,739	5,024,975	5,242,791	4,587,612	4,816,677
Total Loans	<u>14,073,993</u>	<u>13,872,236</u>	<u>14,472,480</u>	<u>13,554,406</u>	<u>13,052,116</u>
Student Employment (All Sources)	<u>3,200,203</u>	<u>3,208,022</u>	<u>3,109,163</u>	<u>3,137,753</u>	<u>3,038,007</u>
Gift Aid:					
Federal/State	3,674,346	3,508,099	3,817,776	4,363,917	4,586,805
University	34,542,664	35,888,368	38,250,301	39,055,305	39,811,623
Private	248,062	377,148	541,349	225,497	457,418
Total Gift Aid	<u>38,465,072</u>	<u>39,773,615</u>	<u>42,609,426</u>	<u>43,644,719</u>	<u>44,855,846</u>
Total	<u>\$ 55,739,268</u>	<u>\$ 56,853,873</u>	<u>\$ 60,191,069</u>	<u>\$ 60,336,878</u>	<u>\$ 60,945,969</u>

**Capital Campaign**

For fiscal year ended June 30, 2019, the University had raised \$108,098 for facilities, \$7,545,543 for endowment (scholarship and program endowment), and \$9,674,297 for without donor restriction and with donor restriction annual gifts, and \$2,127,731 to be designated, for a total of \$19,455,669 through cash, pledges, and planned gifts.

**SAINT JOHN'S UNIVERSITY  
NOTES TO FINANCIAL STATEMENTS  
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**NOTE 18 REQUIRED ANNUAL REPORT INFORMATION FOR BONDS (CONTINUED)**

**Maximum Annual Debt Service and Pro Forma Coverage Statement**

	<u>Fiscal Year 2019</u>	
Maximum Annual Debt Service (a)	Amount Available for Debt Service (b)	Estimated Coverage
<u>\$ 4,333,812</u>	<u>\$ 12,406,357</u>	<u>2.86</u>

a. Maximum annual debt service is based on actual service on the Bonds and on the University's outstanding debt.

b. Fiscal Year 2019 net amount available for debt service:

Change in Net Assets Without Restriction from Operations	\$ 5,325,792
Plus: Depreciation	<u>5,677,602</u>
Adjusted Increase (Decrease) in Net Assets Without Restriction	11,003,394
Plus: Interest Paid on Funded Debt	<u>1,402,963</u>
Net Income Available for Debt Service	<u><u>\$ 12,406,357</u></u>

**NOTE 19 LIQUIDITY**

The University 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 University considers all expenditures related to its ongoing activities of teaching and public service as well as the conduct of services undertaken to support general institutional expenditures.

In addition to financial assets available to meet general expenditures, the University operates with a balanced operating budget and anticipates collecting sufficient revenue to cover general expenditures not covered by donor-restricted resources.

**SAINT JOHN'S UNIVERSITY  
NOTES TO FINANCIAL STATEMENTS  
YEARS ENDED JUNE 30, 2019 AND 2018**

**NOTE 19 LIQUIDITY (CONTINUED)**

As of June 30, 2019, the following financial assets could readily be made available within one year of the balance sheet date to meet general expenditures:

	2019
Cash and Cash Equivalents	\$ 7,556,479
Student Receivables - Net	187,050
Contributions Receivable - Net	49,992
Unitrust, Interest, and Other Receivables	1,792,878
Donor Restricted Program Funds For Use Over the Next 12 Months	4,167,147
Endowment Payout For Use Over the Next 12 Months	6,400,000
Total	\$20,153,546

The majority of the University's liquidity is provided by cash and cash equivalents and endowment spending rate appropriations. Student loan 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.

Board-designated endowment and reserve funds in the amount of \$87,308,300 are included in the University's statement of financial position at June 30, 2019. Although the University does not intend to spend from the corpus of these funds, these amounts could be made available if deemed necessary.

**NOTE 20 REVENUE RECOGNITION**

The University recognizes tuition and fees revenue within the fiscal year in which educational services are provided. Discounts in the form of scholarships and grants, including those funded by the endowment and gifts, are reported as a reduction of tuition and fees.

The educational services are delivered in the fall and spring terms. There is not a standard summer term. Payments for the fall term received prior to June 30 are recorded as deferred revenue until the performance obligations are met.

Auxiliary Income includes activity for student housing and dining services. Performance obligations for housing and dining services are delivered over the academic terms. Consequently, associated revenues are earned and recognized during those terms.





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## INDEPENDENT AUDITORS' REPORT ON SUPPLEMENTARY INFORMATION

Dr. Eugene McAllister, Interim President  
Saint John's University  
Collegeville, Minnesota

We have audited the financial statements of Saint John's University as of and for the year ended June 30, 2019, and our report thereon dated October 23, 2019, which expressed an unmodified opinion on those financial statements, and appears on pages 2 and 3. Our audit was conducted for the purpose of forming an opinion on the financial statements as a whole. The supplementary information on pages 37 through 49 and the financial statement highlights on page 1, which is the responsibility of management, is presented for purposes of additional analysis and is not a required part of the financial statements. Such information has not been subjected to the auditing procedures applied in the audit of the financial statements, and, accordingly, we do not express an opinion or provide any assurance on it.

*CliftonLarsonAllen LLP*

**CliftonLarsonAllen LLP**

St. Cloud, Minnesota  
October 23, 2019



**SAINT JOHN'S UNIVERSITY**  
**STATEMENTS OF FINANCIAL POSITION**  
**JUNE 30, 2019 AND 2018**  
(SEE INDEPENDENT AUDITORS' REPORT ON SUPPLEMENTARY INFORMATION)

COLLEGE OF ARTS AND SCIENCES

<b>ASSETS</b>	<u>2019</u>	<u>2018</u>
<b>ASSETS</b>		
Cash and cash equivalents	\$ 9,638,095	\$ 9,558,223
Student receivables, net	435,177	339,544
Contributions receivable, net	6,210,049	7,742,907
Unitrust, interest, and other receivables	2,921,573	2,924,002
Inventories and prepaid expenses	7,102,672	7,613,482
Student loans receivable, net	2,013,540	2,333,604
Investments	205,029,954	192,771,006
Property, plant and equipment, net	137,254,033	139,847,147
Total Assets	<u>370,605,093</u>	<u>363,129,915</u>
<b>LIABILITIES AND NET ASSETS</b>		
<b>LIABILITIES</b>		
Accounts payable and accrued expenses	5,375,700	6,153,212
Deferred revenue	1,495,031	1,318,333
Funds held for others	233,107	193,978
Other liabilities	1,668,250	1,591,458
Annuities and unitrusts payable	4,890,835	5,159,212
Notes and bonds payable	33,218,246	36,582,981
Government grants repayable - Federal Perkins loan program	2,327,188	2,333,606
Total Liabilities	<u>49,208,357</u>	<u>53,332,780</u>
<b>NET ASSETS</b>		
Without Donor Restriction:		
Reserves, program funds, and undesignated	31,910,716	28,269,941
Board designated endow ment	56,549,528	54,674,409
Investment in property, plant and equipment	103,117,324	102,316,332
Annuities	2,635,047	2,793,760
Contributions receivable	118,948	198,158
Total Without Donor Restrictions	<u>194,331,563</u>	<u>188,252,600</u>
With Donor Restriction:		
Purpose and time restrictions	3,690,394	2,506,576
Endow ment	112,890,511	107,283,205
Unitrusts and life insurance	4,393,169	4,210,007
Contributions receivable	6,091,099	7,544,747
Total With Donor Restrictions	<u>127,065,173</u>	<u>121,544,535</u>
Total Net Assets	<u>321,396,736</u>	<u>309,797,135</u>
<b>TOTAL LIABILITIES AND NET ASSETS</b>	<u>\$ 370,605,093</u>	<u>\$ 363,129,915</u>

**SAINT JOHN'S UNIVERSITY**  
**STATEMENTS OF ACTIVITIES**  
**YEAR ENDED JUNE 30, 2019**  
(SEE INDEPENDENT AUDITORS' REPORT ON SUPPLEMENTARY INFORMATION)

**COLLEGE OF ARTS AND SCIENCES**

	<u>WITHOUT DONOR RESTRICTION</u>	<u>WITH DONOR RESTRICTION</u>	<u>TOTAL</u>
<b>OPERATING ACTIVITIES</b>			
<b>OPERATING REVENUES</b>			
Tuition and fees	\$ 74,919,391	\$ -	\$ 74,919,391
Less: Funded scholarships and grants - restricted funds	(3,672,568)	-	(3,672,568)
Less: Funded scholarships and grants - quasi-endowments	(1,235,324)	-	(1,235,324)
Less: Unfunded scholarships and grants	(35,406,899)	-	(35,406,899)
Net tuition and fees	<u>34,604,600</u>	<u>-</u>	<u>34,604,600</u>
Government grants:			
Federal grants	638,724	13,250	651,974
State grants	279,401	1,078,545	1,357,946
Private gifts and grants	3,498,839	2,037,914	5,536,753
Other investment income	292,636	5,907	298,543
Investment return allocated for operations (draw)	6,349,760	152,067	6,501,827
Other sources	2,385,109	-	2,385,109
Sales and services of auxiliary enterprises:			
Residence halls	8,006,641	-	8,006,641
Food services	9,092,034	-	9,092,034
Other auxiliaries	3,389,187	-	3,389,187
	<u>68,536,931</u>	<u>3,287,683</u>	<u>71,824,614</u>
Net assets released from restrictions	<u>2,685,160</u>	<u>(2,685,160)</u>	<u>-</u>
Total Operating Revenues, Gains and Other Support	<u>71,222,091</u>	<u>602,523</u>	<u>71,824,614</u>
<b>OPERATING EXPENSES</b>			
Program expenses:			
Instruction	25,308,457	-	25,308,457
Academic support	9,867,395	-	9,867,395
Student services	9,914,723	-	9,914,723
Auxiliary enterprises:			
Residence halls	4,013,485	-	4,013,485
Food services	7,535,319	-	7,535,319
Other auxiliaries	3,034,158	-	3,034,158
Support expenses:			
Institutional support	<u>10,170,369</u>	<u>-</u>	<u>10,170,369</u>
Total Operating Expenses	<u>69,843,906</u>	<u>-</u>	<u>69,843,906</u>
<b>INCREASE (DECREASE) IN NET ASSETS FROM OPERATING ACTIVITIES</b>	<u>1,378,185</u>	<u>602,523</u>	<u>1,980,708</u>
<b>NONOPERATING ACTIVITIES</b>			
Long-term investment activities:			
Endowment income	5,735,889	7,614,915	13,350,804
Less: Investment return allocated for operations (draw)	<u>(2,362,189)</u>	<u>(4,139,638)</u>	<u>(6,501,827)</u>
	<u>3,373,700</u>	<u>3,475,277</u>	<u>6,848,977</u>
Private gifts and grants	23,167	3,865,541	3,888,708
Other investment income	2,347	41,772	44,119
Change in contributions	(79,210)	(1,453,648)	(1,532,858)
Annuity and unitrust net gifts	74,634	-	74,634
Adjustment of actuarial liability	(431,039)	726,352	295,313
Gain (Loss) on extinguishment of debt	-	-	-
Reclassification of net assets	39,640	(39,640)	-
	<u>(370,461)</u>	<u>3,140,377</u>	<u>2,769,916</u>
Net assets released from restrictions	<u>1,697,539</u>	<u>(1,697,539)</u>	<u>-</u>
	<u>1,327,078</u>	<u>1,442,838</u>	<u>2,769,916</u>
<b>INCREASE (DECREASE) IN NET ASSETS FROM NONOPERATING ACTIVITIES</b>	<u>4,700,778</u>	<u>4,918,115</u>	<u>9,618,893</u>
<b>INCREASE (DECREASE) IN NET ASSETS</b>	<u>6,078,963</u>	<u>5,520,638</u>	<u>11,599,601</u>
Net Assets - Beginning of Year	<u>188,252,600</u>	<u>121,544,535</u>	<u>309,797,135</u>
<b>NET ASSETS - END OF YEAR</b>	<u>\$ 194,331,563</u>	<u>\$ 127,065,173</u>	<u>\$ 321,396,736</u>



**SAINT JOHN'S UNIVERSITY**  
**STATEMENTS OF ACTIVITIES**  
**YEAR ENDED JUNE 30, 2018**  
(SEE INDEPENDENT AUDITORS' REPORT ON SUPPLEMENTARY INFORMATION)

**COLLEGE OF ARTS AND SCIENCES**

	<u>WITHOUT DONOR RESTRICTION</u>	<u>WITH DONOR RESTRICTION</u>	<u>TOTAL</u>
<b>OPERATING ACTIVITIES</b>			
<b>OPERATING REVENUES</b>			
Tuition and fees	\$ 73,725,342	\$ -	\$ 73,725,342
Less: Funded scholarships and grants - restricted funds	(3,237,669)	-	(3,237,669)
Less: Funded scholarships and grants - quasi-endowments	(1,081,197)	-	(1,081,197)
Less: Unfunded scholarships and grants	(35,237,990)	-	(35,237,990)
Net tuition and fees	<u>34,168,486</u>	<u>-</u>	<u>34,168,486</u>
Government grants:			
Federal grants	715,264	15,800	731,064
State grants	132,859	113,646	246,505
Private gifts and grants	3,829,967	1,546,588	5,376,555
Other investment income	333,636	352	333,988
Investment return allocated for operations (draw)	6,514,662	175,807	6,690,469
Other sources	1,973,002	-	1,973,002
Sales and services of auxiliary enterprises:			
Residence halls	8,204,489	-	8,204,489
Food services	9,101,272	-	9,101,272
Other auxiliaries	3,841,899	-	3,841,899
	<u>68,815,536</u>	<u>1,852,193</u>	<u>70,667,729</u>
Net assets released from restrictions	<u>1,672,097</u>	<u>(1,672,097)</u>	<u>-</u>
Total Operating Revenues, Gains and Other Support	<u>70,487,633</u>	<u>180,096</u>	<u>70,667,729</u>
<b>OPERATING EXPENSES</b>			
Program expenses:			
Instruction	25,604,905	-	25,604,905
Academic support	8,725,803	-	8,725,803
Student services	9,758,811	-	9,758,811
Auxiliary enterprises:			
Residence halls	4,002,835	-	4,002,835
Food services	7,310,270	-	7,310,270
Other auxiliaries	3,150,758	-	3,150,758
Support expenses:			
Institutional support	<u>11,193,528</u>	<u>-</u>	<u>11,193,528</u>
Total Operating Expenses	<u>69,746,910</u>	<u>-</u>	<u>69,746,910</u>
<b>INCREASE (DECREASE) IN NET ASSETS FROM OPERATING ACTIVITIES</b>	<u>740,723</u>	<u>180,096</u>	<u>920,819</u>
<b>NONOPERATING ACTIVITIES</b>			
Long-term investment activities:			
Endowment income	7,413,394	9,689,860	17,103,254
Less: Investment return allocated for operations (draw)	<u>(2,861,802)</u>	<u>(3,828,667)</u>	<u>(6,690,469)</u>
	<u>4,551,592</u>	<u>5,861,193</u>	<u>10,412,785</u>
Private gifts and grants	118,208	7,953,650	8,071,858
Other investment income	2,447	10,208	12,655
Change in contributions	(79,533)	(3,178,948)	(3,258,481)
Annuity and unitrust net gifts	61,870	-	61,870
Adjustment of actuarial liability	(275,303)	500,484	225,181
Gain (Loss) on extinguishment of debt	(469,339)	-	(469,339)
Reclassification of net assets	-	-	-
	<u>(641,650)</u>	<u>5,285,394</u>	<u>4,643,744</u>
Net assets released from restrictions	<u>4,735,205</u>	<u>(4,735,205)</u>	<u>-</u>
	<u>4,093,555</u>	<u>550,189</u>	<u>4,643,744</u>
<b>INCREASE (DECREASE) IN NET ASSETS FROM NONOPERATING ACTIVITIES</b>	<u>8,645,147</u>	<u>6,411,382</u>	<u>15,056,529</u>
<b>INCREASE (DECREASE) IN NET ASSETS</b>	<u>9,385,870</u>	<u>6,591,478</u>	<u>15,977,348</u>
Net Assets - Beginning of Year	<u>178,866,730</u>	<u>114,953,057</u>	<u>293,819,787</u>
<b>NET ASSETS - END OF YEAR</b>	<u>\$ 188,252,600</u>	<u>\$ 121,544,535</u>	<u>\$ 309,797,135</u>



**SAINT JOHN'S UNIVERSITY**  
**STATEMENTS OF FINANCIAL POSITION**  
**JUNE 30, 2019 AND 2018**  
(SEE INDEPENDENT AUDITORS' REPORT ON SUPPLEMENTARY INFORMATION)

SCHOOL OF THEOLOGY

	2019	2018
<b>ASSETS</b>		
<b>ASSETS</b>		
Cash and cash equivalents	\$ 1,529,479	\$ 1,840,008
Student receivables, net	57,381	54,112
Contributions receivable, net	316,926	372,620
Unitrust, interest, and other receivables	181,751	164,073
Inventories and prepaid expenses	10,248	15,100
Investments	23,439,803	22,010,713
Property, plant, and equipment, net	1,371,593	1,287,385
Total Assets	26,907,181	25,744,011
<b>LIABILITIES</b>		
Accounts payable and accrued expenses	140,587	155,540
Deferred revenue	-	9,420
Funds held for others	6,656	5,689
Other liabilities	55,787	54,143
Annuities and unitrusts payable	312,127	348,411
Total Liabilities	515,157	573,203
<b>NET ASSETS</b>		
Without Donor Restriction:		
Reserves, program funds, and undesignated	820,260	669,534
Board designated endow ment	5,369,122	4,470,568
Investment in property, plant and equipment	1,328,592	1,244,384
Annuities	548,585	676,400
Contributions receivable	30,769	58,880
Total Without Donor Restriction	8,097,328	7,119,766
With Donor Restriction:		
Purpose and time restrictions	667,965	1,101,825
Endow ment	17,216,379	16,525,913
Unitrusts and life insurance	124,194	109,565
Contributions receivable	286,158	313,739
Total With Donor Restriction	18,294,696	18,051,042
Total Net Assets	26,392,024	25,170,808
<b>TOTAL LIABILITIES AND NET ASSETS</b>	<b>\$ 26,907,181</b>	<b>\$ 25,744,011</b>

**SAINT JOHN'S UNIVERSITY**  
**STATEMENTS OF ACTIVITIES**  
**YEAR ENDED JUNE 30, 2019**  
(SEE INDEPENDENT AUDITORS' REPORT ON SUPPLEMENTARY INFORMATION)

**SCHOOL OF THEOLOGY**

	<u>WITHOUT DONOR RESTRICTION</u>	<u>WITH DONOR RESTRICTION</u>	<u>TOTAL</u>
<b>OPERATING ACTIVITIES</b>			
<b>OPERATING REVENUES</b>			
Tuition and fees	\$ 1,237,331	\$ -	\$ 1,237,331
Less: Funded scholarships and grants - restricted funds	(639,881)	-	(639,881)
Less: Funded scholarships and grants - quasi-endowments	-	-	-
Less: Unfunded scholarships and grants	-	-	-
Net tuition and fees	<u>597,450</u>	<u>-</u>	<u>597,450</u>
Private gifts and grants	1,445,543	135,099	1,580,642
Other investment income	22,910	-	22,910
Investment return allocated for operations (draw)	986,611	-	986,611
Other sources	145,821	-	145,821
Sales and services of auxiliary enterprises:			
Residence halls	<u>298,091</u>	<u>-</u>	<u>298,091</u>
	<u>3,496,426</u>	<u>135,099</u>	<u>3,631,525</u>
Net assets released from restrictions	<u>568,957</u>	<u>(568,957)</u>	<u>-</u>
Total Operating Revenues, Gains and Other Support	<u>4,065,383</u>	<u>(433,858)</u>	<u>3,631,525</u>
<b>OPERATING EXPENSES</b>			
Program expenses:			
Instruction:			
Core Curriculum	549,010	-	549,010
Public Service	444,827	-	444,827
Academic support	402,733	-	402,733
Student services	514,980	-	514,980
Auxiliary enterprises:			
Residence halls	207,334	-	207,334
Support expenses:			
Institutional support	<u>955,080</u>	<u>-</u>	<u>955,080</u>
Total Operating Expenses	<u>3,073,964</u>	<u>-</u>	<u>3,073,964</u>
<b>INCREASE (DECREASE) IN NET ASSETS FROM OPERATING ACTIVITIES</b>	<u>991,419</u>	<u>(433,858)</u>	<u>557,561</u>
<b>NONOPERATING ACTIVITIES</b>			
Long-term investment activities:			
Endowment income	376,823	1,179,383	1,556,206
Less: Investment return allocated for operations (draw)	<u>(193,840)</u>	<u>(792,771)</u>	<u>(986,611)</u>
	<u>182,983</u>	<u>386,612</u>	<u>569,595</u>
Private gifts and grants	-	143,426	143,426
Change in contributions	(28,111)	(27,581)	(55,692)
Adjustment of actuarial liability	<u>(168,729)</u>	<u>175,055</u>	<u>6,326</u>
	<u>(196,840)</u>	<u>290,900</u>	<u>94,060</u>
Net assets released from restriction	<u>-</u>	<u>-</u>	<u>-</u>
	<u>(196,840)</u>	<u>290,900</u>	<u>94,060</u>
<b>INCREASE (DECREASE) IN NET ASSETS FROM NONOPERATING ACTIVITIES</b>	<u>(13,857)</u>	<u>677,512</u>	<u>663,655</u>
<b>INCREASE (DECREASE) IN NET ASSETS</b>	<u>977,562</u>	<u>243,654</u>	<u>1,221,216</u>
Net Assets - Beginning of Year	<u>7,119,766</u>	<u>18,051,042</u>	<u>25,170,808</u>
<b>NET ASSETS - END OF YEAR</b>	<u>\$ 8,097,328</u>	<u>\$ 18,294,696</u>	<u>\$ 26,392,024</u>

**SAINT JOHN'S UNIVERSITY**  
**STATEMENTS OF ACTIVITIES**  
**YEAR ENDED JUNE 30, 2018**  
(SEE INDEPENDENT AUDITORS' REPORT ON SUPPLEMENTARY INFORMATION)

**SCHOOL OF THEOLOGY**

	<u>WITHOUT DONOR RESTRICTION</u>	<u>WITH DONOR RESTRICTION</u>	<u>TOTAL</u>
<b>OPERATING ACTIVITIES</b>			
<b>OPERATING REVENUES</b>			
Tuition and fees	\$ 1,111,665	\$ -	\$ 1,111,665
Less: Funded scholarships and grants - restricted funds	(557,130)	-	(557,130)
Less: Funded scholarships and grants - quasi-endowments	-	-	-
Less: Unfunded scholarships and grants	-	-	-
Net tuition and fees	<u>554,535</u>	<u>-</u>	<u>554,535</u>
Private gifts and grants	831,183	125,438	956,621
Other investment income	16,456	-	16,456
Investment return allocated for operations (draw)	995,660	-	995,660
Other sources	212,642	-	212,642
Sales and services of auxiliary enterprises:			
Residence halls	<u>278,574</u>	<u>-</u>	<u>278,574</u>
	<u>2,889,050</u>	<u>125,438</u>	<u>3,014,488</u>
Net assets released from restrictions	<u>781,527</u>	<u>(781,527)</u>	<u>-</u>
	<u>3,670,577</u>	<u>(656,089)</u>	<u>3,014,488</u>
Total Operating Revenues, Gains and Other Support			
<b>OPERATING EXPENSES</b>			
Program expenses:			
Instruction:			
Core Curriculum	577,015	-	577,015
Public Service	694,823	-	694,823
Academic support	377,201	-	377,201
Student services	489,453	-	489,453
Auxiliary enterprises:			
Residence halls	176,712	-	176,712
Support expenses:			
Institutional support	<u>912,198</u>	<u>-</u>	<u>912,198</u>
	<u>3,227,402</u>	<u>-</u>	<u>3,227,402</u>
Total Operating Expenses			
	<u>443,175</u>	<u>(656,089)</u>	<u>(212,914)</u>
<b>INCREASE (DECREASE) IN NET ASSETS FROM OPERATING ACTIVITIES</b>			
<b>NONOPERATING ACTIVITIES</b>			
Long-term investment activities:			
Endowment income	501,757	1,539,556	2,041,313
Less: Investment return allocated for operations (draw)	<u>(193,683)</u>	<u>(801,977)</u>	<u>(995,660)</u>
	<u>308,074</u>	<u>737,579</u>	<u>1,045,653</u>
Private gifts and grants	-	254,669	254,669
Change in contributions	(37,748)	(13,091)	(50,839)
Adjustment of actuarial liability	<u>(45,147)</u>	<u>5,982</u>	<u>(39,165)</u>
	<u>(82,895)</u>	<u>247,560</u>	<u>164,665</u>
Net assets released from restriction	<u>-</u>	<u>-</u>	<u>-</u>
	<u>(82,895)</u>	<u>247,560</u>	<u>164,665</u>
<b>INCREASE (DECREASE) IN NET ASSETS FROM NONOPERATING ACTIVITIES</b>			
	<u>225,179</u>	<u>985,139</u>	<u>1,210,318</u>
<b>INCREASE (DECREASE) IN NET ASSETS</b>	<u>668,354</u>	<u>329,050</u>	<u>997,404</u>
Net Assets - Beginning of Year	<u>6,451,412</u>	<u>17,721,992</u>	<u>24,173,404</u>
<b>NET ASSETS - END OF YEAR</b>	<u>\$ 7,119,766</u>	<u>\$ 18,051,042</u>	<u>\$ 25,170,808</u>



**SAINT JOHN'S UNIVERSITY**  
**STATEMENTS OF FINANCIAL POSITION**  
**JUNE 30, 2019 AND 2018**  
(SEE INDEPENDENT AUDITORS' REPORT ON SUPPLEMENTARY INFORMATION)

HILL MUSEUM AND MANUSCRIPT LIBRARY

	2019	2018
<b>ASSETS</b>		
<b>ASSETS</b>		
Cash and cash equivalents	\$ 1,267,520	\$ 620,721
Contributions receivable, net	2,215,709	5,217,099
Unitrust, interest, and other receivables	85,721	263,797
Inventories and prepaid expenses	37,096	28,929
Investments	15,780,381	12,874,856
Property, plant and equipment, net	10,139,270	9,846,540
Total Assets	29,525,697	28,851,942
<b>LIABILITIES AND NET ASSETS</b>		
<b>LIABILITIES</b>		
Accounts payable and accrued expenses	78,002	105,889
Other Liabilities	1,328	-
Annuities and unitrusts payable	146,856	92,052
Notes and bonds payable	40,569	38,212
Total Liabilities	266,755	236,153
<b>NET ASSETS</b>		
Without Donor Restriction:		
Reserves, program funds, and undesignated	637,225	171,944
Board designated endow ment	3,039,408	629,165
Investment in property, plant and equipment	10,139,270	9,846,540
Annuities	143,054	88,855
Contributions receivable	-	-
Total Without Donor Restriction	13,958,957	10,736,504
With Donor Restriction:		
Purpose and time restrictions	615,007	575,561
Endow ment	12,435,754	12,053,518
Unitrusts and life insurance	33,515	33,107
Contributions receivable	2,215,709	5,217,099
Total With Donor Restriction	15,299,985	17,879,285
Total Net Assets	29,258,942	28,615,789
<b>TOTAL LIABILITIES AND NET ASSETS</b>	<b>\$ 29,525,697</b>	<b>\$ 28,851,942</b>

**SAINT JOHN'S UNIVERSITY**  
**STATEMENTS OF ACTIVITIES**  
**YEAR ENDED JUNE 30, 2019**  
(SEE INDEPENDENT AUDITORS' REPORT ON SUPPLEMENTARY INFORMATION)

**HILL MUSEUM AND MANUSCRIPT LIBRARY**

	<u>WITHOUT DONOR RESTRICTION</u>	<u>WITH DONOR RESTRICTION</u>	<u>TOTAL</u>
<b>OPERATING ACTIVITIES</b>			
<b>OPERATING REVENUES</b>			
Private gifts and grants:			
Foundations, corporations and individuals	\$ 3,152,103	\$ 145,025	\$ 3,297,128
St. John's Abbey	2,000	-	2,000
St. John's University - program costs	-	-	-
St. John's University - indirect costs	72,693	-	72,693
Government grants - Federal	-	283,597	283,597
Other investment income	9,076	846	9,922
Investment return allocated for operations (draw)	470,229	23,392	493,621
Other sources:			
Library sales	22,869	-	22,869
Miscellaneous income	175,630	-	175,630
	<u>3,904,600</u>	<u>452,860</u>	<u>4,357,460</u>
Net assets released from restrictions	1,332,770	(1,332,770)	-
Total Operating Revenues, Gains and Other Support	<u>5,237,370</u>	<u>(879,910)</u>	<u>4,357,460</u>
<b>OPERATING EXPENSES</b>			
Sponsored programs:			
General	957,567	-	957,567
Preservation Fieldwork	468,720	-	468,720
Scholarly Activity:			
Study Centers	230,213	-	230,213
Fellowships	27,531	-	27,531
Cataloging	292,049	-	292,049
Digital Collections	284,403	-	284,403
Arca Artium	86,228	-	86,228
Other Mission Support	173,065	-	173,065
Library Sales	241	-	241
Depreciation Expense	67,012	-	67,012
Less: Capitalized Costs	(348,741)	-	(348,741)
Total Operating Expenses	<u>2,238,288</u>	<u>-</u>	<u>2,238,288</u>
<b>INCREASE (DECREASE) IN NET ASSETS FROM OPERATING ACTIVITIES</b>	<u>2,999,082</u>	<u>(879,910)</u>	<u>2,119,172</u>
<b>NONOPERATING ACTIVITIES</b>			
Long-term investment activities:			
Endowment income	180,217	856,239	1,036,456
Less: Investment return allocated for operations (draw)	(14,365)	(479,256)	(493,621)
	<u>165,852</u>	<u>376,983</u>	<u>542,835</u>
Private gifts and grants	11,428	926,966	938,394
Change in contributions	-	(3,001,390)	(3,001,390)
Annuity and unitrust net gifts	49,534	-	49,534
Adjustment of actuarial liability	(3,443)	(1,949)	(5,392)
	<u>57,519</u>	<u>(2,076,373)</u>	<u>(2,018,854)</u>
Net assets released from restriction	-	-	-
	<u>57,519</u>	<u>(2,076,373)</u>	<u>(2,018,854)</u>
<b>INCREASE (DECREASE) IN NET ASSETS FROM NONOPERATING ACTIVITIES</b>	<u>223,371</u>	<u>(1,699,390)</u>	<u>(1,476,019)</u>
<b>INCREASE (DECREASE) IN NET ASSETS</b>	<u>3,222,453</u>	<u>(2,579,300)</u>	<u>643,153</u>
Net Assets - Beginning of Year	<u>10,736,504</u>	<u>17,879,285</u>	<u>28,615,789</u>
<b>NET ASSETS - END OF YEAR</b>	<u>\$ 13,958,957</u>	<u>\$ 15,299,985</u>	<u>\$ 29,258,942</u>



**SAINT JOHN'S UNIVERSITY**  
**STATEMENTS OF ACTIVITIES**  
**YEAR ENDED JUNE 30, 2018**  
(SEE INDEPENDENT AUDITORS' REPORT ON SUPPLEMENTARY INFORMATION)

**HILL MUSEUM AND MANUSCRIPT LIBRARY**

	<u>WITHOUT DONOR RESTRICTION</u>	<u>WITH DONOR RESTRICTION</u>	<u>TOTAL</u>
<b>OPERATING ACTIVITIES</b>			
<b>OPERATING REVENUES</b>			
Private gifts and grants:			
Foundations, corporations and individuals	\$ 1,104,307	\$ 109,039	\$ 1,213,346
St. John's Abbey	2,000	-	2,000
St. John's University - program costs	-	-	-
St. John's University - indirect costs	71,268	-	71,268
Government grants - Federal	-	199,854	199,854
Other investment income	2,122	3,809	5,931
Nonoperating assets used for operations (draw)	437,802	18,652	456,454
Other sources:			
Library sales	19,605	-	19,605
Miscellaneous income	95,809	-	95,809
	<u>1,732,913</u>	<u>331,354</u>	<u>2,064,267</u>
Net assets released from restrictions	<u>1,192,255</u>	<u>(1,192,255)</u>	<u>-</u>
Total Operating Revenues, Gains and Other Support	<u>2,925,168</u>	<u>(860,901)</u>	<u>2,064,267</u>
<b>OPERATING EXPENSES</b>			
Sponsored programs:			
General	843,091	-	843,091
Preservation Fieldwork	392,764	-	392,764
Scholarly Activity:			
Study Centers	227,051	-	227,051
Fellowships	68,534	-	68,534
Cataloging	404,910	-	404,910
Digital collections	227,735	-	227,735
Arca Artium	59,049	-	59,049
Other Mission Support	95,423	-	95,423
Library Sales	1,889	-	1,889
Depreciation expense	77,248	-	77,248
Less: Capitalized Costs	<u>(224,961)</u>	<u>-</u>	<u>(224,961)</u>
Total Operating Expenses	<u>2,172,733</u>	<u>-</u>	<u>2,172,733</u>
<b>INCREASE (DECREASE) IN NET ASSETS FROM OPERATING ACTIVITIES</b>	<u>752,435</u>	<u>(860,901)</u>	<u>(108,466)</u>
<b>NONOPERATING ACTIVITIES</b>			
Long-term investment activities:			
Endowment income	29,185	1,120,765	1,149,950
Less: Investment return allocated for operations (draw)	<u>(7,427)</u>	<u>(449,027)</u>	<u>(456,454)</u>
	21,758	671,738	693,496
Private gifts and grants	308,709	737,669	1,046,378
Change in contributions	-	1,936,831	1,936,831
Annuity and unitrust net gifts	22,266	-	22,266
Adjustment of actuarial liability	<u>(5,808)</u>	<u>(549)</u>	<u>(6,357)</u>
	<u>325,167</u>	<u>2,673,951</u>	<u>2,999,118</u>
Net assets released from restriction	<u>-</u>	<u>-</u>	<u>-</u>
	<u>325,167</u>	<u>2,673,951</u>	<u>2,999,118</u>
<b>INCREASE (DECREASE) IN NET ASSETS FROM NONOPERATING ACTIVITIES</b>	<u>346,925</u>	<u>3,345,689</u>	<u>3,692,614</u>
<b>INCREASE (DECREASE) IN NET ASSETS</b>	<u>1,099,360</u>	<u>2,484,788</u>	<u>3,584,148</u>
Net Assets - Beginning of Year	<u>9,637,144</u>	<u>15,394,497</u>	<u>25,031,641</u>
<b>NET ASSETS - END OF YEAR</b>	<u>\$ 10,736,504</u>	<u>\$ 17,879,285</u>	<u>\$ 28,615,789</u>



**SAINT JOHN'S UNIVERSITY**  
**STATEMENTS OF FINANCIAL POSITION**  
**JUNE 30, 2019 AND 2018**  
(SEE INDEPENDENT AUDITORS' REPORT ON SUPPLEMENTARY INFORMATION)

ARTIST IN RESIDENCE

	<u>2019</u>	<u>2018</u>
<b>ASSETS</b>		
Cash and cash equivalents	\$ 110,683	\$ 135,337
Investments	1,236,945	1,185,175
Property, plant, and equipment, net	<u>237,284</u>	<u>248,012</u>
<b>TOTAL ASSETS</b>	<b><u>1,584,912</u></b>	<b><u>1,568,524</u></b>
<b>LIABILITIES AND NET ASSETS</b>		
Accounts payable and accrued expenses	<u>8,408</u>	<u>5,466</u>
<b>TOTAL LIABILITIES</b>	<b><u>8,408</u></b>	<b><u>5,466</u></b>
<b>NET ASSETS</b>		
Without Donor Restriction:		
Reserves, program funds, and undesignated	53,393	85,559
Investment in property, plant and equipment	<u>237,284</u>	<u>248,012</u>
Total Without Donor Restriction	<u>290,677</u>	<u>333,571</u>
With Donor Restriction:		
Purpose and time restrictions	48,882	44,312
Endowment	<u>1,236,945</u>	<u>1,185,175</u>
Total With Donor Restriction	<u>1,285,827</u>	<u>1,229,487</u>
Total Net Assets	<u>1,576,504</u>	<u>1,563,058</u>
<b>TOTAL LIABILITIES AND NET ASSETS</b>	<b><u>\$ 1,584,912</u></b>	<b><u>\$ 1,568,524</u></b>

**SAINT JOHN'S UNIVERSITY**  
**STATEMENTS OF ACTIVITIES**  
**YEAR ENDED JUNE 30, 2019**  
(SEE INDEPENDENT AUDITORS' REPORT ON SUPPLEMENTARY INFORMATION)

**ARTIST IN RESIDENCE**

	<u>WITHOUT DONOR RESTRICTION</u>	<u>WITH DONOR RESTRICTION</u>	<u>TOTAL</u>
<b>OPERATING ACTIVITIES</b>			
<b>OPERATING REVENUES</b>			
Private gifts and grants:			
Foundations, corporations and individuals	\$ 78,696	\$ 59,050	\$ 137,746
St. John's University	9,000	-	9,000
Other investment income	1,756	-	1,756
Other sources	10,184	-	10,184
Investment return allocated for operations (draw)	<u>32,050</u>	<u>346</u>	<u>32,396</u>
	131,686	59,396	191,082
Net assets released from restrictions	<u>54,826</u>	<u>(54,826)</u>	<u>-</u>
Total Operating Revenues, Gains and Other Support	<u>186,512</u>	<u>4,570</u>	<u>191,082</u>
<b>OPERATING EXPENSES</b>			
Other:			
Sponsored programs:			
General	187,722	-	187,722
Book expense	32,555	-	32,555
Jerome expenses	9,129	-	9,129
Jerome@Camargo expenses	-	-	-
Total Operating Expenses	<u>229,406</u>	<u>-</u>	<u>229,406</u>
<b>NET INCREASE (DECREASE) IN NET ASSETS FROM OPERATING ACTIVITIES</b>	<u>(42,894)</u>	<u>4,570</u>	<u>(38,324)</u>
<b>NONOPERATING ACTIVITIES</b>			
Long- term investment activities:			
Endowment income	-	83,916	83,916
Less: Investment return allocated for operations (draw)	<u>-</u>	<u>(32,396)</u>	<u>(32,396)</u>
	-	51,520	51,520
Private gifts and grants	<u>-</u>	<u>250</u>	<u>250</u>
	-	250	250
Net assets released from restriction	<u>-</u>	<u>-</u>	<u>-</u>
	-	250	250
<b>INCREASE (DECREASE) IN NET ASSETS FROM NONOPERATING ACTIVITIES</b>	<u>-</u>	<u>51,770</u>	<u>51,770</u>
<b>INCREASE (DECREASE) IN NET ASSETS</b>	<u>(42,894)</u>	<u>56,340</u>	<u>13,446</u>
Net Assets - Beginning of Year	<u>333,571</u>	<u>1,229,487</u>	<u>1,563,058</u>
<b>NET ASSETS - END OF YEAR</b>	<u>\$ 290,677</u>	<u>\$ 1,285,827</u>	<u>\$ 1,576,504</u>

**SAINT JOHN'S UNIVERSITY**  
**STATEMENTS OF ACTIVITIES**  
**YEAR ENDED JUNE 30, 2018**  
(SEE INDEPENDENT AUDITORS' REPORT ON SUPPLEMENTARY INFORMATION)

**ARTIST IN RESIDENCE**

	<u>WITHOUT DONOR RESTRICTION</u>	<u>WITH DONOR RESTRICTION</u>	<u>TOTAL</u>
<b>OPERATING ACTIVITIES</b>			
<b>OPERATING REVENUES</b>			
Private gifts and grants:			
Foundations, corporations and individuals	\$ 78,233	\$ 43,950	\$ 122,183
St. John's University	3,265	-	3,265
Other investment income	5,395	-	5,395
Other sources	3,241	-	3,241
Investment return allocated for operations (draw)	<u>20,094</u>	<u>336</u>	<u>20,430</u>
	110,228	44,286	154,514
Net assets released from restrictions	<u>46,701</u>	<u>(46,701)</u>	<u>-</u>
 Total Operating Revenues, Gains and Other Support	 <u>156,929</u>	 <u>(2,415)</u>	 <u>154,514</u>
<b>OPERATING EXPENSES</b>			
Other:			
Sponsored programs:			
General	158,281	-	158,281
Book expense	1,198	-	1,198
Jerome expenses	17,553	-	17,553
Jerome@Camargo expenses	500	-	500
Total Operating Expenses	<u>177,532</u>	<u>-</u>	<u>177,532</u>
 <b>NET INCREASE (DECREASE IN NET ASSETS FROM OPERATING ACTIVITIES</b>	 <u>(20,603)</u>	 <u>(2,415)</u>	 <u>(23,018)</u>
<b>NONOPERATING ACTIVITIES</b>			
Long-term investment activities:			
Endowment income	-	104,508	104,508
Less: Investment return allocated for operations (draw)	<u>-</u>	<u>(20,430)</u>	<u>(20,430)</u>
	-	84,078	84,078
 Private gifts and grants	<u>-</u>	<u>500,000</u>	<u>500,000</u>
	-	500,000	500,000
Net assets released from restriction	<u>-</u>	<u>-</u>	<u>-</u>
	-	500,000	500,000
<b>INCREASE (DECREASE) IN NET ASSETS FROM NONOPERATING ACTIVITIES</b>	<u>-</u>	<u>584,078</u>	<u>584,078</u>
 <b>INCREASE (DECREASE) IN NET ASSETS</b>	 <u>(20,603)</u>	 <u>581,663</u>	 <u>561,060</u>
Net Assets - Beginning of Year	<u>354,174</u>	<u>647,824</u>	<u>1,001,998</u>
 <b>NET ASSETS - END OF YEAR</b>	 <u>\$ 333,571</u>	 <u>\$ 1,229,487</u>	 <u>\$ 1,563,058</u>