KPMG

MONMOUTH UNIVERSITY

Financial Statements

June 30, 2017
(with comparative financial information as of June 30, 2016)

(With Independent Auditors' Report Thereon)

KPMG LLP
New Jersey Headquarters
51 John F. Kennedy Parkway
Short Hills, NJ 07078-2702

Independent Auditors' Report

The Board of Trustees
Monmouth University:

We have audited the accompanying financial statements of Monmouth University, which comprise the statement of financial position as of June 30, 2017, and the related statements of activities, functional expenses, and cash flows for the year 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 U.S. generally accepted accounting principles; 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 audit. We conducted our audit 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.

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Monmouth University as of June 30, 2017, and the changes in its net assets and its cash flows for the year then ended, in accordance with U.S. generally accepted accounting principles.

Report on Summarized Comparative Information

We have previously audited Monmouth University's 2016 financial statements, and we expressed an unmodified audit opinion on those audited financial statements in our report dated October 28, 2016. In our opinion, the comparative information presented herein as of and for the year ended June 30, 2016 is consistent, in all material respects, with the audited financial statements from which it has been derived.

KPMG LLP

October 19, 2017

MONMOUTH UNIVERSITY

Statement of Financial Position

June 30, 2017
(with comparative financial information as of June 30, 2016)

Assets		2017	2016
Cash and cash equivalents	$	14,771,746	16,370,369
Short-term investments		46,880,721	59,588,987
Student accounts receivable, net		1,215,499	1,126,005
Prepaid expenses and deferred charges		2,289,663	3,123,501
Inventory		708,822	605,832
Grants and other receivables, net		2,189,359	2,785,019
Deposits held with trustees		3,191,641	—
Contributions receivable, net		7,355,582	8,158,478
Student loans receivable, net		4,825,223	4,656,003
Long-term investments		89,609,758	79,025,949
Construction in progress		53,984,872	21,055,872
Land, buildings, and equipment, net		168,309,389	171,688,902
Total assets	$	395,332,275	368,184,917
Liabilities and Net Assets			
Liabilities:			
Accounts payable	$	9,425,726	7,170,542
Accrued payroll and fringe benefits		10,343,212	9,709,590
Accrued interest payable		95,634	31,906
Deferred revenues		13,059,525	7,500,913
Deposits		89,527	86,205
Funds held for others		138,194	116,951
Notes payable		3,078,716	1,603,898
Mortgage notes payable		15,406,229	18,038,503
Student loan grants refundable		4,194,934	4,149,952
Asset retirement obligation		6,589,677	6,262,538
Total liabilities		62,421,374	54,670,998
Net assets:			
Unrestricted:			
Available for operations		8,178,566	7,805,569
Designated for or investment in plant		214,950,539	208,467,007
Designated for loan programs		1,122,457	1,113,988
Held for long-term investment		31,378,647	26,646,560
Total unrestricted		255,630,209	244,033,124
Temporarily restricted		41,453,872	35,673,776
Permanently restricted		35,826,820	33,807,019
Total net assets		332,910,901	313,513,919
Total liabilities and net assets	$	395,332,275	368,184,917

See accompanying notes to financial statements.

MONMOUTH UNIVERSITY

Statement of Activities

Year ended June 30, 2017

	Unrestricted							
	Available for operations	**Designated for or investment in plant**	**Designated for loan programs**	**Held for long-term investment**	**Total unrestricted**	**Temporarily restricted**	**Permanently restricted**	**Total**
Operating revenues:								
Tuition and fees, net of scholarships of $59,091,055	$ 139,404,636	—	—	—	139,404,636	—	—	139,404,636
Auxiliary enterprises, net of scholarships of $3,721,317	28,874,817	—	—	—	28,874,817	—	—	28,874,817
Federal grants and contracts	—	—	—	—	—	928,456	—	928,456
State of New Jersey grants	130,104	4,538	—	—	134,642	769,786	—	904,428
Private gifts and grants	400,518	114,111	—	—	514,629	4,168,348	—	4,682,977
Investment return allocated to operations	892,387	732,949	19,402	965,685	2,610,423	2,470,421	—	5,080,844
Other revenue	4,839,478	545,559	6,281	—	5,391,318	168,294	—	5,559,612
Net assets released for:							—	
Instruction and academic support	1,121,628	—	—	—	1,121,628	(1,121,628)	—	—
Scholarships and grants	2,263,989	—	—	—	2,263,989	(2,263,989)	—	—
Other purposes	2,874,095	291,480	—	—	3,165,575	(3,165,575)	—	—
Total operating revenues	180,801,652	1,688,637	25,683	965,685	183,481,657	1,954,113	—	185,435,770
Operating expenses and transfers:								
Program expenses:								
Instruction	58,508,376	2,358,703	—	—	60,867,079	—	—	60,867,079
Research	2,427,334	34,797	—	—	2,462,131	—	—	2,462,131
Public service	243,436	65,947	—	—	309,383	—	—	309,383
Academic support	27,004,899	3,420,731	—	—	30,425,630	—	—	30,425,630
Student services	15,238,720	904,490	—	—	16,143,210	—	—	16,143,210
Auxiliary enterprises	17,967,888	5,068,341	—	—	23,036,229	—	—	23,036,229
Support expenses:								
Institutional support	33,043,438	2,272,861	15,952	—	35,332,251	—	—	35,332,251
Fund-raising	5,078,995	165,667	—	—	5,244,662	—	—	5,244,662
Total operating expenses	159,513,086	14,291,537	15,952	—	173,820,575	—	—	173,820,575
Transfers among unrestricted funds:								
Mandatory transfers out (in)	3,801,999	(3,801,999)	—	—	—	—	—	—
Nonmandatory transfers out (in)	16,951,892	(15,886,134)	—	(1,065,758)	—	—	—	—
Total operating expenses and transfers	180,266,977	(5,396,596)	15,952	(1,065,758)	173,820,575	—	—	173,820,575
Change in net assets from operations	534,675	7,085,233	9,731	2,031,443	9,661,082	1,954,113	—	11,615,195
Other changes:								
Investment return – nonoperating	(161,678)	(151,712)	(1,262)	2,700,644	2,385,992	3,825,983	—	6,211,975
Loss on plant facilities	—	(449,989)	—	—	(449,989)	—	—	(449,989)
Endowment gifts and bequests	—	—	—	—	—	—	2,019,801	2,019,801
Change in net assets	372,997	6,483,532	8,469	4,732,087	11,597,085	5,780,096	2,019,801	19,396,982
Net assets as of beginning of year	7,805,569	208,467,007	1,113,988	26,646,560	244,033,124	35,673,776	33,807,019	313,513,919
Net assets as of end of year	$ 8,178,566	214,950,539	1,122,457	31,378,647	255,630,209	41,453,872	35,826,820	332,910,901

See accompanying notes to financial statements.

MONMOUTH UNIVERSITY

Statement of Functional Expenses

Year ended June 30, 2017

	Instruction	Research	Public service	Academic support	Student services	Auxiliary enterprises	Institutional support	Fund-raising	Total
Compensation	$ 38,958,319	734,741	102,625	13,320,035	8,332,534	4,205,646	15,663,516	3,315,601	84,633,017
Fringe benefits	13,797,825	176,229	13,433	4,627,094	2,728,571	1,282,831	5,517,946	1,179,008	29,322,937
Supplies	1,097,537	19,623	34,768	1,070,739	380,766	248,019	673,288	33,341	3,558,081
Postage and shipping	13,676	40	487	31,622	261,881	4,993	78,537	34,500	425,736
Recruiting and advertising	53,568	—	1,482	434,457	208,800	609	1,830,326	—	2,529,242
Dining and food services	121,811	7,580	39,123	286,983	279,539	5,507,328	152,385	48,621	6,443,370
Travel and entertainment	441,244	46,228	8,551	2,206,974	390,500	35,598	505,003	46,235	3,680,333
Professional services	73,378	7,083	2,100	328,387	305,821	—	2,303,942	40,794	3,061,505
Insurance	818,242	11,283	294	705,144	368,167	282,341	459,464	59,341	2,704,276
Fees and memberships	81,026	1,002	695	132,813	14,338	57,647	1,457,203	12,694	1,757,418
Other services	964,000	1,351,202	25,951	849,671	395,232	182,738	1,899,481	168,591	5,836,866
Maintenance services	106,649	2,258	1,765	183,865	83,312	134,116	1,438,758	10,929	1,961,652
Utilities	1,148,170	16,991	—	949,337	522,304	1,782,757	449,447	85,237	4,954,243
Property costs	649,604	18,299	105	736,140	293,961	1,385,805	1,369,566	38,282	4,491,762
Library materials	—	—	—	874,376	—	—	—	—	874,376
Bookstore materials	—	—	—	—	—	1,950,625	—	—	1,950,625
Other expenses	183,327	34,775	12,057	267,262	672,995	906,836	657,650	5,821	2,740,723
Depreciation	2,231,297	33,783	65,947	3,321,248	871,383	3,961,047	860,723	160,335	11,505,763
Accretion of asset retirement obligation	73,607	1,014	—	59,866	33,106	139,198	15,016	5,332	327,139
Interest expense	53,799	—	—	39,617	—	968,095	—	—	1,061,511
Total functional expenses	$ 60,867,079	2,462,131	309,383	30,425,630	16,143,210	23,036,229	35,332,251	5,244,662	173,820,575

See accompanying notes to financial statements.

MONMOUTH UNIVERSITY

Statement of Cash Flows

Year ended June 30, 2017

Cash flows from operating activities:	
Change in net assets	$ 19,396,982
Adjustments to reconcile change in net assets to net cash provided by operating activities:	
Noncash items:	
Depreciation expense	11,505,763
Accretion of asset retirement obligation	327,139
Loss on plant facilities	449,989
Amortization of deferred charges	19,049
Net unrealized gain	(8,468,963)
Amortization of bond premium	(77,990)
Change in allowance for doubtful accounts	154,528
Student loan cancellations	38,143
Nonoperating items:	
Net realized gain	(128,397)
Contributions and grants for plant facilities	(1,071,113)
Contributions to permanent endowment	(2,019,801)
Changes in operating assets and liabilities:	
Increase in student accounts receivable	(227,739)
Decrease in prepaid expenses	814,789
Increase in inventory	(102,990)
Decrease in grants and other receivables	584,872
Increase in contribution receivable	593,873
Increase in accounts payable	1,396,142
Increase in accrued payroll and fringe benefits	633,622
Decrease in accrued interest payable	63,728
Increase in deferred revenues	5,558,612
Increase in deposits	3,322
Increase in funds held for others	21,243
Increase in student loan grants refundable	44,982
Net cash provided by operating activities	29,509,785
Cash flows from investing activities:	
Proceeds from sales of investments	89,463,799
Purchases of investments	(78,663,993)
Student loans granted	(928,221)
Student loans collected	701,258
Increase in deposits held by bond trustees	(3,191,641)
Purchases of land, buildings, and equipment	(40,646,198)
Net cash used in investing activities	(33,264,996)
Cash flows from financing activities:	
Payment of notes payable	(172,956)
Proceeds from notes payable	1,647,776
Payment of mortgage notes payable	(2,632,274)
Cash received for plant facilities	1,315,998
Cash received for permanent endowment	1,998,044
Net cash provided by financing activities	2,156,588
Net decrease in cash and cash equivalents	(1,598,623)
Cash and cash equivalents as of beginning of year	16,370,369
Cash and cash equivalents as of end of year	$ 14,771,746
Supplemental disclosure of cash flow information:	
Increase in accounts payable for capital	$ 859,041
Interest paid	993,247

See accompanying notes to financial statements.

(1) Organization and Summary of Significant Accounting Policies

Organization

Monmouth University (the University) is a private, comprehensive institution of higher learning at the undergraduate and graduate levels committed to service in the public interest and to the enhancement of the quality of life. The University is composed of eight schools, the Wayne D. McMurray School of Humanities and Social Sciences, the Leon Hess Business School, the School of Education, the School of Social Work, the School of Science, the Marjorie K. Unterberg School of Nursing and Health Studies, the Graduate School, and the Honors School. The University’s commitment is to provide a learning process and environment, which enables men and women to pursue their educational goals and realize their full potential.

Summary of Significant Accounting Policies

(a) Basis of Presentation

The financial statements have been prepared on the accrual basis.

U.S. generally accepted accounting principles require that resources be classified for accounting and reporting purposes into three net asset categories according to externally (donor) imposed restrictions. In the accompanying financial statements, net assets that have similar characteristics have been combined into similar categories as follows: unrestricted, temporarily restricted, and permanently restricted. Unrestricted net assets are presented in total and with the following subclassifications: available for operations, designated for or investment in plant, designated for loan programs, and held for long-term investment.

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

- Permanently restricted net assets – net assets subject to donor-imposed stipulations that they be maintained permanently by the University. Generally, the donors of these assets permit the University to use all or part of the income earned on related investments for general or specific purposes.
- Temporarily restricted net assets – net assets subject to donor-imposed stipulations that will be met by actions of the University and/or by the passage of time.
- Unrestricted net assets – net assets not subject to donor-imposed stipulations.

Revenues are reported as increases in unrestricted net assets unless their use is limited by donor-imposed restrictions. Expenses are reported as decreases in unrestricted net assets. Realized and unrealized gains and losses on investments, and other assets or liabilities are reported as increases or decreases in unrestricted net assets unless their use is restricted by explicit donor stipulation or by law. Expiration of temporary restrictions on net assets (i.e., the donor-stipulated purpose has been fulfilled and/or the stipulated time period has elapsed) are reported as net assets released from restrictions.

(b) Other Significant Accounting Policies

Other significant accounting policies followed in the preparation of the accompanying financial statements are outlined below:

1. Contributions, including unconditional promises to give, are initially recognized at fair value as revenues in the period received. Conditional promises to give are not recognized until they become unconditional, that is when the conditions on which they depend are substantially met. Contributions of assets other than cash are recorded at their estimated fair value. The fair value of pledges of contributions to be received after one year are discounted. Amortization of discount is recorded as additional contribution revenue in accordance with donor-imposed restrictions, if any, on the contributions. An allowance for uncollectible contributions receivable is provided based upon management's judgment including such factors as prior collection history, type of contribution, and nature of fund-raising activity.

   Contributions received with donor-imposed restrictions that are met in the same year as received are reported as revenues of temporarily restricted net assets and reclassified to unrestricted net assets as the restrictions are met.

   Contributions of cash or other assets to be used to acquire long-lived assets are reported as revenues of temporarily restricted net assets and reclassified to unrestricted net assets when the long-lived asset is put into service or in the case of construction when the project is completed.

   Contributions of art work, historical treasures, and similar assets, whether part of a collection or not, whose quoted market price or independent appraisal is $1,000 or more are recorded as revenue and capitalized, but not depreciated.

2. Income on endowment investments including realized and unrealized gains and losses is reported as permanently restricted net assets, if the terms of the gift require that they be added to the principal of a permanent endowment fund; as temporarily restricted net assets, if the terms of the gift impose restrictions on the use of the income or if income on endowments has not been appropriated for expenditure; and as unrestricted net assets in all other cases. Income on nonendowment investments including realized and unrealized gains and losses is classified as unrestricted net assets unless restricted by the donor.

3. Costs related to obtaining mortgage debt are capitalized as deferred charges and amortized over the term of the related debt using the straight-line method. When a loan is paid off in full, any unamortized financing costs are expensed.

4. Land, buildings, and equipment with a useful life of more than one year and a cost of $1,000 or more are capitalized and stated at cost at date of acquisition or fair value at date of donation, less accumulated depreciation computed on a straight-line basis over their estimated useful lives beginning in the fiscal year following the year placed into service (buildings, 30.5 years; improvements, 15 years; and equipment 3–20 years).

5. The cost of library books is charged to operating expenses in the year of purchase and is not capitalized.

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6. Inventory consists of bookstore merchandise and is recorded at the lower of cost (first-in, first-out basis) or market.

7. Deferred revenues include student tuition and fees related to academic terms that take place in the next fiscal year, grants received in advance of incurring related expenses, and other amounts for which the University has not yet fulfilled its obligations. Such amounts are recorded as revenues when the related services are performed or obligations are satisfied.

8. Grants receivable represent amounts expended but unreimbursed under certain grants awarded to the University.

9. Investments in marketable securities are stated at fair value based on quoted market prices. Investments in real estate are stated at appraised market values. Investments in nonmarketable funds that are a readily determinable fair value are stated at fair value based on the net asset value (NAV) as published by the fund manager. Investments in nonmarketable funds that do not have a readily determinable fair value are stated at fair value based upon NAV, as the practical expedient, provided by external investment managers, which are reviewed and evaluated by University management for reasonableness.

10. Auxiliary enterprises primarily consist of student housing, dining services, and bookstore operations. Auxiliary enterprises expenses include direct administration and general costs related to their operations as well as interest and depreciation.

11. Operations and maintenance expense, interest expense, and depreciation expense are allocated to the appropriate functional categories.

12. Student loan grants refundable represent advances from the Federal government, which are repayable to the Federal government upon discontinuance of the loan program and, thus, are reflected as liabilities on the statement of financial position.

13. Cash equivalents include investments with original maturities of three months or less, and include money market funds except those included in short- and long-term investments, investments whose use is restricted, and investments held by bond trustees.

14. The statement of activities distinguishes between operating and nonoperating activities. Nonoperating activities of the University reflect gifts and donations of a permanent nature to be used by the University to generate a return that will support operations, losses on the disposal of assets, as well as investment return in excess of or less than the spending policy (see notes 2 and 9).

15. The University participates in the following three types of split-interest agreements: charitable remainder trusts, charitable gift annuities, and pooled (life) income funds. Charitable remainder trusts are recorded at net present value in the statement of financial position as contributions receivable and amount to $2,327,676 and $2,515,571 at June 30, 2017 and 2016, respectively. Charitable gift annuities are recorded at fair value in the statement of financial position as long-term investments. The present value of estimated payments to annuitants is recorded as accounts

(Continued)

payable using discount rates ranging from 1.2% to 6.2%. The State of New Jersey requires the University to maintain a reserve fund that is the higher of (1) $100,000 or (2) 110% of the estimated remainder value of the outstanding gift annuity agreements. Pooled (life) income funds are recorded at fair value in the statement of financial position as long-term investments.

Temporarily restricted contribution revenue is measured at the fair value of assets received under split-interest agreements, discounted for a term equal to the life expectancy of the donor or the term of the charitable remainder trust, and recorded at the time of receipt. Two new split interest agreements were received in 2017. The difference between the fair value of the assets received and the revenue recognized is recorded as deferred revenue in the statement of financial position. Changes in the life expectancy of the donor or beneficiary, amortization of the discount and other changes in the estimates of future payments relating to the above split-interest agreements are recorded as private gifts and grants revenue in the statement of activities.

(c) Prior Year Comparative Financial Information

The statement of financial position is presented with prior year comparative financial information. Such information is not sufficient to constitute a presentation in conformity with U.S. generally accepted accounting principles. Accordingly, such information should be read in conjunction with the University's financial statements as of and for the year ended June 30, 2016, from which the comparative information was derived.

(d) Use of Estimates

The preparation of financial statements requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosures of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. The most significant assumptions relate to fair value of alternative investments, estimated depreciable lives, allowance for doubtful accounts, asset retirement obligations, classification of net assets, classification of functional expenses, and discounting of contributions receivable. Actual results could differ from those estimates.

(e) Asset Retirement Obligation

The University recognizes the fair value of a liability for legal obligations associated with asset retirements in the period in which the obligation is incurred if a reasonable estimate of the fair value of the obligation can be made. When the liability is initially recorded, the University capitalizes the cost of the asset retirement obligation by increasing the carrying amount of the related long-lived asset. The liability is accreted to its present value each period, and the capitalized cost associated with the retirement obligation is depreciated over the useful life of the related asset. Upon settlement of the obligation, any difference between the cost to settle the asset retirement obligation and the liability recorded is recognized as a gain or loss in the statement of activities.

(f) Income Taxes

The University is an organization described under Section 501(c)(3) of the Internal Revenue Code (the Code) and, therefore, is exempt from Federal income taxes under Section 501(a) of the Code on income generated by activities that are substantially related to its tax-exempt purpose.

(Continued)

There are certain transactions that could be deemed unrelated business income and could result in a tax liability. Management reviews transactions to estimate potential tax liabilities using a more likely than not threshold. It is management's estimation that there are no material tax liabilities that need to be recorded.

(g) Reclassifications

Certain reclassifications of fiscal year 2016 amounts have been made to conform to the fiscal year 2017 presentation.

(2) Investments and Fair Value

Investments are included in two categories of assets in the statement of financial position: short-term investments are comprised of unexpended operating and plant funds; and long term investments are comprised of both permanently restricted endowment funds and those funds functioning as endowment.

The Investment Committee of the Board of Trustees establishes investment pools, sets policy and asset allocation guidelines for investment of the various funds, determines spending rates and selects external professional investment managers. External investment managers have authority for determining investment strategy, security selection and timing within the approved policy.

The objective of the operating and unexpended plant fund investments is to maximize income while preserving principal value and maintaining liquidity to meet University needs. These funds are invested in U.S. dollar denominated fixed income securities of domestic and foreign entities. The objective of the endowment fund investments is to achieve long-term capital appreciation within prudent risk restraints. Endowment funds may be invested in equity and fixed income mutual funds, commodities, real estate and alternative investment strategies including hedge, private equity, and distressed debt.

The University's investments are exposed to various risks such as interest rate, market, and credit risks. Due to the level of risk associated with certain investments, it is reasonably possible that changes in the values of investments will occur in the near term and that such changes could materially affect the amounts reported in the statement of financial position.

Fair value is defined as the exchange price that would be received to sell an asset or paid to transfer a liability (an exit price) in the principal or most advantageous market for the asset or liability in an orderly transaction between market participants on the measurement date. A fair value hierarchy was established, which requires an entity to maximize the use of observable inputs and minimize the use of unobservable inputs when measuring fair value. The three levels of inputs that may be used to measure fair value are:

- Level 1 – Inputs are quoted prices or published net asset values in active markets for identical assets and liabilities that the University has the ability to access at the measurement date.
- Level 2 – Inputs are other than quoted prices in level one such as quoted prices for similar assets or liabilities; quoted prices in markets that are not active; or other inputs that are observable or can be corroborated by observable market data for substantially the full term of the assets or liabilities.

- Level 3 – Inputs that are unobservable and investments in investees, which may not permit redemption at net asset value (or equivalent) at the measurement date. Inputs may include recent transactions, earnings forecasts, market multiples, future cash flows, and other factors.

An investment's level within the fair value hierarchy is based on the lowest level of any input that is significant to the fair value measurement.

The majority of the University's long-term investments are invested with the Commonfund for Nonprofit Organizations (Commonfund). Commonfund is a tax-exempt membership corporation that operates the endowment funds for the benefit of institutions eligible for membership in the Commonfund. The University's interests in these funds are reported at NAV.

The following tables present the fair value hierarchy for the University's investments, which are reported at fair value and their redemption/liquidation features at June 30, 2017 and 2016:

	2017						
	Fair value	**Level 1**	**Level 2**	**Level 3**	**Redemption or liquidation**	**Days' notice**	
Investments:							
Short-term investments:							
Corporate bonds	$ 46,816,984	—	46,816,984	—	Daily	1	
Solar energy credits	63,737	63,737	—	—	Daily	1	
Subtotal short-term investments	46,880,721	63,737	46,816,984	—			
Long-term investments:							
Cash and cash equivalents	1,766,136	1,766,146	—	—	Daily	1	
U.S. government and agencies	104,292	104,292	—	—	Daily	1	
Global natural resources stock index fund	1,839,117	1,839,117	—	—	Daily	2	(a)
U.S. TIPS Index Fund	1,065,671	1,065,671	—	—	Daily	2	(b)
Other funds	1,067,378	1,067,378	—	—	Daily	1	
Real property (2)	220,000	—	220,000	—		not applicable	
Other	49,463	—	—	49,463	Illiquid	not applicable	
		$ 5,906,341	47,036,984	49,463			
Investments reported at NAV (or its equivalent):							
Primarily domestic fixed income funds	16,194,436				Weekly	5	(c)
Primarily domestic equity funds	23,709,446				Monthly	5	(e)
Non-U.S. equity funds	19,803,931				Monthly	5	(f)
Hedged equity funds	13,906,760				Weekly	5	(h)
Limited partnerships (1):							
Private equity and venture capital funds	4,794,368				Illiquid	not applicable	(j)
Distressed debt funds	408,440				Illiquid	not applicable	(k)
Natural resources funds	2,324,966				Illiquid	not applicable	(l)
Real estate funds	2,355,354				Illiquid	not applicable	(m)
Subtotal long-term investments	89,609,758						
	$ 136,490,479						

	2016						
	Fair value	**Level 1**	**Level 2**	**Level 3**	**Redemption or liquidation**	**Days' notice**	
Investments:							
Short-term investments:							
Corporate bonds	$ 59,361,128	—	59,361,128	—	Daily	1	
Solar energy credits	131,412	131,412	—	—	Daily	1	
Corporate stock	96,447	—	96,447	—	Daily	1	
Subtotal short-term investments	59,588,987	131,412	59,457,575	—			
Long-term investments:							
Cash and cash equivalents	3,664,214	3,664,214	—	—	Daily	1	
U.S. government and agencies	129,230	129,230	—	—	Daily	1	
Global natural resources stock index fund	610,583	610,583	—	—	Daily	2	(a)
U.S. TIPS Index Fund	1,072,409	1,072,409	—	—	Daily	2	(b)
Other funds	800,494	800,494	—	—	Daily	1	
Real property (2)	240,000	—	240,000	—		not applicable	
Other	46,205	—	—	46,205	Illiquid	not applicable	
		$ 6,408,342	59,697,575	46,205			
Investments reported at NAV (or its equivalent):							
Primarily domestic fixed income funds	10,590,542				Weekly	5	(c)
Non-U.S. fixed income fund	912,056				Monthly	5	(d)
Primarily domestic equity funds	22,189,793				Monthly	5	(e)
Non-U.S. equity funds	16,072,575				Monthly	5	(f)
Multistrategy commodities fund	937,794				Monthly	5	(g)
Hedged equity funds	12,423,246				Weekly	5	(h)
Relative value and event-driven fund	799,396				Semi-annually	95	(i)
Limited partnerships (1):							
Private equity and venture capital funds	3,948,399				Illiquid	not applicable	(j)
Distressed debt funds	506,552				Illiquid	not applicable	(k)
Natural resources funds	1,850,940				Illiquid	not applicable	(l)
Real estate funds	2,231,521				Illiquid	not applicable	(m)
Subtotal long-term investments	79,025,949						
	$ 138,614,936						

(1) These funds are illiquid, limited partnerships that in general do not offer access to redemptions during the life of the partnership. Some of the partnerships allow a portion of the investment to be redeemed during the life of the partnership subject to certain restrictions. Estimated partnership end dates range from 2018 to 2026. The partnerships are subject to potential extensions (up to 3 years) of the final termination date.

(2) Redemption is subject to the terms of the related gift instruments/life estate.

(a) The global natural resource stock index fund is managed by State Street Global Advisors. The fund invests in equity securities worldwide with an objective of approximating, before expenses, the performance of the MSCI World Resource Industry index over the long term.

(b) The U.S. Treasury Inflation Protected (TIPS) index fund is managed by State Street Global Advisors. The fund invests primarily in U.S. government securities with an objective of approximating, before expenses, the performance of the Barclay's U.S. Treasury Inflation Protected Securities (TIPS) index over the long term.

(c) This category includes fixed income funds managed by Commonfund that focus primarily on U.S. securities: the Commonfund high quality bond fund and the Commonfund contingent asset portfolio. The high quality bond fund invests in investment grade U.S. fixed income securities. The contingent asset portfolio fund invests in U.S. agency mortgage securities.

(d) The global bond fund is managed by Commonfund and invests in sovereign bonds and other fixed income securities worldwide.

(e) This category includes holdings within two equity funds managed by Commonfund: the strategic solutions global equity fund and the strategic solutions equity fund. The strategic solutions global equity fund provides broad exposure to global opportunistic stock selectors. The fund allocates assets across a diversified portfolio of common stocks and equity-linked securities of companies in the global public equity markets. The fund is unconstrained by geography, strategy, and market capitalization. The benchmark of the fund is the MSCI All Country World Index. The strategic solutions equity fund invests in common stocks and securities convertible into common stock of companies with market capitalizations in the range of companies in the S&P 500 Index, the benchmark index of the fund.

(f) This category includes holdings within the strategic solutions equity fund, which is described in (e) above.

(g) This fund is managed by Commonfund and pursues diversified exposure to commodities through a combination of custom index swaps and future overlays. The fixed income portion of the portfolio is invested primarily in money markets and U.S. government securities.

(h) This category includes holdings within the strategic solutions global equity fund, which is described in (e) above.

(i) This fund is managed by Commonfund and invests in three broad categories: event driven strategies, credit/distressed strategies, and multistrategy (combination of event driven, credit and other arbitrage strategies). Event driven strategies are long and short positions that seek to create value from an anticipated corporate “event” such as merger arbitrage, tender offers, spin offs, reorganizations, and bankruptcies. Credit/distressed strategies include current pay bonds and bank debt, distressed bonds/bank debt mortgage backed securities and post reorganization equity.

(j) This category includes 9 domestic and international private equity and venture capital funds managed by Commonfund.

(k) This category includes 2 distressed debt funds managed by Commonfund which invest in various private equity funds, hedge funds and partnerships managed by independent investment advisors. One fund pursues a program of turnaround and distressed debt investing, employing active trading and investing strategies on a global basis. The other fund invests in performing restructured debt, stressed debt distressed debt, “special situation” and mezzanine debt investments.

(l) This category includes 4 natural resource funds managed by Commonfund, which invest primarily in other limited partnerships, which in turn make oil, gas and other natural resource related investments with the objective of obtaining long term growth of capital.

(m) This category includes 2 real estate funds managed by Commonfund. One fund invests in a diversified portfolio of open-end, third party investment funds which, focus on core real estate investing. The other fund invests in value-add, distressed, and opportunistic private real estate funds, focusing on a strategy of noncore real estate investing.

The following tables present the University's activity for the fiscal years ended June 30, 2017 and June 30, 2016 for assets measured at fair value using unobservable inputs (Level 3):

		Other
Fair value at June 30, 2015	$	46,572
Proceeds from sales		—
Net unrealized losses		(367)
Fair value at June 30, 2016		46,205
Proceeds from sales		—
Net unrealized gains		3,258
Fair value at June 30, 2017	$	49,463

At June 30, 2017, the University's outstanding capital commitments relating to investments totaled $4,300,000 which primarily relate to the limited partnership investments. The estimated capital call amounts for the next five fiscal years and thereafter are summarized in the table below:

		Amount
Fiscal year:		
2018	$	1,108,000
2019		847,000
2020		781,000
2021		717,000
2022		483,000
Thereafter		364,000
Total	$	4,300,000

Investment return is comprised of interest, dividends and net realized and unrealized gains and losses. Return for the years ended June 30, 2017 and 2016 is comprised of:

		2017	2016
Return, net of expenses of $860,430 and $957,663, respectively:			
Interest and dividends	$	2,695,460	2,355,333
Net realized and unrealized gains (losses)		8,597,359	(1,527,366)
Total return		11,292,819	827,967
Investment return allocated to operations		5,080,844	4,778,000
Investment return – nonoperating	$	6,211,975	(3,950,033)

The University has an investment return spending policy on pooled investments. The spending rate may be adjusted by the governing board to reflect current conditions in maintaining a prudent spending policy. The currently approved formula for annual spending uses a 36-month average fair value and applies a 5% spending rate to the average. Pooled investment income and realized and unrealized gains or losses are allocated to operations at the University's spending policy amount. Remaining pooled investment return is allocated to nonoperating. Investment income from nonpooled investments is allocated to operations and realized and unrealized gains or losses are allocated to nonoperating.

(3) Receivables

Receivables consist of the following as of June 30, 2017 and 2016:

		2017	2016
Student accounts receivable	$	3,997,678	3,769,939
Less allowance for doubtful accounts		(2,782,179)	(2,643,934)
Student accounts receivable, net	$	1,215,499	1,126,005
Grants and other receivables	$	2,316,644	2,901,516
Less allowance for doubtful accounts		(127,285)	(116,497)
Grants and other receivables, net	$	2,189,359	2,785,019
Contributions receivable are scheduled to be collected in:			
Less than 1 year	$	1,485,422	1,702,066
1–5 years		2,463,163	3,041,720
More than 5 years		6,589,194	6,633,591
		10,537,779	11,377,377
Less present value discount at rates ranging from 3% to 5.5%		(3,057,652)	(3,080,249)
Less allowance for doubtful accounts		(124,545)	(138,650)
Contributions receivable, net	$	7,355,582	8,158,478

(Continued)

		2017	2016
Student loans receivable	$	5,708,523	5,519,703
Less allowance for doubtful accounts		(883,300)	(863,700)
Student loans receivable, net	$	4,825,223	4,656,003

There are nine donors that have contributions receivable that represent 80% of the above gross contributions receivable at June 30, 2017 and nine donors that represent 84% of the balance at 2016. Additionally, one donor accounted for 10% and 35% of the total private gifts and grants revenue during fiscal years 2017 and 2016, respectively.

(4) Land, Buildings, and Equipment, and Construction in Progress

(a) Land, Buildings, and Equipment

Land, buildings, and equipment consist of the following as of June 30, 2017 and 2016:

		2017	2016
Land	$	16,062,866	15,684,066
Buildings		179,000,378	179,826,659
Improvements		106,933,240	100,819,144
Equipment		27,672,745	25,995,228
		329,669,229	322,325,097
Less accumulated depreciation		(161,359,840)	(150,636,195)
	$	168,309,389	171,688,902

(b) Construction in Progress

Construction in progress consists of the following projects as of June 30, 2017 and 2016:

		2017	2016
Edison Science	$	39,602,884	18,712,895
Wilson Hall Fire System		—	484,111
Football Stadium		13,983,005	1,721,461
Wilson Hall wiring		137,405	137,405
Football Scoreboard		261,578	—
	$	53,984,872	21,055,872

Commitments outstanding on projects included in construction in progress as of June 30, 2017 amounted to approximately $10.9 million. The Edison Science, Football Scoreboard and Football Stadium projects are projected to be completed in the fall of 2017.

(5) Notes Payable and Mortgage Notes Payable

On November 30, 2012, the University closed on the purchase of the Diplomat Apartments, later to be renamed by the University, The Bluffs. The University was previously leasing the majority of the apartments in the complex for additional student residence hall space. The selling price of the Diplomat Apartments was $15,200,000. The Apartment Complex was purchased using $6,000,000 of proceeds from a mortgage with the seller, Brott Realty, LLC, $2,706,655 of proceeds from a mortgage with the Anthony J. Bardaro Trust, and the remainder of the funding coming from University funds.

A summary of notes and mortgage payable as of June 30, 2017 and 2016 is as follows:

				Amounts outstanding at June 30	
Description	**Maturity date**	**Interest rate**		**2017**	**2016**
Notes payable:					
New Jersey Education Facilities Authority:					
Dormitory Safety Trust Fund Program (a)	2018	— %	$	60,000	120,000
Higher Education Capital Improvement Fund, Series 2002 (b)	2023	3.00%–5.25%		1,426,466	1,486,898
Higher Education Capital Improvement Fund, Series 2016 (c)	2037	3.00%–5.50%		1,556,693	—
Total principal				3,043,159	1,606,898
Net unamortized premium 2016 B				35,557	—
Total notes payable				3,078,716	1,606,898
Mortgage payable:					
OceanFirst Bank (d)	2021	5.88 %		9,073,719	11,130,770
Brott Reality (e)	2028	5.50		4,684,570	5,005,575
Anthony J. Bardaro Trust (f)	2023	5.50		1,647,940	1,902,158
Total mortgage payable				15,406,229	18,038,503
Total notes and mortgage payable			$	18,484,945	19,645,401

(a) The University was allocated $1,243,700 of funding through the New Jersey Educational Facilities Authority Dormitory Safety Trust Program for the purpose of purchasing and installing sprinklers in dormitories on campus. The funds were borrowed at a 0% interest rate. However, imputed interest at a rate of 4.7% is recorded as interest expense and offset by grant revenue.

(b) The University was allocated $4,587,539 of funding through the New Jersey Educational Facilities Authority Higher Education Capital Improvement Fund, Series 2002 A for the purpose of addressing deferred maintenance and other specific capital needs. The University is required to repay 50% or $2,293,769 plus interest. Payments of principal began August 2006. In July 2016 the debt was partially refunded by the NJEFA Series 2016 A resulting in additional principal of $55,526. There were no extensions to the life of the debt.

(c) The University was allocated $3,184,500 of funding through the New Jersey Educational Facilities Authority Higher Education Capital Improvement Fund, Series 2016 B for the purpose of assistance in funding the renovation and addition of the Edison Science Building. The University is required to repay 50% or $1,592,250, net of debt premium of $35,557, plus interest. The debt premium will be amortized over the life of the debt. Payments of principal began August 2017.

(d) The proceeds of the OceanFirst Bank $20,000,000 mortgage loan were used to refinance temporary financing for the construction of new student housing and to refund and defease NJEFA Bonds 1993 Series A, 1997 Series C and 1998 Series C.

(e) The proceeds of the Brott Realty, LLC $6,000,000 mortgage loan were used to finance the purchase of the Diplomat Apartment complex. The mortgage with Brott Realty, LLC holds a lien on the Diplomat Apartments.

(f) The proceeds of the Anthony J. Bardaro Trust mortgage were used to finance the purchase of the Diplomat Apartments complex. The mortgage with Anthony J. Bardaro Trust holds a lien on the Diplomat Apartments that is subordinate to the Brott Realty, LLC lien. The principal may not be prepaid in part and shall be pre-payable in whole only with the simultaneous payment of the following prepayment premium:

From January 1, 2016 to December 31, 2018	$	1,350,000
From January 1, 2019 to November 29, 2022		900,000

Total debt service payments due over the next five years and thereafter applicable to all of the above described notes and mortgage notes payable are as follows:

		Principal	Interest	Total
Year ending June 30:				
2018	$	3,003,761	947,851	3,951,612
2019		3,145,796	758,668	3,904,464
2020		3,329,697	575,355	3,905,052
2021		3,075,866	381,288	3,457,154
2022		1,216,980	270,530	1,487,510
Thereafter		4,677,288	1,023,104	5,700,392
Subtotal		18,449,388	3,956,796	22,406,184
Net unamortized premium		35,557	—	35,557
Total	$	18,484,945	3,956,796	22,441,741

(6) Operating Leases

The University is obligated under several noncancelable operating leases with terms in excess of one year relating to rental of facilities for off-campus programs and student housing through June 2030. All of the lease obligations include periodic rent escalation from approximately 1.5% to 4.25%. An off-campus program facilities lease also includes a right of first refusal purchase option and commitments for the rental of additional space periodically through 2020. In addition, the University will be responsible to pay fit-up and improvement costs that exceed $15 per square foot for the additional space commitments.

Rental expense was $1,274,194 and $1,176,063 during 2017 and 2016, respectively.

The required minimum lease payments at June 30, 2017 are as follows:

Year ending June 30:		
2018	$	1,446,342
2019		1,090,671
2020		1,300,778
2021		1,510,727
2022		1,490,711
Thereafter		12,618,958
	$	19,458,187

(7) Retirement Plans

(a) Pension Plans

The University offers a defined contribution retirement plan with Teachers Insurance and Annuity Association (TIAA), College Retirement Equities Fund (CREF), Equitable Financial Services and Fidelity Investments, which provide for the purchase of annuities and/or investments for employees.

Employees of the University are eligible to participate in the Plan and elect to have deferrals made on their behalf immediately upon hire. Employees who satisfy the eligibility criteria for their employee classification and contribute a minimum of 5% of eligible compensation are eligible to receive employer contributions. The University will contribute 8% of each faculty member’s total compensation beginning the first day of the month following the completion of one year of service. For administrators, staff, police and facilities employees, the University will contribute 8% of total compensation beginning the first day of the month following the completion of two years of service.

The University’s policy is to fund pension costs accrued. There is no past service liability. Pension expense under these plans aggregated $5,021,472 and $4,732,671 for the years ended June 30, 2017 and 2016, respectively.

(b) Postretirement Plan

The University is required to recognize the total accumulated postretirement benefit obligation for the University’s retiree healthcare plan.

(Continued)

The accumulated postretirement benefit obligation as of June 30, 2017 and 2016 is $1,427,780 and $1,366,006, respectively, and is recorded in accrued payroll and fringe benefits in the statement of financial position.

(8) Temporarily and Permanently Restricted Net Assets

Temporarily restricted net assets as of June 30, 2017 and 2016 consist of contributions and other unexpended revenues and gains available for the following purposes:

	2017	2016
Construction	$ 9,829,889	8,946,172
Scholarships	5,840,765	5,474,330
Faculty chairs	3,765,908	3,524,253
Instruction	565,564	507,026
Research	2,111,273	2,315,532
Public service	384,583	234,741
Academic support	5,175,027	4,754,154
Time restricted	13,178,799	9,371,909
Operation and maintenance of plant	335,195	323,858
Other	266,869	221,801
	$ 41,453,872	35,673,776

Permanently restricted net assets as of June 30, 2017 and 2016 consist of endowment contributions from donors with income to be used primarily for the following purposes:

	2017	2016
Scholarships	$ 16,080,262	14,061,934
Faculty chairs	6,074,277	6,073,304
Instruction	576,984	576,984
Academic support	11,109,435	11,108,935
Operation and maintenance of plant	1,283,058	1,283,058
Student service	295,595	295,595
Other	407,209	407,209
	$ 35,826,820	33,807,019

(9) Endowment

The University's endowment consists of 259 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 endowments. 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.

(a) Interpretation of Relevant Law

The Monmouth University Board of Trustees has interpreted the New Jersey 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 funds absent explicit donor stipulations to the contrary. The University classifies as permanently restricted net assets (a) the original value of gifts donated to the permanent endowment, (b) the original value of subsequent gifts to the permanent endowment, and (c) accumulations to the permanent endowment made in accordance with the direction of the applicable donor gift instrument at the time the accumulation is added to the fund. The remaining portion of the donor-restricted endowment fund that is not classified in permanently restricted net assets is classified as temporarily restricted net assets until those amounts are appropriated for expenditure by the organization in a manner consistent with the standard of prudence prescribed by UPMIFA. 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 organization 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 organization

(7) The investment policies of the organization

Endowment net assets consist of the following at June 30, 2017 (in thousands):

		Unrestricted	Temporarily restricted	Permanently restricted	Total
Donor-restricted endowment funds	$	(1)	23,345	35,827	59,171
Board-designated endowment funds		31,142	—	—	31,142
Total endowed net assets	$	31,141	23,345	35,827	90,313

Endowment net assets consist of the following at June 30, 2016 (in thousands):

		Unrestricted	Temporarily restricted	Permanently restricted	Total
Donor-restricted endowment funds	$	(81)	18,761	33,807	52,487
Board-designated endowment funds		26,512	—	—	26,512
Total endowed net assets	$	26,431	18,761	33,807	78,999

Changes in endowment net assets for the years ended June 30, 2017 and 2016 are as follows (in thousands):

		Unrestricted	Temporarily restricted	Permanently restricted	Total
Endowment net assets, June 30, 2015	$	27,272	20,444	32,630	80,346
Investment return:					
Investment income		534	712	—	1,246
Net depreciation		(828)	(1,040)	—	(1,868)
Total investment return		(294)	(328)	—	(622)
Contributions		4	199	1,177	1,380
Appropriation of endowment assets for expenditures		(1,576)	(2,066)	—	(3,642)
Transfer from funds available for operations		600	—	—	600

(Continued)

	Unrestricted	Temporarily restricted	Permanently restricted	Total
Unspent appropriation returned to principal	$ 374	455	—	829
Unspent appropriation related to underwater endowments returned to principal	51	57	—	108
Endowment net assets, June 30, 2016	26,431	18,761	33,807	78,999
Investment return:				
Investment income	630	949	—	1,579
Net depreciation	3,594	5,257	—	8,851
Total investment return	4,224	6,206	—	10,430
Contributions	—	170	2,020	2,190
Appropriation of endowment assets for expenditures	(1,584)	(2,367)	—	(3,951)
Transfer from funds available for operations	1,600	—	—	1,600
Unspent appropriation returned to principal	415	554	—	969
Unspent appropriation related to underwater endowments returned to principal	55	21	—	76
Endowment net assets, June 30, 2017	$ 31,141	23,345	35,827	90,313

(b) 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 or UPMIFA requires the University to retain as a fund of perpetual duration. Deficiencies of this nature that are reported in unrestricted net assets were approximately $1,300 and $81,000 as of June 30, 2017 and 2016, respectively. Appropriations for these programs for the year ended June 30, 2017 were made from unrestricted funds.

(c) Return Objectives and Risk Parameters

The University has adopted investment and spending policies for endowment assets that attempt to provide a predictable stream of funding to programs supported by its endowment while seeking to maintain the purchasing power of the endowment assets. Endowment assets include those assets of donor-restricted funds that the organization must hold in perpetuity or for a donor-specified period as well as board-designated funds. Under this policy, as approved by the Board of Trustees, endowment assets are invested in a manner that is intended to produce results that exceed the price and yield results of various benchmark indices while assuming a moderate level of investment risk. The University expects its endowment funds, over time, to provide an average rate of return of approximately 10.5% annually. Actual returns in any given year may vary from this amount.

(d) 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 that places a greater emphasis on equity-based investments to achieve its long-term return objectives within prudent risk constraints.

(e) Spending Policy and How the Investment Objectives Relate to Spending Policy

The University has a policy of appropriating for distribution each year 5% of its endowment fund’s average fair value over the prior 36 months through the calendar year-end preceding the fiscal year in which the distribution is planned. In establishing this policy, the University considered the long-term expected return on its endowment. Accordingly, over the long-term, the University expects its spending policy to allow its endowment to maintain the purchasing power of its endowment assets while providing growth through new gifts and excess investment return. If the spending appropriations for individual endowments are not able to be expended for the restricted or designated purpose or activity during the fiscal year, the unspent appropriations are returned to principal for reinvestment. The Investment Committee determines on an annual basis the prudence of spending funds related to an endowment that is considered to be underwater. Under the Board approved endowment spending policy, the 2018 appropriation is $4,116,820.

(10) Subsequent Events

The University evaluated events subsequent to June 30, 2017 and through October 19, 2017, the date on which the financial statements were available to be issued.

On July 6, 2017, the University entered into an agreement with OceanFirst Bank for a $15,000,000 revolving credit note for capital projects taking place during the summer. The notes maturity date was September 30, 2017. The note bears interest of LIBOR Market Index Rate plus 2.0% on any advances made from the note. There were no advances/draws on the revolving credit note.

On June 27, 2016, the State of NJ Secretary of Higher Education certified a list of approved projects for the Building our Future Bond Act (Go Bonds). The Secretary's certification recommended the University to receive $1,815,500 in Go Bonds. The proceeds from these grants have been designated for the renovation and addition to the Edison Science Building and are anticipated to be drawdown in the upcoming fiscal year.

The University concludes that there are no additional subsequent events to disclose.