Loyola University of Chicago

Consolidated Financial Statements as of and for the Years Ended June 30, 2024 and 2023, Supplemental Schedule of Expenditures of Federal Awards for the Year Ended June 30, 2024, and Independent Auditor's Reports

LOYOLA UNIVERSITY OF CHICAGO

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PART I

INDEPENDENT AUDITOR'S REPORT

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INDEPENDENT AUDITOR'S REPORT

To the Board of Trustees of
Loyola University of Chicago
Chicago, Illinois

Report on the Audit of the Financial Statements

Opinion

We have audited the consolidated financial statements of Loyola University of Chicago ("LUC"), which comprise the consolidated statements of financial position as of June 30, 2024 and 2023, and the related consolidated statements of activities, changes in net assets, and cash flows for the years then ended, and the related notes to the consolidated financial statements (collectively referred to as the "financial statements").

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of LUC as of June 30, 2024 and 2023, and the results of its operations and its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

We conducted our audits in accordance with auditing standards generally accepted in the United States of America (GAAS) and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States (*Government Auditing Standards*). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of LUC and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audits. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Responsibilities of Management for the Financial Statements

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

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about LUC's ability to continue as a going concern for one year after the date that the financial statements are issued.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS and *Government Auditing Standards* will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with GAAS and *Government Auditing Standards*, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.

- Obtain an understanding of internal control relevant to the audit 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 LUC's internal control. Accordingly, no such opinion is expressed.

- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.

- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about LUC's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated September 16, 2024, on our consideration of LUC's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our

testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of LUC's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering LUC's internal control over financial reporting and compliance.

Deloitte & Touche LLP

September 16, 2024

LOYOLA UNIVERSITY CHICAGO
CONSOLIDATED STATEMENTS OF FINANCIAL POSITION
As of June 30, 2024 and 2023

(In thousands of dollars)	2024	2023
ASSETS		
Cash and cash equivalents	$ 100,277	$ 92,370
Short-term investments	72,843	136,048
Notes and accounts receivable, net	70,842	77,938
Other assets	10,049	9,860
Endowment and other long-term investments	1,257,632	1,149,854
Right of use asset - operating leases	1,053	1,158
Assets held in trust by others	1,853	1,786
Interest held in perpetual trust	15,179	14,028
Land, buildings and equipment, net	1,032,382	1,004,606
TOTAL ASSETS	**$ 2,562,110**	**$ 2,487,648**
LIABILITIES AND NET ASSETS		
LIABILITIES:		
Accounts payable and accrued expenses	$ 57,615	$ 57,381
Deferred revenue	28,129	29,029
Unexpended grants	13,683	13,277
Refundable U.S. government student loan funds	6,364	7,533
Indebtedness	247,267	266,667
Lease liability - operating	1,098	1,197
Pension and other postretirement plan liabilities	31,424	33,451
Other liabilities	4,824	5,081
TOTAL LIABILITIES	390,404	413,616
NET ASSETS:		
Without donor restrictions	1,541,172	1,482,038
With donor restrictions	630,534	591,994
TOTAL NET ASSETS	**2,171,706**	**2,074,032**
TOTAL LIABILITIES AND NET ASSETS	**$ 2,562,110**	**$ 2,487,648**

See notes to the consolidated financial statements.

LOYOLA UNIVERSITY CHICAGO
CONSOLIDATED STATEMENTS OF ACTIVITIES AND CHANGES IN NET ASSETS
For the years ended June 30, 2024 and 2023

(In thousands of dollars)	2024 Without donor restrictions	2024 With donor restrictions	2024 Total 2024	2023 Without donor restrictions	2023 With donor restrictions	2023 Total 2023
OPERATING REVENUES:						
Tuition and fees, net of scholarships $301,355 (2024) and $280,297 (2023)	$ 425,911	$	$ 425,911	$ 416,065	$	$ 416,065
Auxiliary services	84,582		84,582	76,804		76,804
Academic support	29,026		29,026	28,427		28,427
Other	32,939		32,939	28,734		28,734
Grants and contracts for sponsored projects	64,671		64,671	53,257		53,257
Gifts - cash and financial assets	2,604		2,604	6,915		6,915
Gifts - nonfinancial assets	229		229	48		48
Return on short-term investments and interest income	9,604		9,604	7,216		7,216
Investment income designated for operations	15,955		15,955	10,238		10,238
Net assets utilized or released from restrictions for operations	21,867		21,867	19,337		19,337
Net assets released - board designated	13,067		13,067	8,548		8,548
TOTAL OPERATING REVENUES	**700,455**		**700,455**	**655,589**		**655,589**
OPERATING EXPENSES:						
Salaries and wages	327,828		327,828	309,234		309,234
Fringe benefits	82,953		82,953	75,525		75,525
Non-salary operating expenses	174,568		174,568	164,157		164,157
Depreciation and amortization	59,761		59,761	57,893		57,893
Insurance and utilities	22,529		22,529	19,289		19,289
Interest	8,304		8,304	8,786		8,786
TOTAL OPERATING EXPENSES	**675,943**		**675,943**	**634,884**		**634,884**
RESULTS OF OPERATIONS	**24,512**		**24,512**	**20,705**		**20,705**
NON-OPERATING INCOME (LOSS):						
Gifts - cash and financial assets	-	26,785	26,785	-	24,889	24,889
Gifts - nonfinancial assets	139		139			-
Investment return, net of amounts designated for operations	41,378	42,260	83,638	32,797	33,027	65,824
Net periodic pension and post retirement plan cost	(2,182)		(2,182)	(2,479)		(2,479)
Retirement plan related changes other than net periodic retirement plan cost	(1,271)		(1,271)	3,609		3,609
Other	476	511	987	7,424	(95)	7,329
Net assets transferred or released from restrictions	9,149	(31,016)	(21,867)	7,196	(26,533)	(19,337)
Net assets released - board designated	(13,067)		(13,067)	(8,548)		(8,548)
TOTAL NON-OPERATING ACTIVITIES	**34,622**	**38,540**	**73,162**	**39,999**	**31,288**	**71,287**
CHANGE IN NET ASSETS	**59,134**	**38,540**	**97,674**	**60,704**	**31,288**	**91,992**
Total net assets, beginning of year	1,482,038	591,994	2,074,032	1,421,334	560,706	1,982,040
TOTAL NET ASSETS, END OF YEAR	**$ 1,541,172**	**$ 630,534**	**$ 2,171,706**	**$ 1,482,038**	**$ 591,994**	**$ 2,074,032**

See notes to the consolidated financial statements.

LOYOLA UNIVERSITY CHICAGO

CONSOLIDATED STATEMENTS OF CASH FLOWS

For the years ended June 30, 2024 and 2023

(In thousands of dollars)	2024	2023
CASH FLOWS FROM OPERATING ACTIVITIES:		
Increase in net assets	$ 97,674	$ 91,992
Adjustments to reconcile change in net assets to net cash provided by operating activities:		
Depreciation and amortization	59,761	57,893
Provision for bad debt expense	3,530	1,439
Adoption of ASU No. 2016-13	(1,106)	-
Net gain upon refinance of Series 2012B tax-exempt bonds	-	(3,454)
Retirement plan related changes	1,271	(3,609)
Provision for retirement costs	2,182	2,479
Net realized and unrealized gain on investments	(98,595)	(73,221)
Net realized and unrealized gain on interest held in perpetual trust	(1,535)	(1,072)
Contributions restricted for long-term investment	(18,292)	(20,312)
Other	(141)	(1,794)
Changes in assets and liabilities:		
Notes and accounts receivable, net	3,233	9,155
Other assets	(198)	(643)
Accounts payable and accrued expenses	3,388	(3,819)
Deferred revenue and unexpended grants	(494)	17
Interest held in perpetual trust	384	835
Refundable U.S. government student loan funds	(1,169)	(1,505)
Employer contributions to pension and retiree health plan	(5,481)	(5,813)
Other liabilities	(300)	(59)
NET CASH PROVIDED BY OPERATING ACTIVITIES	**44,112**	**48,509**
CASH FLOWS FROM INVESTING ACTIVITIES:		
Proceeds from sale of investments	586,713	456,758
Purchases of investments	(597,644)	(529,842)
Decrease of short-term investments, net	64,962	65,977
Expenditures for land, buildings and equipment	(90,626)	(40,007)
Student loans issued	(590)	(922)
Student loans collected	2,029	1,799
NET CASH USED BY INVESTING ACTIVITIES	**(35,156)**	**(46,237)**
CASH FLOWS FROM FINANCING ACTIVITIES:		
Contributions restricted for long-term investment	18,292	20,312
Proceeds from 2021 term note	-	73,910
Retirement of debt	(19,341)	(85,061)
NET CASH (USED) PROVIDED BY FINANCING ACTIVITIES	**(1,049)**	**9,161**
INCREASE IN CASH AND CASH EQUIVALENTS	**7,907**	**11,433**
Cash and cash equivalents, beginning of year	92,370	80,937
CASH AND CASH EQUIVALENTS, END OF YEAR	**$ 100,277**	**$ 92,370**

See notes to the consolidated financial statements.

(1) Overview of Loyola University of Chicago

Loyola University of Chicago (referred to as Loyola University Chicago, the University, or LUC) is a private, coeducational, not-for-profit institution of higher education and research founded in 1870 by the Society of Jesus (Jesuits). LUC's patron saint and namesake is St. Ignatius Loyola (1491-1556), the founder of the Society of Jesus. The year 2020 marked the University's 150th anniversary.

LUC is one of the largest Jesuit, Catholic universities in the United States providing educational services to approximately seventeen thousand students in undergraduate, graduate, and professional degree programs. LUC performs research, training, and other services under grants and contracts with government agencies and other sponsoring organizations. LUC is home to 13 schools and colleges, as well as various institutes and centers. LUC operates four campuses: Lake Shore, Water Tower, Health Sciences, and the John Felice Rome Center in Italy, as well as the Cuneo Mansion & Gardens in Vernon Hills, Illinois and a Retreat and Ecology Campus in Woodstock, Illinois.

The accompanying consolidated financial statements include the accounts of Loyola University Chicago and Mundelein College (Mundelein). All intercompany transactions and balances are eliminated upon consolidation.

(2) Tax Status

LUC and Mundelein are Illinois not-for-profit corporations and are exempt from federal income taxes under section 501(c)(3) of the U.S. Internal Revenue Code.

(3) Summary of Significant Accounting Policies

a) Basis of Presentation

The consolidated financial statements are prepared in conformity with U.S. generally accepted accounting principles (GAAP). These principles require management to make estimates and judgments affecting the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities, and the reported amounts of revenues and expenses. Actual results could differ from these estimates. The following notes may include reference to specific GAAP pronouncements including the Financial Accounting Standards Board's (FASB) Accounting Standards Updates (ASU) or Accounting Standards Codifications (ASC).

b) Cash and Cash Equivalents

Cash and cash equivalents are liquid instruments having original maturities at the time of purchase of three months or less, or funds investing primarily in such instruments, excluding those held in short-term and long-term investments. Cash and cash equivalents represent short-term, highly liquid investments that convert readily to cash and carry little interest rate risk.

c) Short-term Investments

Short-term investments are comprised of investments in securities or funds whose maturities and duration extend beyond the characteristics of cash and cash equivalents but are not considered long-term investments. Short-term investments are recorded at fair value and are generally priced and available on a daily basis. Investment income is recorded on the accrual basis and purchases and sales of short-term investment securities are recorded on a trade-date basis.

d) Other Assets

Other assets are mostly comprised of prepaid expenses. In addition, consistent with ASU No. 2018-15, *Customer's Accounting for Implementation Costs Incurred in a Cloud Computing Arrangement That is a Service Contract,* this asset category includes capitalized implementation costs related to certain cloud computing arrangements. Other assets also includes the value of certain split-interest agreements for which LUC is aware of the existence of LUC's beneficial interest but is not the trustee.

e) Long-term Investments

Long-term investments are recorded at fair value. The fair value of a financial instrument is the amount that would be received to sell an asset, or the amount that would be paid to transfer a liability, in an orderly transaction between market participants at the measurement date.

Investments in publicly traded equity securities are valued based on quoted market prices. To the extent that quoted market prices are not readily available, fair value may be determined based on broker or dealer quotations or alternate pricing sources with reasonable levels of price transparency. Securities that trade infrequently may be valued as determined in good faith by LUC's investment managers.

The fair value of fixed income securities may be determined based on yields currently available on comparable securities of issuers with similar credit ratings, dealer-supplied prices or by discounting future principal and interest payments at prevailing interest rates.

The fair value of holdings of mutual funds, common collective trusts, and commingled funds are determined by reference to the funds' underlying assets, which are principally marketable equity and fixed income securities. Units held in registered mutual funds and in common collective trusts and commingled funds that do not have a readily determined market value for fund units are valued based on the funds' net asset value as supplied by the fund administrator or trustee. Estimates of fair value provided by general partners or investment managers are reviewed by management.

Investments in private investment funds are recorded at estimated fair value based on LUC's share of the funds' fair value or number of units outstanding. A private investment fund's fair value is typically based on estimated asset values as of valuation dates that precede the LUC fiscal year end by up to 180 days and are adjusted for cash flows that occur between the valuation date and year end. These funds allocate gains, losses, and expenses to partners based on their respective ownership percentages or the number of units held. Management reviews reports and financial statements and communicates regularly with fund managers to maintain oversight of their valuation processes and estimates.

Investment income is recorded on the accrual basis. Purchases and sales of long-term investment securities are recorded on a trade-date basis.

f) Derivative Financial Instruments

LUC may use derivative financial instruments in the management of its treasury and investment portfolio. In addition, investment managers engaged by LUC may use derivative instruments to implement their investment strategies. Investments in derivative financial instruments are not designated as hedges. All derivative financial instruments used for investment purposes are marked to market and recorded at fair value. Gains and losses realized on derivative financial instruments used for investment purposes are recorded in the consolidated statements of activities and changes in net assets.

g) Assets Held in Trust by Others

A third party holds escrow funds on behalf of LUC for the purpose of improvement and restoration costs for the Cuneo Mansion and Gardens in Vernon Hills, Illinois. The escrow was established under a preservation agreement between LUC and the Village of Vernon Hills and Lake County.

h) Interest Held in Perpetual Trust

LUC is the beneficiary of funds held in trust. LUC does not control or have possession of these funds but receives income from the trust in support of LUC's Health Sciences programs. Funds are recognized at the estimated fair value of future cash flows, which is estimated to equal the fair value of the trust assets.

i) Land, Buildings and Equipment

Land, buildings and equipment are recorded at cost or fair value at the date of purchase or gift to the University. This asset category also includes the capitalized value of library books and artwork. LUC capitalizes assets with a purchase price or fair value of $5,000 or greater and with a useful life of over 1 year. Depreciation is calculated on a straight-line basis using the following useful lives: building shell, 40-50 years; building improvements, 10-25 years; furniture, 7-20 years; and equipment, 3-10 years. LUC uses the component method of capitalization.

Management continually reviews its long-lived assets for evidence of potential impairment. No impairment adjustments were recorded as of June 30, 2024.

j) Leases

The University recognizes rights and obligations arising from leases as assets and liabilities on the consolidated statements of financial position in accordance with ASU No. 2016-02, *Leases (Topic 842).* LUC has elected the short-term lease exemption and therefore does not recognize a right-of-use asset or corresponding liability for lease arrangements with an original term of 12 months or less. Regarding the discount rate, LUC uses the rate implicit in the lease whenever that rate is readily determinable. In accordance with ASU 2021-09, *Discount Rate for Lessees That Are Not Public Business Entities,* LUC is permitted to use a risk-free discount rate for a lease instead of its incremental borrowing rate as an accounting policy election made by class of underlying asset. See Note 10, *Leases*, for further information regarding the University's lease-related disclosures.

k) Net Asset Classes

Net assets are classified based on the existence or absence of donor-imposed restrictions.

Net assets not subject to donor-imposed restrictions include those designated by the Board of Trustees such as funds functioning as endowment (quasi-endowments) and board-designated net assets.

Net assets that are subject to donor-imposed restrictions include those restricted for a particular use, expiring with the passage of time, or the occurrence of an event. When donor restrictions are met or the restrictions expire, net assets with donor restrictions are released as net assets without donor restrictions. Net assets subject to donor-imposed restrictions may also require assets to be retained permanently and invested in perpetuity. These restrictions permit the use of some or all of the income earned on the invested assets for specific purposes.

l) Revenue Recognition

The University adheres to the following GAAP concerning revenue recognition:

ASU No. 2014-09, Revenue from Contracts with Customers (Topic 606): The University recognizes revenue to depict the transfer of promised goods and services in an amount that reflects the consideration to which LUC expects to be entitled in exchange for those goods or services.

ASU 2018-08, Not-for-Profit Entities (Topic 958): Clarifying the Scope and the Accounting Guidance for Contributions Received and Contributions Made: The University follows this framework to determine whether a transaction should be accounted for as a contribution or as an exchange transaction. The guidance also helps LUC determine whether a contribution is conditional and guides the University on how to distinguish a donor-imposed condition from a donor-imposed restriction.

ASU No. 2016-08, Revenue from Contracts with Customers: Principal versus Agent Considerations (Reporting Revenue Gross versus Net): The University follows this guidance to assess whether it is a principal or an agent in a revenue transaction and whether it reports the revenue on a gross or net basis.

m) Gifts and Contributions

The University's statement of activities and changes in net assets includes the value of gifts and contributions from donors. Contributions of cash and financial assets are reported separately from contributed nonfinancial assets, as follows:

Contributions of cash and other financial assets
Unconditional gifts and contributions, including unconditional promises to give (pledges) that are reasonably assured to be collected, are recognized in the period received and reported at present value in the appropriate category of net assets.

Gifts and contributions received with donor stipulations restricting their use are reported as gifts under non-operating activities and classified as net assets with donor restrictions. The expiration or fulfillment of donor-imposed restrictions on contributions is recognized in the period in which the restriction is fulfilled and are generally shown as net assets released from restrictions for operations.

Gifts and contributions received without donor stipulations restricting their use are reported as operating revenue and classified as net assets without donor restrictions.

Contributions of nonfinancial assets (gifts in kind)
The University follows ASU No. 2020-07, *Not-for-Profit Entities (Topic 958): Presentation and Disclosures by Not-for-Profit Entities for Contributed Nonfinancial Assets.*

For nonfinancial contributions which are readily consumed, the University recognizes in-kind contribution revenue and a corresponding expense in an amount approximating the estimated fair value at the time of the donation. Should the University accept a contribution of a nonfinancial asset such as real estate, the University will recognize the gift revenue, generally based on an independent appraisal, as non-operating income and will record the asset consistent with its policies for land, building, equipment, or other assets, as appropriate.

The University does not rely on contributed services (services that create or enhance nonfinancial assets or provide specialized skills that would need to be purchased if they were not donated), and therefore does not recognize any revenue or expense for contributed services.

n) Grants and Contracts for Sponsored Projects

Grant and contract revenue is recognized when the conditions upon which they depend are substantially met, which primarily is when qualifying expenses or activities occur.

o) Retirement Plans and Other Postretirement Benefits

LUC's retirement plans and other postretirement benefits are presented consistent with ASC 715, *Compensation – Retirement Benefits*. The guidance requires the service cost component of net periodic pension cost and net periodic postretirement benefit cost to be presented as a part of fringe benefits expense in the consolidated statements of activities. The other components of net periodic benefit cost such as interest cost, expected return on plan assets, net prior service cost or credit amortization, and net actuarial gain or loss amortization are reported under net periodic pension and postretirement plan cost in the non-operating activities section of the consolidated statements of activities and changes in net assets. See Note 12, *Retirement Plans*.

p) Results of Operations

As part of the consolidated statements of activities and changes in net assets, the University presents results of operations as an operating measure. This operating measure represents operating revenues in excess of operating expenses that are an integral part of LUC's academic programming and supporting activities. Net assets utilized or released from donor restrictions to support operating expenditures, releases of board-designated net assets to support current operating activities, and investment income designated for operations, are also included in determining this measure of operations.

The measure of operations excludes investment returns (other than those designated for operations), retirement plan related changes (other than the service cost associated with pension and postretirement benefit plans), gains or losses on the sale or disposal of property, and certain non-recurring items.

q) Related Party Transactions

The University follows ASC 850, *Related Party Disclosures*. The University maintains processes to identify related parties and related party transactions. Related parties include the University's trustees, officers, and key employees, any relative of such individuals, as well as any entity in which such individuals exceed a certain ownership or beneficial interest percent or hold board or executive appointments. The University's related parties include the Society of Jesus (Jesuits), Mundelein, Loyola Medicine, and certain University employee benefit plans, such as the LUERP.

See Note 1, *Overview of Loyola University of Chicago*, for information related to the Jesuits and Mundelein. The University has a commitment to fund up to $5.0 million of capital improvements for the Midwest Jesuit Province's Arrupe House Jesuit residence, located at the University's Lake Shore Campus. In exchange for this commitment, the University has a right of first refusal to acquire the property at a later date and at a price that reflects an adjustment for the improvements funded by LUC. During fiscal year 2024 and 2023, the University recorded non-operating expense of approximately $2.8 million and $0.3 million, respectively towards this commitment. The remaining commitment is expected to be paid prior to the end of fiscal year 2025.

See Note 6, *Revenue from Contracts with Customers (Revenue Recognition) – Academic Support*, and Note 17, *Relationships with Trinity Health*, for information related to Loyola Medicine. Loyola Medicine is a regional, academic health system based in Chicago's western suburbs and a member of Trinity Health. Loyola Medicine includes Loyola University Health System (LUHS) and Loyola University Medical Center (LUMC).

See Note 12, *Retirement Plans,* and Note 13, *Other Post Retirement Benefits*, for information regarding University employee benefit plans considered related parties.

During fiscal years 2024 and 2023, there were no other material related-party transactions.

r) Recent Accounting Pronouncements

Credit Losses on Financial Instruments
Effective July 1, 2023 (fiscal year 2024), LUC adopted and applied prospectively ASU No. 2016-13, *Financial Instruments-Credit Losses (Topic 326): Measurement of Credit Losses on Financial Instruments*. This guidance provides financial statement users with decision-useful information about current expected credit losses (CECL) on financial instruments, and other commitments to extend credit, held at each reporting date. The University updated its processes for the assessment of the adequacy of the allowance for credit losses on certain types of financial instruments, primarily student receivables and institutional student loan notes. The adoption did not have a material impact on the consolidated financial statements, related disclosures, or results of operations. Refer to Note 7, *Notes and Accounts Receivable, Net* for additional information.

Improvements to Income Tax Disclosures
In December 2023, the FASB issued ASU No. 2023-09, *Income Tax (Topic 740): Improvements to Income Tax Disclosures*. For LUC, this ASU is effective beginning in fiscal year 2027. The guidance requires disclosure of qualitative factors related to LUC's income tax expense as well as additional disclosures related to income tax payments. LUC is evaluating the impact of this ASU on the consolidated financial statements. Refer to Note 2, *Tax Status* and Note 14, *Functional Classification of Expenses*, for additional information related to income tax.

(4) Investments

Under authority delegated by the Board of Trustees, the Investment Committee of the Board of Trustees establishes the investment policy and guidelines governing the management of LUC's investments. The strategy for long-term investments is predicated on the objectives of growth and preservation of the purchasing power of invested assets; therefore, it is equity-oriented and includes marketable equities, private equity investments, and real estate investments, with diversifying exposure to fixed income investments and hedging strategies. Short-term investments are primarily managed with an objective to ensure safety of principal and a high level of liquidity to meet the needs of LUC's operations. Substantially all investments are managed by external investment managers and all are held in custody by third-party financial institutions.

Fair Value Measurements

FASB ASC Topic 820, *Fair Value Measurement*, establishes a fair value hierarchy that prioritizes inputs to valuation techniques used to measure fair value into three categories:

Level 1 - Unadjusted quoted prices in active markets for identical instruments.

Level 2 - Quoted prices in active markets for similar instruments, quoted prices in inactive markets for identical or similar instruments, or model-derived valuations in which all significant inputs are directly or indirectly observable.

Level 3 - Model-derived valuations in which one or more significant inputs are unobservable.

Fair value of investments in certain commingled funds and private partnerships that utilize a net asset value (NAV) per share or that report capital account balances on an equivalent pro-rata basis is estimated, as a practical expedient, to equal the reported NAV for such shares or reported partner's capital balance, as applicable. These investments consist of funds holding primarily publicly traded equity and fixed income securities as well as private partnerships holding equity stakes in public and non-public companies where fund or partnership interests or shares/units are not publicly quoted or traded.

Short-term Investments

LUC had short-term investments of $72.8 million and $136.0 million at June 30, 2024 and 2023, respectively. Amounts held in short-term investments can vary from year to year depending on University operational, investment, and financing related activities.

The tables below summarize LUC's fair value measurements of short-term investments by the fair value hierarchy levels as of June 30, 2024 and 2023:

(in thousands of dollars)

2024	Total	Level 1	Level 2
Cash and cash equivalents	$ 239	$ 239	$ -
Fixed income mutual funds	17,921	17,921	
U.S. Treasury and government agency debt securities	21,329		21,329
Municipal debt securities	166		166
Corporate debt securities	22,969		22,969
Mortgage-related securities	3,584		3,584
Asset-backed securities	6,506		6,506
Collateralized mortgage obligations	129		129
Total	$ 72,843	$ 18,160	$ 54,683

(in thousands of dollars)

2023	Total	Level 1	Level 2
Cash and cash equivalents	$ 696	$ 696	$ -
Fixed income mutual funds	30,555	30,555	
U.S. Treasury and government agency debt securities	41,151		41,151
Municipal debt securities	1,114		1,114
Corporate debt securities	41,230		41,230
Mortgage-related securities	6,315		6,315
Asset-backed securities	14,257		14,257
Collateralized mortgage obligations	730		730
Total	$ 136,048	$ 31,251	$ 104,797

Endowment and Other Long-term Investments

LUC's total endowment and other long-term investments are comprised primarily of endowed funds and board-designated funds functioning as endowment (quasi-endowments). It also includes unrestricted institutional funds, split-interest agreements, and other non-endowed donor and university funds. The table below presents the functional composition of LUC's total endowment and other long-term investments at June 30, 2024 and 2023:

(in thousands of dollars)

	2024	2023
Donor-restricted endowment funds	$ 525,785	$ 479,814
Board-designated funds functioning as endowment	532,083	491,438
Total endowment investments [1]	1,057,868	971,252
Institutional reserves	183,195	167,006
Total long-term investment portfolio	1,241,063	1,138,258
Split-interest agreements	11,098	9,044
Other invested assets	5,471	2,552
Total endowment and other long-term investments	$ 1,257,632	$ 1,149,854

[1] Refer to Note 11, *Financial Assets and Liquidity Resources,* and Note 15, *Net Assets*.

The tables below summarize endowment and other long-term investments' fair value measurements by fair value hierarchy level and NAV (or its equivalent) as a practical expedient, as of June 30, 2024 and 2023:

(in thousands of dollars)

2024	Total	Level 1	Level 2	Level 3	NAV
Cash and cash equivalents[1]	$ 21,380	$ 21,380	$ -	$ -	$ -
U.S. marketable equity securities	77,140	77,140			
U.S. marketable equity mutual funds	46,594	46,594			
Non-U.S. marketable equity securities	6,265	6,265			
Non-U.S. marketable equity mutual funds	11,336	11,336			
Marketable equity commingled funds	664,142				664,142
Other equity securities	74			74	
Fixed income mutual funds	3,225	3,225			
Fixed income commingled funds	51,152				51,152
U.S. Treasury and government agency debt obligations	125,522		125,522		
Private equity investments	208,277				208,277
Real assets mutual funds	7,872	7,872			
Private real assets investments	34,653				34,653
Total	$ 1,257,632	$ 173,812	$ 125,522	$ 74	$ 958,224

[1] Amounts are net of pending trade settlements.

(in thousands of dollars)

2023	Total	Level 1	Level 2	Level 3	NAV
Cash and cash equivalents [1]	$ 12,100	$ 12,100	$ -	$ -	$ -
U.S. marketable equity securities	22,203	22,203			
U.S. marketable equity mutual funds	133,908	133,908			
Non-U.S. marketable equity securities	22,326	22,326			
Non-U.S. marketable equity mutual funds	62,582	62,582			
Marketable equity commingled funds	508,502				508,502
Other equity securities	74			74	
Fixed income mutual funds	2,785	2,785			
Fixed income commingled funds	48,174				48,174
Municipal debt securities	638		638		
U.S. Treasury and government agency debt obligations	107,344		107,344		
Private equity investments	195,104				195,104
Real assets mutual funds	7,574	7,574			
Private real assets investments	26,540				26,540
Total	$ 1,149,854	$ 263,478	$ 107,982	$ 74	$ 778,320

[1] Amounts are net of pending trade settlements and derivative offsets.

For the years ended June 30, 2024 and 2023, there were no significant transfers between fair value hierarchy levels and there were no changes in the fair value of the Level 3 investments in endowment and other long-term investments.

LUC is obligated to make future capital contributions in private investment vehicles in the maximum amount of $170.1 million over the next several years, subject to investment period modifications provided for in fund offering documents or limited partnership agreements.

Fair value estimates, commitment and redemption information for investment funds valued at NAV (or its equivalent) as a practical expedient at June 30, 2024 are as follows:

(in thousands of dollars)

Investment Type	2024 Fair Value	Unfunded Commitment	Redemption Frequency	Redemption Notice Period	Other Redemption Restrictions
Marketable equity commingled funds [1]	$ 664,142	$ -	Weekly to only at the direction of investment managers	Ten business days to ninety days	Various initial lockup periods, potential redemption fees, and limits on redeemable proportion of outstanding balances
Fixed income commingled funds [2]	51,152	8,693	Quarterly to only at the direction of investment managers	Ninety days	Certain initial lockup periods, limits on redeemable proportion of outstanding balances
Private equity Investments [3]	208,277	134,446	Directed by investment managers	n/a	None
Private real assets investments [3]	34,653	26,982	Directed by investment managers	n/a	None
Total	$ 958,224	$ 170,121			

(1) The marketable equity commingled funds category is comprised of investments in funds primarily holding publicly traded U.S. and non-U.S. equity securities, including long-short equity funds that can vary their net exposures across global markets.

(2) The fixed income commingled funds category is comprised of funds that invest primarily in global bonds and corporate debt securities, including structured products.

(3) Private equity investments and private real assets investments are comprised of closed-end fund investments primarily holding controlling equity stakes in private firms and real estate assets, respectively.

Derivative Financial Instruments

Derivative financial instruments may be used in the management of the LUC investment portfolio. This is generally done to assist in rebalancing its asset mix and to invest cash that would otherwise earn a low rate of return. As of June 30, 2024, the investment portfolio held no futures contracts. As of June 30, 2023, the investment portfolio held futures contracts with a notional value of $20.9 million. Futures contracts are exchange-traded and subject to the market risk of the underlying indexes from which their prices are derived.

The effect of derivative instruments on the consolidated statements of activities and changes in net assets as of June 30, 2024 and 2023 is as follows:

(in thousands of dollars)

Derivative Type	Location in the Consolidated Statements of Activities and Changes in Net Assets	2024	2023
Equity, equity options contracts, fixed income, and currency futures	Non-operating: Investment return, net of amounts designated for operations	$ 164	$ 2,907

Investment Returns

Investment returns, net of investment and management fees, for short-term and long-term investments, for the years ended June 30, 2024 and 2023 are as follows:

(in thousands of dollars)

	2024	2023
Interest and dividend income, net of fees	$ 10,602	$ 10,057
Net realized gains	96,286	64,370
Net unrealized gains	2,309	8,851
Total net return on investment	$ 109,197	$ 83,278

Returns earned on long-term investments are classified as non-operating activities in the consolidated statements of activities and changes in net assets, while returns earned on short-term investments and operating cash are classified as operating revenues. In addition, expenditures of accumulated investment return earned on board-designated funds functioning as endowment funds are classified as investment income designated for operations under operating revenues, and are deducted from non-operating investment returns, within net assets without donor restrictions.

The table below reconciles total net return on investment with the amounts presented in the consolidated statements of activities and changes in net assets:

(in thousands of dollars)

	2024	2023
Changes in net assets without donor restrictions		
Return on short-term investments and interest income	$ 9,604	$ 7,216
Investment income designated for operations	15,955	10,238
Non-operating investment gain	57,333	43,035
Less: Amounts designated for operations	(15,955)	(10,238)
Non-operating investment return, net of amounts designated for operations	41,378	32,797
Changes in net assets with donor restrictions		
Non-operating investment return, net of amounts designated for operations	42,260	33,027
Total net return on investment	$ 109,197	$ 83,278

Endowment Net Assets

LUC's endowment consists of hundreds of individual funds established for a variety of purposes supporting LUC operations. Donor restricted endowment fund balances are classified and reported as net assets in accordance with donor specifications and GAAP. While funds functioning as endowment (quasi-endowments) are not subject to donor restrictions, approval by the Board of Trustees is required to spend from or otherwise alter the designated principal of these funds.

The LUC Board of Trustees has reviewed the Illinois Uniform Prudent Management of Institutional Funds Act (UPMIFA or the Act) and, having considered its rights and obligations thereunder, has determined that it is desirable for LUC to preserve, on a long-term basis, the original value of a contribution of a donor-restricted endowment fund as of the gift date, subject to any express language in the applicable endowment agreement indicating otherwise and pursuant to UPMIFA. Notwithstanding the foregoing, this determination is not intended to, and shall not, affect LUC's authority under UPMIFA to spend any amounts from an endowment fund on a short-term basis even if the market value of the endowment fund is below the original value of the contributions by the donor. As a result of this determination, LUC classifies as net assets with donor restrictions (a) the original value of gifts contributed to a donor-restricted endowment fund, and (b) the original value of subsequent gifts to a donor-restricted endowment fund.

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

- The purposes of LUC and of the donor-restricted endowment fund;
- The duration and preservation of the fund;
- General economic conditions;
- The possible effects of inflation and deflation;
- The investment policies of LUC;
- The expected total return from income and the appreciation of investments;
- Other LUC resources

LUC uses a total return-linked spending policy designed to preserve the value of the endowment fund in real terms (i.e., after inflation) and to generate a predictable stream of income to support spending. Endowment spending can consist of interest, dividends or accumulated capital gains, and the proportion of each varies from year to year.

The primary objective of the endowment investment policy is to provide a stable source of funding for LUC programs, financial aid, and faculty support that will maintain and expand the purchasing power of endowment payout over a long-term time horizon.

Target allocations, and acceptable ranges of deviation from them, are established in order to achieve a diversified investment portfolio that can adapt to changing market environments and investment opportunities. The endowment portfolio is also managed to ensure that, within the constraints of its asset allocation targets, sufficient liquidity is maintained to fund ongoing spending draws and the periodic funding requirements of its various investments.

The following table summarizes the asset allocation targets as of June 30, 2024 for the endowment and long-term investment portfolio:

Target Asset Class	Allocation
Global equity	45.0%
Private capital	20.0%
Real assets	2.5%
Opportunistic credit	2.5%
Marketable alternatives	20.0%
Fixed income	10.0%
Total	100.0%

Current endowment spending policy establishes a maximum budgeted spending rate in any given year of 5% of an endowed fund's net assets. Proposals for endowed funds to apply a spending rate in excess of 5% must be approved as part of the annual budget approval process. Absent donor stipulations to the contrary, annual appropriations from an endowed fund are determined by application of an annually determined base budget calculation as of a measurement date preceding the beginning of the fiscal year in which the appropriated amounts are to be drawn.

Endowment net assets as of June 30, 2024 and 2023 are classified as follows:

(in thousands of dollars)

2024	Without Donor Restrictions	With Donor Restrictions	Total
Donor-restricted endowment funds	$ -	$ 526,796	$ 526,796
Underwater endowments		(28)	(28)
Board-designated funds functioning as endowments	527,940		527,940
Total endowment net assets	$ 527,940	$ 526,768	$ 1,054,708
2023			
Donor-restricted endowment funds	$ -	$ 481,244	$ 481,244
Underwater endowments		(63)	(63)
Board-designated funds functioning as endowments	490,174		490,174
Total endowment net assets	$ 490,174	$ 481,181	$ 971,355

From time to time, the fair value of assets associated with individual donor-restricted endowment funds may fall below the level that the University has determined is required to be maintained as a fund of perpetual duration. Deficiencies of this nature, referred to as underwater endowments, are reported in net assets with donor restrictions. In the event an endowment falls underwater, current management practice is to allow spending so long as the fair value is at least 95% of the contributed gift value. A balance between 90 to 95% of gift value will allow for reduced spending, and at a fair value of 90% or below gift value, spending is not allowed until the fair value recovers above 90%.

At June 30, 2024 and 2023, the amount by which funds were underwater was calculated as follows:

(in thousands of dollars)

	2024	2023
Aggregate fair value	$ 126	$ 2,648
Aggregate original value	154	2,711
Aggregate deficiency	$ (28)	$ (63)

The following table provides a summary of the changes in the endowment net assets for the year ended June 30, 2024:

(in thousands of dollars)

2024	Without Donor Restrictions	With Donor Restrictions	Total
Endowment net assets, beginning of year	$ 490,174	$ 481,181	$ 971,355
Contributions and other additions			
Contributions (excluding pledges)	-	19,957	19,957
Board-designated funds functioning as endowment	11,177	-	11,177
Total contributions and other additions	11,177	19,957	31,134
Total investment return, net	42,544	40,421	82,965
Income distributed for operating purposes			
Scholarships	(3,907)	(6,862)	(10,769)
Endowed Chairs	(2,759)	(3,059)	(5,818)
Research	(1,567)	(1,212)	(2,779)
Other	(7,722)	(3,658)	(11,380)
Total income distributed for operating purposes	(15,955)	(14,791)	(30,746)
Endowment net assets, end of year	$ 527,940	$ 526,768	$ 1,054,708

Contributions of $20.0 million in fiscal year 2024 include $18.3 million received during fiscal year 2024 and $1.7 million received in prior years but designated to the endowment during fiscal year 2024.

The following table provides a summary of the changes in the endowment net assets for the year ended June 30, 2023:

(in thousands of dollars)

2023	Without Donor Restrictions	With Donor Restrictions	Total
Endowment net assets, beginning of year	$ 464,792	$ 435,278	$ 900,070
Contributions and other additions			
Contributions (excluding pledges)	-	26,839	26,839
Board-designated funds functioning as endowment	2,699	-	2,699
Total contributions and other additions	2,699	26,839	29,538
Total investment return, net	32,921	31,280	64,201
Income distributed for operating purposes			
Scholarships	(3,397)	(5,790)	(9,187)
Endowed Chairs	(1,903)	(2,597)	(4,500)
Research	(527)	(716)	(1,243)
Other	(4,411)	(3,113)	(7,524)
Total income distributed for operating purposes	(10,238)	(12,216)	(22,454)
Endowment net assets, end of year	$ 490,174	$ 481,181	$ 971,355

Contributions of $26.8 million in fiscal year 2023 include $20.3 million received during fiscal year 2023 and $6.5 million received in prior years but designated to the endowment during fiscal year 2023.

Split-Interest Agreements

Split-interest agreements consist of arrangements with donors in which LUC shares an interest in the assets held and the benefits received with other beneficiaries.

The assets held under split-interest agreements (charitable trusts for which LUC is the trustee and assets held in respect to gift annuity contracts) were $11.1 million and $9.0 million at June 30, 2024 and 2023, respectively, and are reported at fair value in endowment and other long-term investments in the consolidated statements of financial position. The discounted present value of any income beneficiary interest was $5.3 million and $4.6 million, respectively, at June 30, 2024 and 2023 and is included in accounts payable and other accrued expenses in the consolidated statements of financial position. The discount rate used is 5.5% in fiscal years 2024 and 2023. The increase in the asset and the liability values at June 30, 2024 compared with June 30, 2023 is attributed primarily to new split interest gift agreements received from donors during the fiscal year.

As of June 30, 2024 and 2023, the amounts related to split-interest agreements in the consolidated statements of activities and changes in net assets, are as follows:

(in thousands of dollars)

Description	Non-Operating: With Donor Restrictions	2024	2023
Gifts subject to split interest agreements, net of beneficiary share	Gifts	$ 803	$ -
Actuarial losses on split-interest agreements	Other	$ (702)	$ (375)

(5) Interest Held in Perpetual Trust

LUC's interest held in perpetual trust is classified as Level 3 in the fair-value hierarchy. The table below summarizes the changes in LUC's fair value measurements for the interest held in perpetual trust as of June 30, 2024 and 2023:

(in thousands of dollars)

	2024	2023
Beginning of year	$ 14,028	$ 13,791
Realized gain	347	352
Unrealized gain	1,188	720
Distributions	(384)	(835)
End of year	$ 15,179	$ 14,028

(6) Revenue from Contracts with Customers (Revenue Recognition)

Disaggregation of Revenue

As presented in the consolidated statements of activities and changes in net assets, the University has various sources of operating revenue described below:

Tuition and fees, net of scholarships
LUC's operating revenue is primarily derived from academic programs provided to students, including undergraduate, graduate, and professional degree granting programs. Tuition and fees revenue is earned by the University for these educational services delivered during an academic term. Tuition is charged at different rates depending on the program in which the student is enrolled. As part of a student's course of instruction, certain fees, such as technology fees and course/laboratory fees, are billed to students. Tuition and fees are earned over the applicable academic term and are not considered separate performance obligations.

Tuition scholarships awarded by LUC represent a reduction of the tuition transaction price. LUC awards both need-based and merit-based scholarships. Scholarships are generally awarded for the academic year and are applied to the students' account during each academic term.

Academic terms are determined by regulatory requirements mandated by the federal government and/or applicable accrediting bodies. LUC's academic terms generally consist of Fall, Winter, Spring, and Summer terms. Academic terms have start and end dates which vary by program. Except for certain programs in the Summer term, the academic terms generally have start and end dates that fall within the University's fiscal year.

The University bills tuition and fees in advance of each academic term and recognizes the tuition and fees revenue on a straight-line basis, as the educational services are performed, over the academic term or program. Students are typically entitled to a partial refund through approximately the first third of an academic term. Once a student reaches the point in the academic term where no refund is given, generally no refunds are due if the student withdraws subsequent to that date.

Students pay tuition and fees (net of scholarships) through a variety of funding sources, including federal loan and grant programs, state grant programs, institutional payment plans, employer reimbursement, Veterans' Administration and other military funding and grants, private and institutional scholarships and borrowings, and cash payments.

Auxiliary services
Auxiliary services revenue consists primarily of fees for room and dining services (board) during the student's education. The University considers that room fees and dining services are each separate performance obligations.

Room fees are charged at different rates depending on the residence hall and room accommodations. Room fees are billed in advance of each academic term, and recognized as revenue on a straight-line basis over the period housing is provided. While the University believes the residential experience is an integral part of a student's education and the Loyola experience, the University considers the residential arrangement to be a distinct performance obligation from the academic services. Although first and second-year students are expected to live on campus, exemptions are possible, primarily for students living with family or married students.

Dining service fees are charged at different rates depending on the level of access to dining services during the term of the agreement. Dining services are billed in advance of each academic term and are recognized as revenue ratably over the period during which the dining services are offered.

Some scholarships and stipends may be applied against room and board and therefore represent a reduction of the transaction price. Such awards are generally granted for the academic year and are applied to the student's account during each academic term. Room and board scholarships and stipends of $5.6 million and $5.1 million were included as a reduction in auxiliary services revenue as of June 30, 2024 and 2023, respectively.

In addition to room and board, auxiliary services include revenue earned for various conference services offered by the University. Revenue from conference services is recognized once the performance obligations are complete.

Academic support
Revenue in this category pertains to revenue earned by the University under the Academic Affiliation Agreement with Loyola University Health System (LUHS) and Loyola University Medical Center (LUMC).

The University's education and research mission and programs, including the University's Stritch School of Medicine, Marcella Niehoff School of Nursing, the Parkinson School of Health Sciences and Public Health, and other health science and research programs, represent an integral part of and support the delivery of health care and related clinical services operated by LUHS and LUMC. The academic support amount of $22.5 million established in 2011 has been adjusted annually based on the consumer price index. The University collects the payment monthly. As of June 30, 2024, the University fully collected the academic support payment for fiscal years 2024 and prior. LUC reported $29.0 million and $28.4 million of academic support in the consolidated statements of activities and changes in net assets in fiscal years 2024 and 2023, respectively.

LUHS and LUMC are owned and operated by Trinity Health. See Note 17, *Relationship with Trinity Health*, for additional information.

Other operating revenue
This category consists of revenue generated by the University under contractual arrangements deemed to be exchange transactions. Major revenue streams in this category include rental income generated by various residential and commercial properties owned by the University, revenue from seminars and workshops, athletic-related ticket sales and sponsorships, health and fitness center membership fees, and royalties. Revenue from these activities is generally recognized as services are performed.

Contract Assets and Deferred Revenue

The University bills for tuition, fees, room and board in advance of the academic term. The student receivable is recognized only once the University has an unconditional right to receive payment because the programs have reached the point at which the amount billed is no longer refundable to the student. A liability for deferred revenue is recognized for the portion of tuition, fees, room and board for which the University has not completed the performance obligations.

The University's academic terms generally have start and end dates that fall within the University's fiscal year. As a result, the substantial majority of tuition, fee, room, and board performance obligations are fulfilled prior to the University's fiscal year end.

Due to the start and end dates for programs in the Summer academic term in relation to the University's fiscal year end, the University recognizes a contract asset and corresponding revenue for tuition, fees, room, and board services which have been delivered as of June 30th, but for which the University does not yet have the unconditional right to receive payment as the students have not reached the point in the academic term at which the amount billed is no longer refundable to the student. Contract assets and contract liabilities arising from the same contract type are presented net as either a net contract asset or net contract liability (deferred revenue) for presentation purposes.

As the academic terms are typically measured in weeks, contract asset and deferred revenue balances which exist at the end of a fiscal year will generally become a student receivable or revenue, respectively, within the following fiscal year. As of the end of each fiscal year, the University determines a new contract asset or deferred revenue balance for those programs which overlap the University's fiscal year end and are not yet unconditional or earned.

The deferred revenue balances as of June 30, 2024 and 2023, are presented below:

(in thousands of dollars)	Contracts Performed Within One Year		Contracts Greater than One Year	
	Tuition, fees, room, and board	Other	Other	Total
Deferred revenue as of June 30, 2024	$ 22,009	$ 2,687	$ 3,433	$ 28,129
Deferred revenue as of June 30, 2023	$ 22,126	$ 3,034	$ 3,869	$ 29,029

The deferred revenue related to contracts greater than one year will primarily be recognized on a straight-line basis over the remaining term of a contract which continues through fiscal year 2030.

Significant Judgments

Significant judgment is required in determining the appropriate approach to applying the revenue recognition criteria. While ASC Topic 606 is generally applied to an individual contract with a customer, as a practical expedient, LUC applies this guidance to a portfolio of contracts (or performance obligations) with similar characteristics. LUC reasonably expects that the effects of applying this guidance to the portfolio would not differ materially from applying the guidance to the individual contracts (or performance obligations) within the portfolio.

For tuition and fees, room, and dining services, the University has determined that contracts for these services can be grouped into a portfolio, specific to each of these three performance obligations. Based on the University's experience, students at different campuses or in different programs have similar characteristics concerning the University's approach to revenue recognition. Agreements concerning enrollment, student financial responsibility, housing, and dining plans each contain terms, which clarify the performance obligations and eligibility for refunds or fee adjustments. These agreements are fundamentally the same regardless of the program of study.

For contracts with customers not pertaining to tuition and fees, room, and board, the University generally applies the revenue recognition guidance on an individual contract basis.

Significant judgment is also required to assess collectability. For the majority of tuition and fees, the University receives cash receipts for tuition payments from various federal and state of Illinois government agencies. Students are required to provide documentation to the Department of Education to be eligible and approved for funding. The University monitors the progress of students through the eligibility and approval process for these financial aid programs. These cash receipts represent a substantial portion of overall billings. For the remainder of tuition and fees, room, and board, the University monitors for situations which would require a reassessment of collectability. See Note 7, *Notes and Accounts Receivable, Net*, for additional information concerning student and other receivables and related credit loss allowances.

Given the nature of the University's contracts with customers, there are no incremental costs of obtaining a contract and no significant financing components. During the fiscal year, there were no significant changes in the judgements affecting the determination of the amount and timing of revenue from contracts with customers.

(7) Notes and Accounts Receivable, Net

Notes and accounts receivable, net, at June 30, 2024 and 2023 consist of the following:

(in thousands of dollars)	June 30, 2024			June 30, 2023
	Notes and Accounts Receivable	Allowance	Notes and Accounts Receivable, net	Notes and Accounts Receivable, net
Student receivables	$ 10,028	$ (2,566)	$ 7,462	$ 4,088
Student loan notes				
Federal government programs	5,370	(340)	5,030	6,467
Institutional/other programs	2,045	(725)	1,320	1,391
Contributions receivable	38,631	(445)	38,186	47,643
Grants receivable	12,707	-	12,707	11,127
Other receivables	7,745	(1,608)	6,137	7,222
Total	$ 76,526	$ (5,684)	$ 70,842	$ 77,938

Student receivables

These balances represent amounts billed to students related to their academic experience at LUC, and for which the University has an unconditional right to receive payment because the programs have reached the point at which the amount billed is no longer refundable to the student.

The allowance for credit losses at June 30, 2024 was established based on historical credit loss experience, as well as consideration of economic or other factors that may affect the collectability of the student receivables. The following table summarizes the change in the allowance during fiscal years 2024 and 2023:

(in thousands of dollars)	Balance, Beginning of Period	Allowance Increase	Amounts Written-off	Balance, End of Period
Allowance for credit losses - Student receivables				
For the year ended June 30, 2024[1]	$ (1,800)	$ (3,461)	$ 2,695	$ (2,566)
For the year ended June 30, 2023	$ (2,597)	$ (2,113)	$ 1,805	$ (2,905)

[1] On July 1, 2023, upon adoption of ASU 2016-13, *Financial Instruments-Credit Losses (Topic 326): Measurement of Credit Losses on Financial Instruments*, the University decreased the allowance for credit losses on student receivables by approximately $1.1 million and recorded the offset as non-operating – other in the consolidated statements of activities and changes in net assets. Refer to Note 3, *Summary of Significant Accounting Policies*, for additional information.

Student loan notes

Student loan notes consist of uncollateralized loans to students based on financial need. Student loan notes are primarily funded through federal government loan programs and to a lesser extent by institutional or other programs. At June 30, 2024 and 2023, student loan notes represented less than 1% of total assets.

The student loan notes funded through the federal government consist primarily of loan notes related to the federal Perkins revolving loan program, which provided low-interest loans to students with financial need. This federal program expired on September 30, 2017, with final loan disbursements allowed through June 30, 2018.

Although no new Perkins loans are permitted, recipients of the Perkins loans have an obligation to repay the University, which in turn pays the federal government. LUC participates in other government revolving loan programs that function in a similar manner. The availability of funds for loans under federal programs other than Perkins is dependent on reimbursements to the pool from repayments on outstanding loans.

The liability for refundable U.S. government student loan funds in the consolidated statements of financial position was $6.4 million and $7.5 million at June 30, 2024 and 2023, respectively.

Student loan notes funded institutionally or by other programs were $1.3 million and $1.4 million at June 30, 2024 and 2023, respectively. The allowance for credit losses at June 30, 2024 was established based on historical credit loss experience as well as consideration of economic or other factors that may affect the collectability of the remaining cash flows over the contractual term of these loans. The following table summarizes the change in the student loan notes allowance for credit losses:

(in thousands of dollars)	Balance, Beginning of Period	Allowance Increase	Amounts Written-off	Balance, End of Period
Allowance for credit losses - Student loan notes				
For the year ended June 30, 2024	$ (1,103)	$ (222)	$ 260	$ (1,065)
For the year ended June 30, 2023	$ (1,614)	$ (203)	$ 714	$ (1,103)

Contributions receivable

Contributions receivable represent unconditional promises to give from donors, collectible in future years. Contributions receivable are recorded after discounting expected future cash flows to their present value. The discount is computed using an estimated market interest rate that approximates the expected return of an intermediate term bond portfolio for a similar time horizon. Significant fluctuation in the discount rates utilized in this calculation could result in a material change to the recorded amount. The weighted average discount rate was 4.2% and 4.1% at June 30, 2024 and June 30, 2023, respectively. An allowance for uncollectible contributions is established based upon management's judgment of the collectability of outstanding pledges.

During fiscal year 2022, the University received a pledge of $40 million as part of a comprehensive capital campaign. The University collected $10 million towards this pledge in each of the fiscal years 2024 and 2023. The remainder of the pledge is expected to be collected over the next two fiscal years.

Contributions receivable at June 30, 2024 and 2023 are due in the following periods:

(in thousands of dollars)	2024	2023
In one year or less	$ 17,714	$ 16,471
Between one year and five years	19,404	31,414
More than five years	5,939	6,951
Present value discount	(4,426)	(6,104)
Total	38,631	48,732
Allowance for uncollectible contributions	(445)	(1,089)
Total contributions receivable, net	$ 38,186	$ 47,643

Grants receivable

Grants receivable consists of amounts from federal and local government agencies and private entities related to sponsored programs. Substantially all of the balance of $12.7 million as of June 30, 2024 is expected to be collected within the next fiscal year.

Other receivables

Other receivables consist of amounts expected to be collected from third parties related to the University's operations and programs. The University regularly assesses collectability and writes off balances when they are deemed uncollectible. Of the $6.1 million receivable as of June 30, 2024, LUC expects to collect $4.4 million within the next fiscal year.

(8) Land, Buildings and Equipment, Net

Components of land, buildings, and equipment at June 30, 2024 and 2023 are as follows:

(in thousands of dollars)

	2024	2023
Land and land improvements	$ 246,492	$ 224,098
Buildings	1,562,555	1,509,801
Equipment	172,018	165,500
Library books and art	19,490	19,470
Construction in progress	24,429	23,031
Total	2,024,984	1,941,900
Accumulated depreciation	(992,602)	(937,294)
Land, buildings, and equipment, net	$ 1,032,382	$ 1,004,606

During fiscal year 2024 the University's investment in capital assets increased $83.1 million of which $39.1 million represents the acquisition of real estate located near the University's Lake Shore Campus. The real estate acquisition values were allocated $8.6 million to land and $30.5 million to buildings. The remaining increase of $44.0 million primarily represents capital improvements of infrastructure and facilities across all campuses.

The University has certain asset retirement costs and related asset retirement obligations recorded in the consolidated statements of financial position. At June 30, 2024 and 2023, capitalized asset retirement costs within net land, buildings, and equipment were $0.2 million. Conditional asset retirement obligations included in other liabilities were $2.9 million and $3.0 million at June 30, 2024 and 2023, respectively.

Liabilities of $3.4 million and $6.0 million related to capital projects and purchases of equipment are included in accounts payable and accrued expenses in the consolidated statements of financial position as of June 30, 2024 and 2023, respectively.

At June 30, 2024, LUC had commitments of $49.8 million related to various capital projects. In addition, during fiscal year 2024, the University entered into a real estate purchase agreement for a property near the University's Lake Shore Campus, representing a total purchase commitment of approximately $5.0 million. See Note 18, *Subsequent Events*, for additional information.

(9) Indebtedness

Notes and bonds payable at June 30, 2024 and 2023 are shown below:

(in thousands of dollars)	Final Maturity (Fiscal Year)	Interest Rate	2024	Interest Rate	2023
Fixed rate:					
Series 2012A taxable bonds	2043	4.63%	100,000	4.63%	100,000
2017 term loan [1]	2024	-	-	2.56%	13,470
2020 term loan	2035	2.79%	74,040	2.79%	74,040
2021 term loan[2]	2036	2.16%	68,935	2.16%	73,910
Rome Center mortgage note[3]	2029	1.51%	4,628	1.51%	5,615
Total fixed rate principal debt[4]		3.33%	247,603	3.26%	267,035
Unamortized debt issuance costs			(336)		(368)
Total indebtedness			$ 247,267		$ 266,667

[1] The 2017 term loan was paid in full on July 3, 2023.

[2] On July 7, 2022, the University executed a term note under the Term Loan Agreement (the "Term Loan Agreement") entered into as of September 17, 2021 with Wintrust and borrowed approximately $73.9 million at a fixed rate of 2.16% per annum. Funds drawn under the Term Loan Agreement were used to refinance all of the $73.9 million of LUC's IFA Series 2012B tax-exempt bonds outstanding as of July 7, 2022.

In conjunction with the refinancing, the University recorded in fiscal year 2023 a non-cash gain of approximately $3.5 million primarily for the unamortized premium related to the IFA Series 2012B tax-exempt bonds. This net gain is reported as non-operating income – other in the consolidated statements of activities and changes in net assets.

[3] Principal amount outstanding is subject to currency (euro) fluctuations.

[4] Interest rate represents the weighted average interest rate on all outstanding principal debt as of June 30, 2024 and June 30, 2023, respectively.

In October 2022, LUC entered into two bank credit facilities for a total of $75 million from which LUC may borrow on a revolving basis. One credit facility for $50 million expires in January 2025 and the other facility for $25 million expires in April 2025. Borrowings under these facilities bear interest based on the Secured Overnight Financing Rate (SOFR) or other negotiated rates. As of June 30, 2024 and 2023, and for the fiscal years then ended, no balances were outstanding nor was any interest paid on either of these facilities.

LUC did not record any capitalized interest at June 30, 2024 and 2023, respectively. Bond discounts, premiums, and costs incurred in connection with the issuance of bonds are deferred and amortized over the life of the related indebtedness.

Interest paid during the years ended June 30, 2024 and 2023 was $8.6 million and $9.2 million, respectively.

Debt Covenants

Certain debt agreements require the maintenance of financial ratios or impose other restrictions. Management believes LUC is in compliance with financial debt covenants as of June 30, 2024.

Debt Maturities

As of June 30, 2024, total scheduled maturities for the next five fiscal years are as follows:

(in thousands of dollars)

Fiscal Year		
2025	$	16,013
2026		23,382
2027		19,225
2028		16,289
2029		16,579
Thereafter		156,115
	$	247,603

(10) Leases

The University has contractual arrangements where it is a lessee. Separately, the University has contractual agreements where the University is a lessor. A lessee is generally defined as the entity paying for the use of specific property from a lessor. A lessor is defined as an entity that provides the right to use an asset for a period of time in exchange for consideration.

Lessee Disclosures

As a lessee, LUC analyzes each lease agreement to determine whether it should be classified as an operating or finance lease. In addition, LUC evaluates service contracts that involve the use of an identified asset (such as property, plant, or equipment) to determine if the contract contains a lease. As of June 30, 2024, LUC has no financing leases. For operating leases, the University recognizes in the consolidated statement of financial position a right-of-use asset and a corresponding lease liability, initially measured at the present value of the lease payments. Payments made on the lease liability, as well as the amortization of the right-of-use asset are recognized as rent expense over the term of the lease on a straight-line basis in the consolidated statements of activities and changes in net assets. The cash payments for operating leases are classified within operating activities in the statements of cash flows.

LUC has a land lease for which it is the lessee. As of June 30, 2024 and 2023, LUC's right-of-use asset was $1.1 million and $1.2 million, respectively. The corresponding lease liability was $1.1 million and $1.2 million at June 30, 2024 and 2023, respectively. The future obligations of this lease were valued using LUC's estimated incremental borrowing rate of 2.0% as of July 1, 2020, date on which the University adopted ASU No. 2016-02, *Leases (Topic 842)*.

The table below summarizes the undiscounted cash flows for future lease payments corresponding to the lease liability as of June 30, 2024:

(in thousands of dollars)

Fiscal Year	Payments
2025	$ 127
2026	131
2027	135
2028	139
2029	143
Thereafter	534
Total minimum lease payments	1,209
Present value discount	(111)
Total lease liability	$ 1,098

Lessor Disclosures

The University is the lessor for residential and commercial lease arrangements.

LUC leases residential apartments, which are in proximity to the University's Lake Shore and Water Tower campuses, to students and other residents in the local community. Residential leases primarily contain terms of 12 months or less. The lease payments are fixed and not variable. Any desire by a tenant to extend a lease beyond the term of the original lease results in a new lease. All rent revenue is recognized on a straight-line basis over the term of the lease.

LUC also leases portions of certain buildings to commercial tenants. Commercial lease terms range from 5 to 10 years, with options to extend in 5 year increments. Five year leases typically consist of a fixed base rent along with the addition of common area maintenance (CAM) charges and real estate tax reimbursements.

The standard policy for commercial rent is to establish for each tenant a schedule with incremental increases based on various factors including location, tenant needs, and expected real estate tax obligations. Rent revenue is recognized on a straight-line basis over the term of the lease, inclusive of concessions such as tenant improvement allowances and rent abatements. Most concessions to rent payments are in the form of abatements and are generally negotiated on a per tenant basis. In the event concessions are ongoing and change the overall terms and obligations of the lease, a lease modification is negotiated.

As a lessor, LUC has certain leases that have terms different than described above. These include land leases with initial lease terms that range from 15 to 99 years, with options to extend beyond the initial term. One land lease is set to expire in calendar year 2104 and provides for a base rent that is subject to an annual adjustment referenced to the consumer price index. For another land lease, rents are calculated as a percent of the lessee's revenue.

During the years ended June 30, 2024 and 2023, LUC recognized rental revenue (net of rent concessions) of $15.8 million and $12.9 million, respectively, for its residential and commercial leases. Rent revenue is included in other operating revenue in the consolidated statements of activities and changes in net assets.

The table below summarizes the expected future annual lease revenue for both residential and commercial leases:

(in thousands of dollars)

Fiscal Year	Expected Lease Revenue
2025	$ 15,542
2026	15,332
2027	14,873
2028	13,472
2029	13,328
Thereafter	229,256

Expected residential lease revenue of $8.3 million is included in the table above for each of the fiscal years 2025 to 2029. Although residential leases are 12-month leases, there is historical evidence to support that these leases are renewed or new leases are signed each year.

The net book value of the building assets related to LUC's leasing activities is $66.3 million and $38.4 million as of June 30, 2024 and 2023, respectively, or approximately 6.4% and 3.8% of the net book value of the University's total land, building, and equipment. The majority of this value is for buildings that are fully occupied by residential or commercial tenants. The amount also includes that portion of the net book value of buildings leased to commercial tenants in buildings primarily used for University academic and administrative activities.

The increase of $27.9 million in the net book value of building assets related to leasing activities primarily reflects the University's fiscal year 2024 acquisition of the Arcade Residence located near the Lake Shore Campus, less related depreciation expense. See Note 8, *Land, Buildings and Equipment, net*, for additional information.

(11) Financial Assets and Liquidity Resources

LUC actively monitors liquidity required to meet its general expenditures. General expenditures include operating expenses, principal and interest payments on debt, pension and postretirement plan payments, and internally funded capital projects. The annual cash cycle has seasonal variations primarily related to the timing of tuition billings and the receipt of gifts and pledge payments. Cash in excess of daily requirements is invested in short-term investment and money market funds to ensure adequate liquidity.

The following table reflects financial assets as of June 30, 2024 and 2023, reduced by amounts not available for general expenditures within one year. As of June 30, 2024, approximately $425.4 million of financial assets could readily be made available within one year of that date to meet general expenditures, compared with $449.2 million as of June 30, 2023, as follows:

(in thousands of dollars)

Financial assets at June 30:	2024	2023
Cash and cash equivalents	$ 100,277	$ 92,370
Short-term investments	72,843	136,048
Notes and accounts receivable, net	70,842	77,938
Endowment and other long-term investments	1,257,632	1,149,854
Assets held in trust by others	1,853	1,786
Total financial assets	$ 1,503,447	$ 1,457,996
Less amounts not available for general expenditures within one year:		
Student loan notes – Federal government programs and other restricted loans	(6,350)	(7,858)
Contributions receivable due in more than one year or restricted by donor with time or purpose restrictions	(37,174)	(46,631)
Other receivables due in more than one year	(1,859)	(1,933)
Donor restricted endowment investments, net of appropriation for the following fiscal year	(506,949)	(462,913)
Board designated endowment investments, net of appropriation for the following fiscal year	(512,803)	(474,477)
Amounts with donor time or purpose restrictions pending transfer to endowment and long-term investments	-	(4,133)
Split-interest agreements	(11,098)	(9,044)
Assets held in trust by others	(1,853)	(1,786)
Total financial assets not available to meet general expenditures within one year	$ (1,078,086)	$ (1,008,775)
Total financial assets available to meet general expenditures within one year	$ 425,361	$ 449,221

In addition to the available financial assets noted above, LUC also had unsecured lines of credit available to meet general expenditures within one year of June 30, 2024 and 2023, respectively, as follows:

(in thousands of dollars)

	2024	2023
Total available lines of credit	$ 75,000	$ 75,000

See Note 9, *Indebtedness,* for more information regarding the lines of credit.

LUC has generally operated with a balanced budget and collects sufficient revenue to cover operating expenses not covered by donor-restricted resources. The consolidated statements of cash flows present the sources and uses of LUC's cash and shows net cash provided by operating activities of $44.1 million and $48.5 million for fiscal years 2024 and 2023, respectively.

(12) Retirement Plans

LUC maintains a defined contribution retirement plan and a defined benefit retirement plan (LUERP).

Defined Contribution Retirement Plan

LUC's expense for the defined contribution retirement plan was $25.4 million and $23.2 million for fiscal years 2024 and 2023, respectively.

Defined Benefit Retirement Plan (LUERP)

LUERP is a frozen qualified defined benefit plan governed by ERISA. Summary information for the defined benefit retirement plan is as follows:

Projected benefit obligation, plan assets, and funded status

(in thousands of dollars)

	2024	2023
Change in projected benefit obligation		
Projected benefit obligation, beginning of year	$ 52,595	$ 56,253
Interest cost	2,534	2,393
Benefits paid	(3,538)	(2,931)
Actuarial gain	(708)	(3,120)
Projected benefit obligation, end of year	$ 50,883	$ 52,595
Change in plan assets		
Fair value of plan assets, beginning of year	$ 44,836	$ 45,330
Actual return on plan assets	1,114	(369)
Employer contributions	2,616	2,806
Benefits paid	(3,538)	(2,931)
Fair value of plan assets, end of year	$ 45,028	$ 44,836
Funded status of the plan		
Pension liability included in the consolidated statements of financial position	$ (5,855)	$ (7,759)

The accumulated benefit obligation for the defined benefit retirement plan was $50.9 million and $52.6 million for fiscal years 2024 and 2023, respectively.

Net periodic pension expense

(in thousands of dollars)

	2024	2023
Change in amounts not yet recognized in net periodic pension cost and included in net assets without donor restrictions		
Beginning of year	$ 38,069	$ 40,454
Actuarial (gain) loss	32	(966)
Amortization of actuarial loss	(1,377)	(1,419)
End of year	$ 36,724	$ 38,069
Components of net periodic pension expense		
Interest cost	$ 2,534	$ 2,393
Expected return on plan assets	(1,855)	(1,785)
Net amortization	1,377	1,419
Disclosed net periodic pension expense	$ 2,056	$ 2,027

Net actuarial loss of $1.4 million for the plan will be amortized during fiscal year 2025 as non-operating activities.

Estimated future benefit payments

Estimated future benefit payments are as follows:

(in thousands of dollars)

Fiscal Year	Payments
2025	8,647
2026	4,994
2027	4,732
2027	4,641
2028	4,308
Thereafter	18,773

LUC expects to make an employer contribution of $2.6 million to the defined benefit retirement plan in fiscal year 2025.

Actuarial Assumptions

The weighted average assumptions used in the accounting for the defined benefit retirement plan are as follows:

	2024	2023
Discount rate - benefit obligations	5.55%	5.44%
Discount rate - pension expense	5.44%	4.72%
Rate of compensation increase	n/a	n/a
Expected long-term return on assets	4.50%	4.25%

University management develops the estimate of the expected long-term rate of return on plan assets based upon the portfolio's investment mix, expectations developed for each asset class in which the plan invests, and expected rates of return for investment strategies the portfolio employs. Return assumptions are net of expenses charged to the plan. Asset class expectations are the result of models incorporating historical performance, correlations across assets, and economic and market forecasts.

LUERP Plan Assets

LUERP assets are held in trust by an external trustee. The trust portfolio is managed in accordance with policies established by the LUERP Retirement Allowance Committee. Investments are made for the exclusive purpose of providing benefits to plan beneficiaries, with consideration given to preservation of capital and such long-term growth in the plan's assets as may fairly balance the need for reasonable return against investment risk. The investment objective is to achieve an asset growth rate through capital appreciation and current income approximately equal to or in excess of the growth in the liabilities of the plan. In pursuing this objective, the LUERP portfolio maintains allocations both to investments employed for the primary purpose of generating growth in plan assets and to investments employed to maintain a target hedge ratio against the impact of changes in interest rates on plan liabilities and to provide growth in the portfolio value over time. The portfolio's liability-hedging allocation utilizes a combination of U.S. Treasury securities and Treasury futures that is matched to the duration of expected payments to plan beneficiaries in aggregate and is intended to increase over time as a proportion of the portfolio in tandem with improvements in the plan's funded status. LUERP investment policy provides for staged increases in the liability-hedging allocation, with concomitant reductions in the allocation to return-seeking assets, as progressively higher plan funded status levels are achieved.

The defined benefit retirement plan asset allocation at the June 30 measurement date was as follows:

	2024	2023
Cash and cash equivalents, net	1%	1%
Equity securities	33%	42%
Fixed income securities	66%	57%
Total	100%	100%

The tables below summarize LUC's fair value measurements of the LUERP investment portfolio by the fair value hierarchy level and NAV as a practical expedient as of June 30, 2024 and 2023. Fair values in certain categories include the value of notional exposure to related index futures.

(in thousands of dollars)

2024	Total	Level 1	Level 2	Level 3	NAV
Cash and cash equivalents, net [1]	$ 271	$ 271	$ -	$ -	$ -
Marketable equity mutual funds	14,733	14,733			
Other equity securities	18			18	
Fixed income commingled funds	18,198				18,198
Liability-hedge U.S. Treasury debt obligations	21,217	11,022	10,195		
Futures offset for liability hedge positions	(11,022)	(11,022)			
Liability-hedge cash and cash equivalents	1,613	1,613			
Total	$ 45,028	$ 16,617	$ 10,195	$ 18	$ 18,198

[1] Amounts are net of pending trade settlements.

(in thousands of dollars)

2023	Total	Level 1	Level 2	Level 3	NAV
Cash and cash equivalents, net[1]	$ 591	$ 591	$ -	$ -	$ -
U.S. marketable equity securities	18,901	18,901			
Other equity securities	18			18	
Fixed income commingled funds	15,308				15,308
Private equity investments	3				3
Private real assets investments	5				5
Liability-hedge U.S. Treasury debt obligations	24,826	15,445	9,381		
Futures offset for liability hedge positions	(15,445)	(15,445)			
Liability-hedge cash and cash equivalents	629	629			
Total	$ 44,836	$ 20,121	$ 9,381	$ 18	$ 15,316

[1] Amounts are net of pending trade settlements.

For the years ended June 30, 2024 and 2023, there were no significant transfers between fair value hierarchy levels and there were no changes in the fair value of the Level 3 investments

(13) Other Postretirement Benefits

LUC has a defined benefit retiree health plan covering eligible employees upon their retirement. As of January 1, 2019, the plan was frozen to new participants. Also as of that date, participants with Retiree Health Reimbursement Account (RHRA) balances no longer receive allocations or annual interest credits towards the RHRA. Certain eligible retirees receive $1,500 annually to be used by the retiree or spouse towards qualified medical expenses and for purchasing supplemental Medicare coverage.

Summary information for the defined benefit retiree health plan is as follows:

(in thousands of dollars)

	2024	2023
Change in benefit obligation		
Benefit obligation, beginning of year	$ 25,692	$ 29,471
Service cost	-	-
Interest cost	1,326	1,228
Participant contributions	3	3
Benefits paid	(2,868)	(3,010)
Actuarial loss (gain)	1,416	(2,000)
Benefit obligation, end of year	$ 25,569	$ 25,692
Change in plan assets		
Fair value of plan assets, beginning of year	$ -	$ -
Employer contributions	2,865	3,007
Participant contributions	3	3
Benefits paid	(2,868)	(3,010)
Fair value of plan assets, end of year	$ -	$ -
Funded status of the plan		
Other postretirement liability included in the consolidated statements of financial position	$ (25,569)	$ (25,692)
Change in amounts not yet recognized in net periodic benefit cost and included in net assets without donor restrictions		
Beginning of year	$ (7,372)	$ (6,148)
Net prior service credit amortization	447	447
Net gain amortization	753	329
Actuarial loss (gain) during the year	1,416	(2,000)
End of year	$ (4,756)	$ (7,372)
Components of net periodic postretirement benefit cost		
Service cost	$ -	$ -
Interest cost	1,326	1,228
Net prior service credit amortization	(447)	(447)
Net gain amortization	(753)	(329)
Net periodic postretirement benefit cost	$ 126	$ 452
Discount Rate	5.50%	5.67%

The discount rate used to calculate the benefit obligation for the year ended June 30, 2024 and the benefit cost for fiscal year 2025 is 5.50%. The discount rate used to calculate the benefit cost for fiscal year 2023 was 5.67%. Due to demographic experience, actuarial losses of $1.4 million increased the benefit obligation as of June 30, 2024. During fiscal year 2023, an increase in the discount rate was the primary reason for the $2.0 million actuarial gain which reduced the benefit obligation as of June 30, 2023.

Health care cost trend rate assumptions for the plan

As a result of plan amendments announced in previous years, health care cost trend rate assumptions are no longer applicable.

Estimated future benefit payments

Estimated future benefit payments for the each of the next five fiscal years and thereafter are as follows:

(in thousands of dollars)

Fiscal Year	Payments
2025	$ 5,196
2026	5,055
2027	4,651
2028	4,002
2029	3,286
Thereafter	7,456

(14) Functional Classification of Expenses

The University's primary program services are academic, instruction, and research. Student services, auxiliary and institutional support expenses are incurred in support of primary activities. The University allocates the operation and maintenance of University facilities, interest, and depreciation and amortization expenses attributable to more than one functional expense category using various cost allocation methodologies such as direct usage and employee headcount.

Expenses by functional classification for the years ended June 30, 2024 and 2023 are as follows:

(in thousands of dollars)	Academic, Instruction & Research	Student Services & Auxiliary	Institutional Support	Total
2024				
Salaries, wages and fringe benefits	$ 287,377	$ 49,904	$ 73,500	$ 410,781
Non-salary operating expenses	62,805	73,517	38,246	174,568
Depreciation and amortization	32,162	17,239	10,360	59,761
Insurance and utilities	5,838	5,439	11,252	22,529
Interest	181	6,705	1,418	8,304
Total	$ 388,363	$ 152,804	$ 134,776	$ 675,943
2023				
Salaries, wages and fringe benefits	$ 271,436	$ 47,141	$ 66,182	$ 384,759
Non-salary operating expenses	59,209	69,583	35,365	164,157
Depreciation and amortization	30,750	17,299	9,844	57,893
Insurance and utilities	4,539	4,656	10,094	19,289
Interest	99	7,032	1,655	8,786
Total	$ 366,033	$ 145,711	$ 123,140	$ 634,884

For fiscal years ending June 30, 2024 and 2023, respectively, fundraising expenses (before certain expense allocations) of $18.1 million and $15.3 million, are included primarily in Institutional Support.

LUC receives revenue from grants and contracts for sponsored projects. Federal and local government agencies and private entities support research, training, academic programming, and other sponsored programs. Expenditures for these sponsored programs, totaling $49.9 million and $41.1 million during fiscal years 2024 and 2023, respectively, are included in the tables above primarily under Academic, Instruction, and Research.

LUC is generally not subject to federal and state income taxes. However, LUC is subject to tax on unrelated business income (UBIT), as defined by the Internal Revenue Code. The income tax liability arises from various auxiliary services such as conference services, fitness center public memberships, athletic sponsorships with advertising, and certain service agreements. Earnings from certain investments may also give rise to UBIT. As of June 30, 2024 and June 30, 2023 the University's UBIT liability was less than $0.1 million and $0.2 million, respectively.

(15) Net Assets

Net assets as of June 30, 2024 were as follows:

(in thousands of dollars)	Without Donor Restrictions	With Donor Restrictions	Total Net Assets
Perpetual:			
Endowments	$ -	$ 267,191	$ 267,191
Underwater endowments		(28)	(28)
Endowments – board designated	527,940	-	527,940
Other, primarily academic or program support and student financial aid	-	40,303	40,303
Subtotal	527,940	307,466	835,406
Time or purpose:			
Endowments and returns subject to future appropriation	-	257,277	257,277
Academic or program support and student financial aid	-	53,274	53,274
Research	-	2,470	2,470
Student loans	-	3,646	3,646
Construction	-	690	690
Subtotal	-	317,357	317,357
Annuity	-	3,228	3,228
Life income funds	-	155	155
Term endowments	-	2,328	2,328
Board designated	39,231	-	39,231
Subtotal	39,231	323,068	362,299
Undesignated	974,001	-	974,001
Total net assets	$ 1,541,172	$ 630,534	$ 2,171,706

Net assets as of June 30, 2023 were as follows:

(in thousands of dollars)	Without Donor Restrictions	With Donor Restrictions	Total Net Assets
Perpetual:			
Endowments	$ -	$ 248,603	$ 248,603
Underwater endowments		(63)	(63)
Endowments – board designated	490,174		490,174
Other, primarily academic or program support and student financial aid		46,634	46,634
Subtotal	490,174	295,174	785,348
Time or purpose:			
Endowments and returns subject to future appropriation	-	230,430	230,430
Academic or program support and student financial aid	-	54,112	54,112
Research	-	2,485	2,485
Student loans	-	3,630	3,630
Construction	-	1,528	1,528
Subtotal	-	292,185	292,185
Annuity	-	2,219	2,219
Life income funds	-	205	205
Term endowments	-	2,211	2,211
Board designated	43,934	-	43,934
Subtotal	43,934	296,820	340,754
Undesignated	947,930	-	947,930
Total net assets	$ 1,482,038	$ 591,994	$ 2,074,032

The University's Board of Trustees periodically designates net assets for the benefit of specific schools and academic or research activities. During fiscal years 2024 and 2023, the University's Board of Trustees designated $8.6 million and $11.4 million, respectively, of net assets for various schools and academic programs. Approximately $13.3 million and $8.7 million of these net assets were utilized during fiscal years 2024 and 2023, respectively.

Net assets with donor restrictions include contributions receivable of $38.2 million and $47.6 million as of June 30, 2024 and 2023, respectively. See Note 7, *Notes and Accounts Receivable, Net* for further information on contributions receivable.

(16) Contingencies

Various lawsuits, claims, and other contingent liabilities occasionally arise in the ordinary course of LUC's education and research activities. In the opinion of management, all such matters have been adequately provided for, are without merit, or are of such kind that if disposed of unfavorably, would not have a material effect on LUC's financial position or results of operations.

(17) Relationship with Trinity Health

On June 30, 2011, LUC completed a transaction with Trinity Health, an Indiana not-for-profit corporation located in Livonia, Michigan, pursuant to a Definitive Agreement dated March 31, 2011 (the Definitive Agreement). As part of the transaction, Trinity Health replaced LUC as the sole member of Loyola University Health System (LUHS) and all of its affiliates including Loyola University Medical Center (LUMC), Gottlieb Health Resources (GHR), Gottlieb Memorial Hospital (GMH), and Loyola University of Chicago Insurance Company Ltd (LUCIC). Trinity Health assumed control of all the assets of LUHS and retained all of the liabilities of LUHS.

The education and research components of LUC’s health sciences, including the Medical School and the Nursing School, remain with LUC following the Trinity Health transaction. LUC, LUHS, and LUMC entered into an Academic Affiliation Agreement (Affiliation Agreement), which includes negotiated terms and conditions and provides for an annual academic support payment to LUC from LUHS and LUMC. Trinity Health guarantees the academic support payment. The annual academic support payment amount was set at $22.5 million in fiscal year 2012 (subject to an inflation adjustment) during the initial term of the Affiliation Agreement. The Affiliation Agreement had an initial term of ten years, however, beginning in the fifth year (fiscal year 2016), subject to certain limitations set forth in the Affiliation Agreement, the term is automatically extended for additional one-year periods. See Note 6, *Revenue from Contracts with Customers (Revenue Recognition),* for additional information regarding the academic support payment.

(18) Subsequent Events

LUC has evaluated subsequent events through September 16, 2024, the date the consolidated financial statements were issued.

In September 2024, the University acquired a building located near the University’s Lake Shore Campus and is expected to be used for general facility purposes. The purchase price of approximately $5 million was funded from the University’s cash, cash equivalents, and short-term investments.

PART II

REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH *GOVERNMENT AUDITING STANDARDS*

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REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH *GOVERNMENT AUDITING STANDARDS*

Independent Auditor's Report

To the Board of Trustees of
Loyola University of Chicago
Chicago, Illinois

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States (*Government Auditing Standards*), the consolidated financial statements of Loyola University Chicago ("LUC"), as of and for the year ended June 30, 2024, and the related consolidated statements of activities, changes in net assets, and cash flows for the year then ended, and the related notes to the consolidated financial statements (collectively referred to as the "financial statements"), and have issued our report thereon dated September 16, 2024.

Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered LUC's internal control over financial reporting (internal control) as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of LUC's internal control. Accordingly, we do not express an opinion on the effectiveness of LUC's internal control.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented or detected and corrected on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses or significant deficiencies may exist that were not identified.

Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether LUC's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the financial statements. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

Purpose of This Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Deloitte & Touche LLP

September 16, 2024

PART III

REPORT ON COMPLIANCE FOR EACH MAJOR FEDERAL PROGRAM; REPORT ON INTERNAL CONTROL OVER COMPLIANCE AS REQUIRED BY THE UNIFORM GUIDANCE FOR FEDERAL AWARDS

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REPORT ON COMPLIANCE FOR EACH MAJOR FEDERAL PROGRAM AND REPORT ON INTERNAL CONTROL OVER COMPLIANCE REQUIRED BY THE UNIFORM GUIDANCE

Independent Auditor's Report

To the Board of Trustees of
Loyola University of Chicago
Chicago, Illinois

Report on Compliance for Each Major Federal Program

Opinion on Each Major Federal Program

We have audited Loyola University of Chicago's ("LUC") compliance with the types of compliance requirements identified as subject to audit in the OMB *Compliance Supplement* that could have a direct and material effect on each of LUC's major federal programs for the year ended June 30, 2024. LUC's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

In our opinion, LUC complied, in all material respects, with the compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended June 30, 2024.

Basis for Opinion on Each Major Federal Program

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America (GAAS); the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States (*Government Auditing Standards*); and the audit requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Our responsibilities under those standards and the Uniform Guidance are further described in the Auditor's Responsibilities for the Audit of Compliance section of our report.

We are required to be independent of LUC and to meet our other ethical responsibilities, in accordance with relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on compliance for each major federal program. Our audit does not provide a legal determination of LUC's compliance with the compliance requirements referred to above.

Responsibilities of Management for Compliance

Management is responsible for compliance with the requirements referred to above and for the design, implementation, and maintenance of effective internal control over compliance with the requirements of laws, statutes, regulations, rules and provisions of contracts or grant agreements applicable to LUC's federal programs.

Auditor's Responsibilities for the Audit of Compliance

Our objectives are to obtain reasonable assurance about whether material noncompliance with the compliance requirements referred to above occurred, whether due to fraud or error, and express an opinion on LUC's compliance based on our audit. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS, *Government Auditing Standards*, and the Uniform Guidance will always detect material noncompliance when it exists. The risk of not detecting material noncompliance resulting from fraud is higher than for that resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Noncompliance with the compliance requirements referred to above is considered material, if there is a substantial likelihood that, individually or in the aggregate, it would influence the judgment made by a reasonable user of the report on compliance about LUC's compliance with the requirements of each major federal program as a whole.

In performing an audit in accordance with GAAS, *Government Auditing Standards*, and the Uniform Guidance, we

- exercise professional judgment and maintain professional skepticism throughout the audit.

- identify and assess the risks of material noncompliance, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding LUC's compliance with the compliance requirements referred to above and performing such other procedures as we considered necessary in the circumstances.

- obtain an understanding of LUC's internal control over compliance relevant to the audit in order to design audit procedures that are appropriate in the circumstances and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of LUC's internal control over compliance. Accordingly, no such opinion is expressed.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and any significant deficiencies and material weaknesses in internal control over compliance that we identified during the audit.

Report on Internal Control Over Compliance

A *deficiency in internal control over compliance* exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a

federal program on a timely basis. A *material weakness in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal program will not be prevented, or detected and corrected, on a timely basis. A *significant deficiency in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

Our consideration of internal control over compliance was for the limited purpose described in the Auditor's Responsibilities for the Audit of Compliance section above and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies in internal control over compliance. Given these limitations, during our audit we did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses, as defined above. However, material weaknesses or significant deficiencies in internal control over compliance may exist that were not identified.

Our audit was not designed for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, no such opinion is expressed.

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of the Uniform Guidance. Accordingly, this report is not suitable for any other purpose.

Report on Schedule of Expenditures of Federal Awards Required by the Uniform Guidance

We have audited the financial statements of LUC as of and for the year ended June 30, 2024, and have issued our report thereon dated September 16, 2024, which contained an unmodified opinion on those financial statements. Our audit was performed for the purpose of forming an opinion on the financial statements as a whole. The accompanying schedule of expenditures of federal awards is presented for purposes of additional analysis as required by the Uniform Guidance and is not a required part of the financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the schedule of expenditures of federal awards is fairly stated in all material respects in relation to the financial statements as a whole.

Deloitte & Touche LLP

March 14, 2025

PART IV

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

LOYOLA UNIVERSITY CHICAGO
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
YEAR ENDED JUNE 30, 2024

ALN #	Program	Award Number	Amounts Disbursed to Subrecipients	Federal Expenditures
	HIGHER EDUCATION EMERGENCY RELIEF FUND (HEERF)			
	U.S. DEPARTMENT OF EDUCATION			
	Subgrants:			
84.425	Ann & Robert H. Lurie Children's Hospital Of Chicago	S425V21002	$ -	$ 4,278
84.425	Chicago Public Schools	S425U210041	-	9,301
84.425	University of Illinois	S42SD20004	-	163,061
	Total U.S. Department of Education		-	176,640
	Total Higher Education Emergency Relief Fund (HEERF) Cluster		-	176,640
	RESEARCH AND DEVELOPMENT			
	NATIONAL AERONAUTICS AND SPACE ADMINISTRATION			
43.001	Science	80NSSC22K1059	-	48,460
	Total National Aeronautics and Space Administration		-	48,460
	NATIONAL SCIENCE FOUNDATION			
47.041	Engineering	CBET-2144472	-	127,567
47.041	Engineering	IIP-2016450	34,805	45,499
47.049	Mathematical and Physical Sciences	CHE-1904480	-	20,966
47.049	Mathematical and Physical Sciences	CHE-1956202	-	104,136
47.049	Mathematical and Physical Sciences	CHE-2155068	-	124,923
47.049	Mathematical and Physical Sciences	CHE-2203593	-	170,760
47.049	Mathematical and Physical Sciences	CHE-2247661	-	78,831
47.049	Mathematical and Physical Sciences	DMS-2015374	-	4,323
47.049	Mathematical and Physical Sciences	PHY-2013052	-	11,631
47.049	Mathematical and Physical Sciences	PHY-2310224	-	22,966
47.050	Geosciences	AGS-2112709	-	157,554
47.050	Geosciences	EAR-2113338	16,568	43,956
47.050	Geosciences	ICER-2119465	-	94,849
47.070	Computer and Information Science and Engineering	CNS-2216567	-	102,471
47.070	Computer and Information Science and Engineering	CNS-2335700	-	34,522
47.070	Computer and Information Science and Engineering	OAC-2107020	-	58,976
47.074	Biological Sciences	DEB-1552825	-	4,978
47.074	Biological Sciences	DEB-2028775	-	53,907
47.074	Biological Sciences	DEB-2035573	30,426	30,355
47.074	Biological Sciences	EAR-2145830	-	154,264
47.074	Biological Sciences	IOS-1942167	-	232,302
47.074	Biological Sciences	IOS-1942250	-	196,617
47.074	Biological Sciences	IOS-1953938	-	12,299
47.074	Biological Sciences	MCB-1716431	-	(264)
47.074	Biological Sciences	MCB-1942776	-	100,398
47.076	STEM Education (formerly Education and Human Resources)	DGE-1919004	-	31,056
47.076	STEM Education (formerly Education and Human Resources)	DGE-2336386	-	52,830
47.076	STEM Education (formerly Education and Human Resources)	DRL-1906940	24,713	209,800
47.076	STEM Education (formerly Education and Human Resources)	DRL-2055345	-	133,234
47.076	STEM Education (formerly Education and Human Resources)	DRL-2115610	-	65,069
47.076	STEM Education (formerly Education and Human Resources)	DUE-1660794	-	79,779
47.076	STEM Education (formerly Education and Human Resources)	DUE-2151086	-	154,747
47.076	STEM Education (formerly Education and Human Resources)	DUE-2243339	-	79,139
47.076	STEM Education (formerly Education and Human Resources)	HRD-2121654	-	406,198
47.083	Integrative Activities	BCS-2215936	-	31,500
47.070, 47.075	Social, Behavioral, and Economic Sciences	CNS 2227488	106,047	228,179
	Subgrants:			
47.049	University of Texas at Austin	CHE-1904514	-	5,778
47.070	University of Massachusetts Lowell	CNS-2230180	-	29,985
47.075	Board of Regents of the University of Wisconsin System on Behalf of the University of Wisconsin - Madison	SES-1853094	-	915
47.075	The Trustees of the Smith College	SES-2217177	-	19,557
47.075	Trustees of Tufts College	SES-2320742	-	46,052
47.076	Chicago State University	HRD-1911341	-	56,292
47.049/078/083	University of Delaware	PHY-2209483	-	4,826
	Total National Science Foundation		212,559	3,623,722
	U.S. DEPARTMENT OF AGRICULTURE			
10.707	Research Joint Venture and Cost Reimbursable Agreements	19-CR-11261953-044	-	6,338
	Total U.S. Department of Argriculture		-	6,338
	U.S. DEPARTMENT OF COMMERCE			
59.059	Congressional Grants	SBA HQ2310138	-	81,050
	Subgrants:			
11.417	Regents of the University of Minnesota	NA19OAR4170388	-	566
	Total U.S. Department of Commerce		-	81,616
	U.S. DEPARTMENT OF DEFENSE			
12.420	Military Medical Research and Development	W81XWH-19-1-0108	-	6,731
12.420	Military Medical Research and Development	W81XWH-21-1-0132	-	114,959
12.905	CyberSecurity Core Curriculum	H98230-21-1-0325	-	134,437

(Continued)

ALN #	Program	Award Number	Amounts Disbursed to Subrecipients	Federal Expenditures
12.905	CyberSecurity Core Curriculum	H98230-22-1-0306	-	305,346
	Subgrants:			
12.300	University of Notre Dame	FA8750-20-2-1004	-	138,531
12.420	American Burn Association	W81XWH-19-2-0043	-	54,436
12.420	University of Florida	W81XWH-17-2-0030	-	1,411
12.420	University of Maryland, Baltimore	W81XWH-20-1-0432	-	11,702
12.420	University of Wisconsin-Madison	HT9425-24-1-0036	-	23,026
12.630	National Science Teaching Association	W911SR-15-2-0001	-	3,066
12.XXX	American Burn Association	W81XWH-19-1-0664	-	4,000
12.XXX	University of Maryland, Baltimore	W81XWH-19-1-0848	-	216
12.XXX	University of Pittsburgh	W81XWH-21-9-0014	-	34,299
	Total U.S. Department of Defense		-	832,160
	U.S. DEPARTMENT OF ENERGY			
81.049	Office of Science Financial Assistance Program	DE-SC0023689	-	9,354
	Subgrants:			
81.087	University of Michigan	DE-EE0009361	-	14,472
	Total U.S. Department of Energy		-	23,826
	U.S. DEPARTMENT OF HEALTH AND HUMAN SERVICES			
93.178	Nursing Workforce Diversity	D19 HP42036	-	577,911
93.247	Advanced Education Nursing Grant Program	T94HP30896-03-00	-	207,263
93.359	Nurse Education, Practice, Quality and Retention Grants	UA EHP42424	-	40,406
93.359	Nurse Education, Practice, Quality and Retention Grants	US 6HP47322	-	119,752
93.359	Nurse Education, Practice, Quality and Retention Grants	UK 1HP31718	-	(5,375)
93.359	Nurse Education, Practice, Quality and Retention Grants	US 6HP47322	-	220,381
93.732	Mental and Behavioral Health Education and Training Grants	M01 HP41978-01-00	-	655,934
93.732	Mental and Behavioral Health Education and Training Grants	M01 HP52160	-	425,344
	Subgrants:			
93.135	University of Colorado Denver	U48 DP006399	-	20,561
93.137	Medical College of Wisconsin	CPIMP201215	-	4,014
93.145	University of Illinois Chicago	U10 HA32109	-	19,929
93.226	Ann & Robert H. Lurie Children's Hospital of Chicago	R18 HS028783	-	35,548
93.231	Albuquerque Area Indian Health Board, Inc.	U1B 1IHS0013	-	148,374
93.243	Rush University Medical Center	6H79SM082299-03M002	-	25,353
93.354	Illinois Department of Public Health	NU9 OTP922159	-	135,271
93.354	Illinois Department of Public Health	NU9 OTP922159	-	137,004
93.360	Cellerant Therapeutics	HHSO 100201000051C	-	426
93.732	University of Utah	U3MHP45388	-	(3,927)
93.804	University of Wisconsin Madison	U10 CK000651	-	53,882
93.994	Illinois Department of Public Health	B0447413	-	25,000
93.994	Illinois Department of Public Health	B04MC40129	-	-
93.994	Illinois Department of Public Health	B04MC9341	-	50,000
93.RD	Cellphire, Inc.	HHSO-100201300022C	-	4,110
93.RD	Oregon Health & Science University	75A50120C000097	-	15,273
			-	-
	NATIONAL INSTITUTES OF HEALTH		-	-
93.113	Environmental Health	R21 ES034636	-	50,117
93.172	Human Genome Research	R15 HG009569	-	37,473
93.173	Research Related to Deafness and Communication Disorders	R15 DC016407	-	(57)
93.173	Research Related to Deafness and Communication Disorders	R15 DC017866	-	173,526
93.233	National Center on Sleep Disorders Research	R01 HL148271	555,393	918,294
93.242	Mental Health Research Grants	K01 MH129760	-	39,395
93.242	Mental Health Research Grants	R15 MH128722	-	109,372
93.273	Alcohol Research Programs	R01 AA021517	-	406,392
93.273	Alcohol Research Programs	R21 AA028304	-	(1,664)
93.273	Alcohol Research Programs	R21 AA029993	-	143,604
93.273	Alcohol Research Programs	R21 AA031361	-	106,475
93.273	Alcohol Research Programs	T32 AA013527-20	-	73,198
93.279	Drug Abuse and Addiction Research Programs	R01 DA057658-01	166,832	628,034
93.279	Drug Abuse and Addiction Research Programs	R25 DA050727	10,060	394,416
93.279	Drug Abuse and Addiction Research Programs	R61 DA049382	61,744	158,286
93.361	Nursing Research	K01 NR018907	-	103,144
93.361	Nursing Research	K23 NR019101	-	157,618
93.361	Nursing Research	K23 NR019847	-	170,642
93.393	Cancer Cause and Prevention Research	R01 CA234266	-	118,490
93.394	Cancer Detection and Diagnosis Research	R01 CA207483	132,666	292,929
93.395	Cancer Treatment Research	R01 CA223194	-	15,959
93.395	Cancer Treatment Research	R03 CA289838	-	10,761
93.395	Cancer Treatment Research	R37 CA279341	3,335	377,429
93.396	Cancer Biology Research	R01 CA197128	-	526,293
93.396	Cancer Biology Research	R01 CA276482	43,833	239,569
93.396	Cancer Biology Research	R15 CA277814	-	36,184
93.398	Cancer Research Manpower	F30 CA287907	-	7,056
93.398	Cancer Research Manpower	F31 CA243228	-	(9,575)
93.837	Cardiovascular Diseases Research	F31 HL165900	-	5,747
93.837	Cardiovascular Diseases Research	R00 HL141698	-	77,694
93.837	Cardiovascular Diseases Research	R01 HL092321	80,775	794,394
93.837	Cardiovascular Diseases Research	R01 HL136737	-	652,955
93.837	Cardiovascular Diseases Research	R01 HL143816	62,140	386,605
93.837	Cardiovascular Diseases Research	R01 HL151990	-	479,252
93.837	Cardiovascular Diseases Research	R01 HL158649	193,858	745,478
93.837	Cardiovascular Diseases Research	R01 HL171586	-	156,136
93.837	Cardiovascular Diseases Research	R56 HL165137	28,573	257,182
93.837	Cardiovascular Diseases Research	T35 HL120835	-	66,474
93.838	Lung Diseases Research	F31 HL156459	-	20,279
93.838	Lung Diseases Research	R01 HL134828	8,285	335,642
93.838	Lung Diseases Research	R01 HL165120	-	490,267

(Continued)

ALN #	Program	Award Number	Amounts Disbursed to Subrecipients	Federal Expenditures
93.839	Blood Diseases and Resources Research	F30 HL162475	-	28,996
93.847	Diabetes, Digestive, and Kidney Diseases Extramural Research	R01 DK111848	-	-
93.847	Diabetes, Digestive, and Kidney Diseases Extramural Research	R01 DK117404	-	(197)
93.847	Diabetes, Digestive, and Kidney Diseases Extramural Research	R25 DK122954	-	143,838
93.847	Diabetes, Digestive, and Kidney Diseases Extramural Research	U01 DK106898	337,594	504,642
93.853	Extramural Research Programs in the Neurosciences and Neurological Disorders	R01 NS112171	28,941	358,877
93.853	Extramural Research Programs in the Neurosciences and Neurological Disorders	R01 NS129835	-	453,446
93.853	Extramural Research Programs in the Neurosciences and Neurological Disorders	R03 NS130387	-	74,213
93.853	Extramural Research Programs in the Neurosciences and Neurological Disorders	R25 NS076414	4,025	203,275
93.853	Extramural Research Programs in the Neurosciences and Neurological Disorders	R01 NS097851	-	411,647
93.855	Allergy and Infectious Diseases Research	R01 AI078881	178,805	618,111
93.855	Allergy and Infectious Diseases Research	R01 AI135060	20,968	560,855
93.855	Allergy and Infectious Diseases Research	R01 AI140132	-	349,867
93.855	Allergy and Infectious Diseases Research	R01 AI144112	25,443	254,646
93.855	Allergy and Infectious Diseases Research	R01 AI146917	316,964	619,075
93.855	Allergy and Infectious Diseases Research	R01 AI158666	494,749	690,878
93.855	Allergy and Infectious Diseases Research	R01 AI159945	520,225	1,033,607
93.855	Allergy and Infectious Diseases Research	R01 AI159945-S1	-	104,617
93.855	Allergy and Infectious Diseases Research	R01 AI162694	124,525	593,691
93.855	Allergy and Infectious Diseases Research	R01 AI163119	-	340,681
93.855	Allergy and Infectious Diseases Research	R03 AI156507	-	6,173
93.855	Allergy and Infectious Diseases Research	R15 AI171873	-	184,973
93.855	Allergy and Infectious Diseases Research	R21 AI159456	-	83,821
93.855	Allergy and Infectious Diseases Research	R21 AI166913	-	109,583
93.855	Allergy and Infectious Diseases Research	R21 AI171879	-	149,620
93.855	Allergy and Infectious Diseases Research	R21 AI176252	-	66,206
93.855	Allergy and Infectious Diseases Research	R21 AI178391	-	65,397
93.855	Allergy and Infectious Diseases Research	R21 AI178434	15,846	193,766
93.855	Allergy and Infectious Diseases Research	R56 AI151138	-	3,937
93.855	Allergy and Infectious Diseases Research	T32 AI007508	-	83,138
93.855	Allergy and Infectious Diseases Research	T35 AI125220	-	19,544
93.855	Allergy and Infectious Diseases Research	T35 AI125220	-	24,781
93.859	Biomedical Research and Research Training	R00 GM141268	-	188,272
93.859	Biomedical Research and Research Training	R01 GM111295	-	78,570
93.859	Biomedical Research and Research Training	R01 GM121600	46,321	106,401
93.859	Biomedical Research and Research Training	R01 GM128242	-	282,816
93.859	Biomedical Research and Research Training	R01 GM141230	157,209	405,420
93.859	Biomedical Research and Research Training	R01 GM146376	-	137,874
93.859	Biomedical Research and Research Training	R01 GM146376-S1	-	45,000
93.859	Biomedical Research and Research Training	R01 GM148644	-	241,846
93.859	Biomedical Research and Research Training	R15 GM128126	-	45,219
93.859	Biomedical Research and Research Training	R35 GM130355	-	473,374
93.859	Biomedical Research and Research Training	R35 GM130355-05S1	-	237,928
93.859	Biomedical Research and Research Training	R35 GM138183	-	332,105
93.859	Biomedical Research and Research Training	R35 GM138183-04S1	-	103,793
93.859	Biomedical Research and Research Training	R35 GM138199	-	415,939
93.859	Biomedical Research and Research Training	R35 GM148284	-	455,113
93.859	Biomedical Research and Research Training	T32 GM008750-22	-	5,496
93.859	Biomedical Research and Research Training	T32 GM008750-23	-	144,363
93.865	Child Health and Human Development Extramural Research	R15 HD097589	-	20,978
93.865	Child Health and Human Development Extramural Research	R21 HD102900	-	1,504
93.865	Child Health and Human Development Extramural Research	R21 HD103435	-	217,848
93.865	Child Health and Human Development Extramural Research	R21 HD105115	-	220,307
93.865	Child Health and Human Development Extramural Research	R21 HD111864	-	259,150
93.866	Aging Research	K02 AG068617	-	135,798
93.866	Aging Research	R01 AG033605	-	2,044
93.866	Aging Research	R01 AG081251	283,426	656,008
93.866	Aging Research	R01 AG082135	22,927	706,838
93.867	Vision Research	R01 EY034239	-	375,927
93.989	International Research and Research Training	D43 TW011506	62,886	334,283
	Subgrants:			
93.172	The University of Maryland, Baltimore	U01 HG011717	-	97,059
93.172	Vanderbilt University	R25 HG011018	-	18,697
93.173	The Rector and Visitors of the University of Virginia	R01 DC021176	-	17,916
93.173	University of New Mexico	R01 DC018282	-	17,216
93.242	Vanderbilt University	R01 MH124671	-	8,967
93.273	University of Colorado	R24 AA019661	-	8,119
93.279	Board of Regents of the University of Wisconsin System on Behalf of the University of Wisconsin Madison	R01 DA051464	-	137,607
93.279	Texas Christian University	UG1 DA050074	-	86,774
93.279	University of New Mexico	UG1 DA049468	-	21,378
93.279	Wayne State University	R34 DA053758	-	21,058
93.310	Duke University	U2C OD023375	-	9,107
93.310	Grants and Contracts Office, Meharry Medical College	IOT2OD032581-01S1	-	8,098
93.350	Duke Clinical Research Institute	5U24TR001608-07	-	11,882
93.350	University of Chicago	KL2 TR002387	-	256,250
93.350	University of Chicago	UL1 TR002389	-	767,793
93.350	University of Colorado Denver	U24 TR002306	-	241
93.350	University of Illinois Chicago	UL1 TR002003	-	75,241
93.350	University of Pittsburgh	U24 TR004111	-	300,603
93.368	American Association of Colleges of Nursing	OT2 OD028404	-	11,077
93.393	Medical College of Wisconsin	R01 CA229546	-	36,236
93.393	The Medical College of Wisconsin, Inc.	R01 CA258759	-	206,881
93.393	The Pennsylvania State University	R01 CA249052	-	64,778
93.395	Brigham and Women's Hospital, Inc.	n/a	-	3,645
93.395	ECOG-ACRIN Cancer Research Group	U10 CA180820	-	4,796
93.395	Mayo Clinic	UG1 CA189823	-	494
93.395	Northwestern University	R01 CA260250	-	40,041
93.395	NRG Oncology Foundation, Inc	U10 CA180868	-	10,209
93.395	Oregon Health and Science University	U10 CA180888	-	73,559
93.395	Regents of the University of Minnesota	P01 CA065493	-	22,269
93.396	The Medical University of South Carolina	R01 CA236379	-	196,181

(Continued)

ALN #	Program		Award Number	Amounts Disbursed to Subrecipients	Federal Expenditures
93.396		University of Virginia	R01 CA233749	-	403,686
93.399		Oregon Health and Science University	UG1 CA189974	-	3,479
93.837		Atrium Health Wfb Office Of Sponsored Programs	R01 HL169451	-	70,897
93.837		Board of Regents of the University of Wisconsin System on Behalf of the University of Wisconsin Madison	R01 HL157262	-	27,856
93.837		Cedars-Sinai Medical Center	R01 HL147570	-	15,226
93.837		New York University	R01 HL147811	-	26,982
93.837		Regents of the University of Minnesota	R01 HL139065	-	147,168
93.837		University of Rochester	R01 HL140588	-	8,463
93.838		Northwestern University	R01 HL165841	-	114,557
93.838		Regents of the University of Michigan	U24 HL145265	-	38,451
93.838		University Of Alabama at Brimingham	U01 HL133232	-	22,606
93.838		University of Cincinnati	U01 HL131755	-	16,989
93.838		University of Illinois Chicago	OT2 HL156812	-	52
93.838		University of Illinois Chicago	OT2 HL158287	-	140,160
93.839		NYU Grossman School of Medicine	UG3 HL155798	-	9,663
93.839		Oregon Health and Science University	UG1 HL138658	-	991
93.839		University of Illinois at Chicago	R43 HL158368	-	11,956
93.839		Vascular Vision Pharmaceuticals Company	R44 HL147737	-	58,163
93.840		Northwestern University	R01 HL168832	-	6,807
93.847		Duke University	R01 DK128611	-	110,459
93.847		Northwestern University	R01 DK127184	-	13,230
93.847		Northwestern University	TL1 DK132769	-	70,840
93.847		Northwestern University	U2C DK129917	-	4,117
93.847		NWU ASRSP	U01 DK082342	-	(18,152)
93.847		Sanford Research	R01 DK131020	-	5,465
93.847		University of Chicago	R01 DK126933	-	5,306
93.847		University of Ghana	U54 DK116913	-	(670)
93.853		National Coordinating Center	U01 NS106513	-	1,788
93.853		Northwestern University	R01 NS123057	-	36,437
93.853		University of Cincinnati	U01 NS099043	-	1,735
93.853		University of Utah	R01 NS115716	-	692,891
93.853		University of Wisconsin - Madison	U01 NS103475	-	26,190
93.855		American Gastroenterological Association	R24 AI118629	-	65,556
93.855		Ann & Robert H. Lurie Children's Hospital of Chicago	R01 AI150719	-	43,665
93.855		Center for Tropical and Emerging Global Disease, University of Georgia Research Foundation, Inc.	R01 AI174600	-	84,397
93.855		Cleveland Clinic Lerner College of Medicine of CWRU	R37 AI087846	-	86,548
93.855		Illinois Institute of Technology	R01 AI151152	-	95,493
93.855		Indiana University	R01 AI134727	-	-
93.855		Indiana University	R21 AI163638	-	74,022
93.855		Meharry Medical College	R01 AI170228	-	62,269
93.855		University of Iowa	P01 AI060699	-	673
93.855		University of Rochester	P01 AI102851	-	222,025
93.855		Vanderbilt University Medical Center	U01 AI154659	-	5,766
93.859		Fluid Content, Inc.	R41 GM130400	-	(10,453)
93.866		Board of Regents of the University of Wisconsin System on Behalf of the University of Wisconsin Madison	1RF1AG07460801	-	65,354
93.866		Thomas Jefferson University	1R01AG073349-01	-	120,295
93.866		University of Michigan	P30AG015281-26	-	8,703
93.866		University of Wisconsin	1RF1AG07460801	-	5,851
93.867		The Board of Trustees of the University of Illinois	R24 EY032440	-	368,850
93.879		Boston Children's Hospital	R01 LM012973	-	6,029
93.879		The Children's Hospital Corporation d/b/a Boston Children's Hospital	R01 LM012973	-	15,017
93.989		New York University	D43 TW009140	-	31,350
93.399/93.395		NRG Oncology Foundation, Inc.	UG1 CA189867/U10 CA180868	-	3,810
		Total National Institutes of Health		3,988,348	30,680,563
		Total U.S. Department of Health and Human Services		3,988,348	33,592,997
	U.S. DEPARTMENT OF INTERIOR				
15.654	National Wildlife Refuge System Enhancements		F23 AC01350	-	360,672
	Subgrants:				
15.662		National Fish and Wildlife Foundation	F20 AP11655	1,435	69,267
15.662		State of Illinois	F21 AP00537	-	22,049
15.662		State of Illinois	F22 AP00604	-	365,854
15.805		University of Minnesota	G21 AP10208	-	32,647
15.815		University of Nebraska-Lincoln	1434-03HQRU1586	-	46,696
15.XXX		Sault Ste. Marie Tribe Of Chippewa Indians	n/a	-	26,975
		Total U.S. Department of Interior		1,435	924,160
	U.S. DEPARTMENT OF JUSTICE				
16.560	National Institute of Justice Research, Evaluation, and Development Project Grants		15PNIJ-21-GG-02807-RESS	-	146,834
16.839	STOP School Violence		15PBJA-21-GG-04610-STOP	-	256,951
	Subgrants:				
16.021		Cook County Circuit Court	2020-FJ-AX-0003	-	137,212
16.320		National Council of Juvenile and Family Court Judges	15POVC-21-GK-02767-HT	-	3,710
16.560		University of Massachusetts Lowell	2019-R2-CX-0067	-	7,370
16.560		Northeastern University	2019-VT-BX-0038	-	43,494
16.726		Friends of the Children	2019-JU-FX-0011	-	32
16.812		Heartland Alliance	15PBJA-21-GG-02857-SCAX	-	12,185
		Total U.S. Department of Justice		-	607,788
	U.S. DEPARTMENT OF THE TREASURY				
	Subgrants:				
21.RD		University of Illinois	PCS-1504-30430	-	(8)
21.RD		University of Alabama	SOM-207C2-8224	-	17,967
		Total U.S. Department of Treasury		-	17,959

(Continued)

ALN #	Program	Award Number	Amounts Disbursed to Subrecipients	Federal Expenditures
	U.S. DEPARTMENT OF VETERANS AFFAIRS			
64.XXX	Intergovernmental Personnel Act Agreement	n/a	-	122,877
64.XXX	Intergovernmental Personnel Act Agreement	36C24E22D0020	-	56,861
64.XXX	Intergovernmental Personnel Act Agreement	578/151	-	30,102
	Total U.S. Department of Veteran Affairs		-	209,840
	Total Research & Development Cluster		4,202,342	39,968,866
	STUDENT FINANCIAL ASSISTANCE			
	U.S. DEPARTMENT OF EDUCATION			
84.007	Federal Supplemental Educational Opportunity Grants	P007A231208	-	1,472,591
84.033	Federal Work-Study Program	P033A231208	222,333	3,351,276
84.038	Federal Perkins Loan Program	n/a	-	4,381,818
84.063	Federal Pell Grant Program	P063P221359	-	(13,353)
84.063	Federal Pell Grant Program	P063Q181359	-	5
84.063	Federal Pell Grant Program	P063Q201359	-	13,880
84.063	Federal Pell Grant Program	P063Q211359	-	13,555
84.063	Federal Pell Grant Program	P063Q221359	-	14,105
84.063	Federal Pell Grant Program	P063P231359	-	17,511,443
84.268	Federal Direct Student Loans	P268K231359	-	964,124
84.268	Federal Direct Student Loans	P268K241359	-	177,281,771
84.268	Federal Direct Student Loans	P268K251359	-	7,530,190
84.379	Teacher Education Assistance for College and Higher Education Grants (TEACH Grants)	P379T241359	-	49,036
84.XX	Iraq and Afghanistan Service Grant	P408A231359	-	6,973
	Total U.S. Department of Education		222,333	212,577,414
	U.S. DEPARTMENT OF HEALTH AND HUMAN SERVICES			
93.264	Nurse Faculty Loan Program	E01 HP12978	-	1,474,321
93.364	Nursing Student Loans	E4C HP14950	-	1,320,514
	Total U.S.Department of Health and Human Services		-	2,794,835
	Total Student Financial Assistance Cluster		222,333	215,372,249
	TRIO			
	U.S. DEPARTMENT OF EDUCATION			
84.042	TRIO Student Support Services	P042A201465	-	285,514
	Total U.S. Department of Education		-	285,514
	Total Trio Cluster		-	285,514
	OTHER			
	NATIONAL ENDOWMENT FOR THE HUMANITIES			
45.162	Promotion of the Humanities Teaching and Learning Resources and Curriculum Development	AKB-291069-23	-	105,902
	Subgrants:			
45.164	American Library Association	GG-285480-22	-	493
45.164	American Library Association	n/a	-	1,004
	Total National Endowment for the Humanties		-	107,399
	U.S. DEPARTMENT OF EDUCATION			
84.116	Fund for the Improvement of Postsecondary Education	P116G230016	-	89,193
84.184	School Safely National Activities	S184X220060	-	669,793
84.422	American History and Civics Education	S422B230041	-	229,387
	Subgrants:			
84.126	Illinois Division of Rehabilitation Services	H126A180018	-	186,886
84.287	Chicago Public Schools	S287C180013	-	684,212
84.287	Chicago Public Schools	S287C220013	-	147,144
84.305	Duke University	R305A190484	-	(347)
84.305	DePaul University	R305A210263	-	95,184
84.305	University of Wisconsin Madison	R305A230396	-	20
	Total U.S. Department of Education		-	2,101,472
	U.S. DEPARTMENT OF HOMELAND SECURITY			
	Subgrants:			
97.132	University of Illinois at Chicago	EMW-2021-GR-00068-S01	-	(196)
	Total U.S. Department of Homeland Security		-	(196)
	U.S. DEPARTMENT OF THE TREASURY			
21.008	Low Income Taxpayer Clinics	23-LITC-0563-02-01	-	72,308
21.008	Low Income Taxpayer Clinics	24-LITC-0563-03-00	-	57,161
	Total U.S. Department of the Treasury		-	129,469
	Total Other Cluster		-	2,338,144
	TOTAL EXPENDITURES OF FEDERAL AWARDS		$ 4,424,675	$ 258,141,413

(Concluded)

LOYOLA UNIVERSITY CHICAGO

NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
YEAR ENDED JUNE 30, 2024

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Purpose—The purpose of the Schedule of Expenditures of Federal Awards ("Schedule") is to present a summary of the expenditures of Loyola University Chicago (LUC) for the year ended June 30, 2024, that have been financed by the federal government.

Direct federal programs are presented by the federal government Assistance Listing Number (ALN) and, where applicable, the major subdivision within the agency. Subgrant programs are presented by each pass-through organization that granted federal funds to LUC. Amounts disbursed to subrecipients represent amounts LUC has passed through to other organizations.

Because the Schedule presents only a selected portion of the transactions of LUC, it is not intended to, and does not, present the financial position, activities or cash flows of LUC.

Basis of Accounting—The accompanying Schedule has been prepared from LUC's accounting records. LUC's accounting records for federal awards are maintained principally on the modified cash basis except for purchases of capital items, which are recorded as expenditures.

All program cash received includes federal and state matching funds if the pass-through agency could not separately identify the federal portion.

As LUC has a federally negotiated indirect cost rate in effect for the year ended June 30, 2024, LUC did not elect to use the 10% de minimis cost rate.

2. MAJOR FEDERAL PROGRAMS

The major federal programs administered by LUC during the year ended June 30, 2024, were the Student Financial Assistance cluster and the Research and Development cluster.

The Research and Development cluster is defined by Uniform Guidance as including all research activities, both basic and applied, and all development activities that are performed by a non-Federal entity. "Research" is defined as a systematic study directed toward fuller scientific knowledge or understanding of the subject studied. "Development" is the systematic use of knowledge and understanding gained from research directed toward the production of useful materials, devices, systems, or methods, including design and development of prototypes and processes.

In instances where grant documents from the federal government and other subgrantor organizations do not clearly identify a grant as research and development, LUC management exercises its professional judgment in classifying such grants as research and development.

The Student Financial Assistance cluster is defined by the Uniform Guidance as including those programs of general student assistance, such as those authorized by Title IV of the Higher Education Act of 1965, as amended, which is administered by the U.S. Department of Education, and similar programs provided by other federal agencies.

3. ADMINISTRATIVE COST ALLOWANCE

Included in the major program student financial assistance section of the Schedule is the total amount of expenditures from the administrative cost allowance provided by the Federal Work-Study Program (CFDA #84.033).

4. NONCASH FEDERAL AWARDS AND FEDERAL INSURANCE

During the year ended June 30, 2024, LUC did not expend any non-monetary assistance. In addition, LUC did not have any federal insurance in effect during the year ended June 30, 2024, to specifically cover federal expenditures.

5. LOANS WITH CONTINUING COMPLIANCE REQUIREMENTS

The outstanding balances of those loan programs for which the Federal Government imposes continuing compliance requirements are as follows:

Program	ALN #	Outstanding Balance as of June 30, 2024
Federal Perkins Loan Program	84.038	$ 3,048,840
Nursing Faculty Loan Program	93.264	1,300,242
Nursing Student Loans	93.364	1,020,526
Total		$ 5,369,608

The amount of loans outstanding at the beginning of the year and loans made during the year for these programs are included in the federal expenditures presented in the Schedule.

6. FEDERAL AWARD THRESHOLD

The federal expenditure dollar threshold used to distinguish between Type A and Type B programs for fiscal year 2024 was $1,283,075.

7. FINDINGS

There were no current-year or prior-year financial statements or federal award findings required to be reported in accordance with the Uniform Guidance.

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PART V

SCHEDULE OF FINDINGS AND QUESTIONED COSTS
SECTION I—SUMMARY OF AUDITOR'S RESULTS

LOYOLA UNIVERSITY OF CHICAGO

SUMMARY OF AUDITOR'S RESULTS YEAR ENDED JUNE 30, 2024

Financial Statements

Type of auditor's report issued	Unmodified
Internal control over financial reporting: Material weaknesses identified?	No
Significant deficiencies identified that are not considered to be material weaknesses?	None Reported
Noncompliance material to financial statements noted?	No

Federal Awards

Internal control over major programs: Material weaknesses identified?	No
Significant deficiencies identified that are not considered to be material weaknesses?	None Reported
Type of auditor's report issued on compliance for major programs	Unmodified
Any audit findings disclosed that are required to be reported in accordance with the Uniform Guidance	No

Identification of Major Programs

Assistance Listing Number	Name of Federal Program or Cluster
Various	Student Financial Assistance Cluster
Various	Research & Development Cluster
Dollar threshold used to distinguish between, Type A and Type B programs	$1,283,075
Auditee qualified as low-risk auditee	Yes

PART V

SCHEDULE OF FINDINGS AND QUESTIONED COSTS
SECTION II—FINANCIAL STATEMENT FINDINGS

There were no financial statement findings during fiscal year 2024.

PART V

SCHEDULE OF FINDINGS AND QUESTIONED COSTS SECTION III—FEDERAL AWARD FINDINGS AND QUESTIONED COSTS

There were no findings or questioned costs during fiscal year 2024.

PART V

SCHEDULE OF FINDINGS AND QUESTIONED COSTS
SECTION IV—SUMMARY SCHEDULE AND RESOLUTION OF PRIOR-YEAR AUDIT FINDINGS AND QUESTIONED COSTS

There were no audit findings during fiscal year 2023.