



St. Mary's University

Financial Report  
May 31, 2019



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## Report of Independent Auditors

Management and The Board of Trustees  
St. Mary's University

### Report on the Financial Statements

We have audited the accompanying consolidated financial statements of St. Mary's University, which comprise the consolidated statements of financial position as of May 31, 2019 and 2018, and the related consolidated statements of activities, and cash flows for the years then ended, and the related notes to the financial statements.

### Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these consolidated financial statements in conformity with U.S. generally accepted accounting principles; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of consolidated financial statements that are free of material misstatement, whether due to fraud or error.

### Auditor's Responsibility

Our responsibility is to express an opinion on these consolidated financial statements based on our audits. We conducted our audits in accordance with auditing standards generally accepted in the United States and the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free of material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the consolidated financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the consolidated financial statements.

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

### Opinion

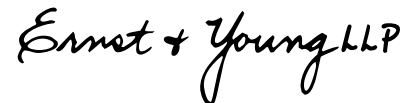
In our opinion, the consolidated financial statements referred to above present fairly, in all material respects, the consolidated financial position of St. Mary's University as of May 31, 2019 and 2018, and the changes in its net assets and its cash flows for the years then ended in conformity with U.S. generally accepted accounting principles.

## Supplementary information

Our audit was conducted for the purpose of forming an opinion on the consolidated financial statements as a whole. The accompanying consolidating statement of financial position and consolidating revenue and expenses information is presented for purposes of additional analysis and is not a required part of the consolidated 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 consolidated financial statements. The information has been subjected to the auditing procedures applied in the audit of the consolidated financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the consolidated financial statements or to the consolidated financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States. In our opinion, the information is fairly stated, in all material respects, in relation to the consolidated financial statements as a whole.

## Other Reporting Required by Government Auditing Standards

In accordance with Government Auditing Standards, we also have issued our report dated October 23, 2019, on our consideration of St. Mary's University'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 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 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 St. Mary's University's internal control over financial reporting and compliance.



October 23, 2019

## CONSOLIDATED STATEMENTS OF FINANCIAL POSITION

May 31, 2019 and 2018 (in thousands)

	2019	2018
<b>ASSETS:</b>		
Cash and cash equivalents	\$ 24,061	\$ 18,373
Restricted cash	46	104
Receivables		
Student accounts, net	3,821	4,193
Other accounts, net	2,324	1,342
Contributions, net	6,911	8,320
Student loans, net	3,944	5,028
Prepaid expenses	696	734
Notes receivable	9,495	9,433
Investments	178,382	186,834
Funds held in trust by others	4,892	4,999
Land, buildings and equipment, net	117,423	121,984
Other assets	574	574
<b>Total Assets</b>	<b>\$ 352,569</b>	<b>\$ 361,918</b>
<b>LIABILITIES:</b>		
Accounts payable and accrued liabilities	\$ 2,275	\$ 2,743
Accrued salaries and benefits	3,053	3,606
Student deposits	364	415
Other deposits	1,055	1,062
Deferred revenue	2,818	3,910
Indebtedness	45,720	49,760
U.S. Government advances for student loans	5,502	5,475
<b>Total Liabilities</b>	<b>60,787</b>	<b>66,971</b>
<b>NET ASSETS:</b>		
Without donor restrictions	133,562	139,066
With donor restrictions	158,220	155,881
<b>Total Net Assets</b>	<b>291,782</b>	<b>294,947</b>
<b>Total Liabilities and Net Assets</b>	<b>\$ 352,569</b>	<b>\$ 361,918</b>

See accompanying notes.

## CONSOLIDATED STATEMENT OF ACTIVITIES

For the year ended May 31, 2019 (in thousands)

	Without donor restrictions	With donor restrictions	Total
<b>OPERATING ACTIVITIES:</b>			
<b>OPERATING REVENUES:</b>			
Tuition and fees	\$ 105,236	\$ –	\$ 105,236
Less scholarships and student aid	(46,269)	–	(46,269)
Net tuition and fees	58,967	–	58,967
Contributions	1,049	7,216	8,265
Government grants and contracts	10,188	–	10,188
Investment return designated for current operations	5,922	6,303	12,225
Other income	3,259	77	3,336
Auxiliary enterprises	13,198	–	13,198
Net assets released from restrictions	8,586	(8,586)	–
<b>Total operating revenues</b>	<b>101,169</b>	<b>5,010</b>	<b>106,179</b>
<b>EXPENSES:</b>			
Education and general expenses:			
Academic programs:			
Instruction	41,217	–	41,217
Academic support	11,961	–	11,961
Research	865	–	865
Public service	2,128	–	2,128
Total academic programs	56,171	–	56,171
Management and general:			
Student services	16,230	–	16,230
Institutional support	19,183	–	19,183
Total management and general	35,413	–	35,413
Total education and general expenses	91,584	–	91,584
Auxiliary enterprises	12,982	–	12,982
<b>Total expenses</b>	<b>104,566</b>	<b>–</b>	<b>104,566</b>
Change in net assets from operating activities	(3,397)	5,010	1,613
<b>NONOPERATING ACTIVITIES:</b>			
Investment income, net of expenses of \$1,102	1,931	1,327	3,258
Net assets released from restrictions	415	(415)	–
Net capital gain on investments	1,469	2,720	4,189
Investment return designated for current operations	(5,922)	(6,303)	(12,225)
<b>Change in net assets</b>	<b>(5,504)</b>	<b>2,339</b>	<b>(3,165)</b>
Net assets at beginning of year	139,066	155,881	294,947
<b>Net assets at end of year</b>	<b>\$ 133,562</b>	<b>\$ 158,220</b>	<b>\$ 291,782</b>

See accompanying notes.

## CONSOLIDATED STATEMENT OF ACTIVITIES

For the year ended May 31, 2018 (in thousands)

	Without donor restrictions	With donor restrictions	Total
<b>OPERATING ACTIVITIES:</b>			
<b>OPERATING REVENUES:</b>			
Tuition and fees	\$ 101,115	\$ –	\$ 101,115
Less scholarships and student aid	(44,208)	–	(44,208)
Net tuition and fees	56,907	–	56,907
Contributions	959	9,792	10,751
Government grants and contracts	9,840	–	9,840
Investment return designated for current operations	6,690	6,918	13,608
Other income	3,384	79	3,463
Auxiliary enterprises	12,917	–	12,917
Net assets released from restrictions	9,180	(9,180)	–
<b>Total operating revenues</b>	<b>99,877</b>	<b>7,609</b>	<b>107,486</b>
<b>EXPENSES:</b>			
Education and general expenses:			
Academic programs:			
Instruction	39,120	–	39,120
Academic support	12,581	–	12,581
Research	622	–	622
Public service	2,154	–	2,154
Total academic programs	54,477	–	54,477
Management and general:			
Student services	16,255	–	16,255
Institutional support	18,849	–	18,849
Total management and general	35,104	–	35,104
Total education and general expenses	89,581	–	89,581
Auxiliary enterprises	12,906	–	12,906
<b>Total expenses</b>	<b>102,487</b>	<b>–</b>	<b>102,487</b>
Change in net assets from operating activities	(2,610)	7,609	4,999
<b>NONOPERATING ACTIVITIES:</b>			
Investment income, net of expenses of \$1,211	1,114	1,036	2,150
Net assets released from restrictions	558	(558)	–
Net capital gain on investments	5,049	12,007	17,056
Investment return designated for current operations	(6,690)	(6,918)	(13,608)
<b>Change in net assets</b>	<b>(2,579)</b>	<b>13,176</b>	<b>10,597</b>
Net assets at beginning of year	141,645	142,705	284,350
<b>Net assets at end of year</b>	<b>\$ 139,066</b>	<b>\$ 155,881</b>	<b>\$ 294,947</b>

See accompanying notes.

## CONSOLIDATED STATEMENTS OF CASH FLOWS

For the years ended May 31, 2019 and 2018 (in thousands)

	2019	2018
<b>OPERATING ACTIVITIES:</b>		
Change in net assets	\$ (3,165)	\$ 10,597
Adjustments to reconcile change in net assets to net cash provided by (used in) operating activities:		
Bad debt expense and amounts written off	771	608
Loan assignments and cancellations	36	41
Increase in accrued interest on notes receivable	(62)	(60)
Amortization of bond discount and issuance costs	24	14
Net realized and unrealized gain on investments	(4,189)	(17,391)
Loss on disposal of land, buildings and equipment	231	71
Depreciation	7,302	6,846
Contributions and income restricted for long-term investment	(6,571)	(6,074)
Cash provided by (used by) operating assets and liabilities:		
Change in restricted cash	58	73
Student and other accounts receivable	(1,311)	706
Contributions receivable	1,409	(1,459)
Prepaid expenses and other assets	14	141
Accounts payable and accrued liabilities, salaries and benefits	(921)	(2,962)
Deposits and deferred revenue	(1,172)	157
Agency transactions – cash received	50,443	49,163
Agency transactions – cash disbursed	(50,421)	(49,256)
<b>Net cash used in operating activities</b>	<b>(7,524)</b>	<b>(8,785)</b>
<b>INVESTING ACTIVITIES:</b>		
Issuance of student loans	–	(504)
Collection of student loans	978	1,024
Proceeds from sales of investments	59,493	68,043
Purchases of investments	(46,745)	(66,640)
Additions to buildings and equipment	(3,072)	(10,390)
<b>Net cash provided by (used in) investing activities</b>	<b>10,654</b>	<b>(8,467)</b>
<b>FINANCING ACTIVITIES:</b>		
Proceeds from contributions and income restricted for long-term investment	6,571	6,074
Proceeds from notes payable	–	10,485
Payments on indebtedness	(4,040)	(3,953)
Payments on capital lease obligations	–	(73)
Net decrease (increase) in U.S. Government advances for student loans	27	(245)
<b>Net cash provided by financing activities</b>	<b>2,558</b>	<b>12,288</b>
Net increase (decrease) in cash and cash equivalents	5,688	(4,964)
Cash and cash equivalents at beginning of year	18,373	23,337
<b>Cash and cash equivalents at end of year</b>	<b>\$ 24,061</b>	<b>\$ 18,373</b>
<b>SUPPLEMENTAL CASH FLOW INFORMATION:</b>		
Cash paid for interest	\$ 1,327	\$ 1,150

See accompanying notes.

## Notes to Consolidated Financial Statements (in thousands)

### 1. Summary of Significant Accounting Policies

#### General

St. Mary's University (the University) is an independent, not-for-profit Marianist Catholic institution in San Antonio, Texas, founded in 1852 by the Society of Mary. The University is organized into four schools and offers classes that lead to Bachelors, Masters, Ph.D. and Juris Doctor degrees. Revenues are derived primarily from tuition, fees and auxiliary services.

The University controls St. Mary's Holdings Inc. (SMHI), which is consolidated in the accompanying financial statements. SMHI was formed in June 2012 to improve, construct and own property leased to the University for educational, athletic and administrative functions. SMHI was funded using the federal New Market Tax Credit (NMTC) program resulting in restricted cash, notes receivable and indebtedness.

#### Basis of Presentation

The accompanying consolidated financial statements of the University have been prepared on the accrual basis in accordance with U.S. generally accepted accounting principles (U.S. GAAP). The University maintains its accounts in accordance with the principles of fund accounting. Resources for various purposes are classified into funds that are in accordance with activities or objectives specified by donors. Separate accounts are maintained for each fund. For reporting purposes, however, the University classifies net assets and revenues, expenses, gains, and losses based on the existence or absence of donor-imposed restrictions. Accordingly, net assets of the University and changes therein are classified and reported as follows:

##### Without Donor Restrictions Net Assets

Use is not subject to donor-imposed stipulations; may be designated for specific purposes by action of the Board of Trustees.

##### With Donor Restrictions Net Assets

Use is subject to donor-imposed stipulations that can be fulfilled by actions of the University pursuant to those stipulations or that expire by the passage of time nor can be fulfilled or otherwise removed by the University.

The University follows the policy of reporting restricted contributions and restricted endowment income on the consolidated statements of activities as increases in net assets with donor restrictions in the period received. Cash donations to acquire long-lived assets are recorded as donor-restricted until the asset is acquired and expenses are generally reported as decreases in net assets without donor restrictions. Expirations of donor-imposed stipulations are reclassified to the without donor restrictions category and reported as net assets released from restrictions. Contributions with donor restrictions that are received and expended in the same period are classified as net assets without donor restrictions.

#### Use of Estimates

The preparation of financial statements in conformity with U.S. GAAP requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

#### Cash and Cash Equivalents

Cash and cash equivalents are short-term, highly liquid investments that are readily convertible to known amounts of cash and generally have original maturities of three months or less.

#### Restricted Cash

Restricted cash is reserved for administrative and compliance expenses related to the NMTC transaction.

#### Allowances for Doubtful Accounts

Allowances for doubtful student accounts receivable and student loans (\$1,210 and \$2,232, respectively, at May 31, 2019, and \$3,850 and \$2,162, respectively, at May 31, 2018) are determined annually based upon historical experience, aging of receivables, loans in default and an analysis of collections.



## 1. Summary of Significant Accounting Policies (continued)

### Contributions

Contributions, including unconditional promises made to the University, are recognized as revenues in the period received. Conditional promises are not recognized until the conditions on which they depend are substantially met. Contributions of assets other than cash are recorded at their estimated fair value at the date of the gift. Unconditional promises that are expected to be received after one year are discounted at an appropriate discount rate commensurate with the risks involved. Amortization of discounts is recorded as additional contribution revenue in accordance with donor-imposed restrictions, if any, on the contributions. An allowance for uncollectible contributions receivable is provided based upon management's estimate, including such factors as prior collection history, type of contribution, current economic conditions and nature of fundraising activity.

Contributed services are reflected in the consolidated financial statements at the fair value of the services received. Contributions of services are recognized if the services received create or enhance nonfinancial assets or require specialized skills that are provided by individuals possessing those skills and would typically be purchased if not provided by donation. The fair value of contributed services was approximately \$759 and \$484 for the years ended May 31, 2019 and 2018, respectively.

### Investments

Investments in marketable equity securities with readily determinable fair values and all investments in debt securities are reported at their fair value. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. Investments in securities traded on a national exchange are valued at the last reported bid price. Over-the-counter securities and government obligations are valued at the bid price or the average bid and asked price on the last business day of the year from published sources where available and, if not available, from other sources considered reliable. The University's marketable securities do not represent significant concentrations of market risk as the portfolio is diversified across strategies, managers and geography. The fair value of real estate investments is based on the most current quarterly financial information for the real estate trusts. The fair value of mineral rights is estimated based on the income stream those assets generate. Investments received by gift or bequest are carried at fair value at the date of the gift. If fair value is not determinable at the date of the gift, the asset received by gift or bequest is recorded at a nominal value.

The University's investments in certain institutional commingled funds or alternative investments are not publicly traded. These funds comprise 24% of total investment securities, both at May 31, 2019 and 2018. These investments contain underlying funds, which may include marketable securities, limited partnerships, limited liability companies, or non-U.S. corporations and are valued at redemption values that represent the net asset value of the units held at year-end. These investments entail liquidity risks to the extent that they may be difficult to sell or may not be converted to cash quickly at favorable prices. All of the funds are diversified across strategies, managers and geography.

Purchases and sales of securities are recorded as of the trade date. Realized gains and losses on sales of securities are determined on the basis of average cost. Interest income is recognized on the accrual basis, and dividend income is recognized on the ex-dividend date. Investment securities are exposed to various risks, such as interest rate, liquidity, market and credit risks. Due to the level of risk associated with certain investment securities, it is at least reasonably possible that changes in the values of investment securities will occur in the near term and such changes could materially affect the amounts reported on the consolidated statements of financial position.

In accordance with the Texas Uniform Prudent Management of Institutional Funds Act of 2007 (UPMIFA), dividends, interest, gains, losses and other investment income are reported on the consolidated statements of activities as increases or decreases in net assets without donor restrictions unless their use is restricted by explicit donor stipulations or by law. In the absence of donor stipulations or law to the contrary, gains and losses on the investments of a donor-restricted endowment fund increase and reduce net assets with donor restrictions. If losses reduce the fair value of a donor-restricted endowment fund below the level required by the donor stipulations of law, these losses are reported as reductions in the net assets without donor restrictions as of year-end. Any gains that restore the fair value of the donor-restricted endowment fund are reported as increases in net assets without donor restrictions in the subsequent year when gains were incurred.

## 1. Summary of Significant Accounting Policies (continued)

### Fair Value Measurements

Accounting Standards Codification (ASC) 820, Fair Value Measurements, provides a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value with the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities and the lowest priority to unobservable inputs. The three levels of the fair value hierarchy are described below.

- Level 1 Inputs to the valuation methodology are unadjusted quoted prices for identical assets or liabilities in active markets that the University has the ability to access. The types of investments included as Level 1 include listed equities, U.S. Government and agency obligations, and frequently traded corporate bonds.
- Level 2 Inputs to the valuation methodology include quoted prices for similar assets and liabilities in active markets, quoted prices for identical or similar assets or liabilities in inactive markets, inputs other than quoted market prices that are observable for the asset or liability, and inputs that are derived principally from or corroborated by observable market data by correlation or other means. If the asset or liability has a specified (contractual) term, the Level 2 input must be observable for substantially the full term of the asset or liability.
- Level 3 Inputs to the valuation methodology are unobservable and significant to the fair value measurement. Level 3 types of investments include funds held in trust by others (see Note 5), real estate trusts, mineral rights, venture capital funds and privately held hedge funds.

The asset's fair value measurement level within the fair value hierarchy is based on the lowest level of any input that is significant to the fair value measurement. Valuation techniques used need to maximize the use of observable inputs and minimize the use of unobservable inputs. The valuation methodologies described herein may produce a fair value calculation that may not be indicative of net realizable value or reflective of future fair values. Furthermore, while the University believes its valuation methods are appropriate and consistent with other market participants, the use of different methodologies or assumptions to determine the fair value of certain financial instruments could result in a different fair value measurement at the reporting date. The methodologies used to determine fair value have been consistent for the years ended May 31, 2019 and 2018.

### Land, Buildings and Equipment

Land, buildings and equipment are stated at cost or, if donated, at fair value at the date of gift. Depreciation is calculated on the straight-line method over the estimated useful lives of the assets. Net interest incurred during the construction phase of major plant additions is capitalized.

### Tax Status

The University is exempt from federal income tax under Section 501(a) as an organization described in Section 501(c)(3) of the Internal Revenue Code (the Code). This exemption does not apply to unrelated business income, as defined by Section 512(a)(1) of the Code, which is subject to federal income tax. The University had no material tax liability resulting from such unrelated business income in 2019 or 2018. U.S. GAAP requires management to evaluate uncertain tax positions taken by the University. The consolidated financial statement effects of a tax position are recognized when the position is more likely than not based on the technical merits, to be sustained upon examination by the Internal Revenue Service or U.S. Department of Treasury.

Management has analyzed the tax positions taken by the University, and has concluded that as of May 31, 2019, there are no uncertain positions taken or expected to be taken. The University has recognized no interest or penalties related to uncertain tax positions. The University is subject to routine audits by taxing jurisdictions; however, there are currently no audits for any tax periods in progress.

## 1. Summary of Significant Accounting Policies (continued)

The Tax Cuts and Jobs Act (the Act) was enacted on December 22, 2017. The Act reduces the U.S. federal corporate tax rate from 35% to 21%, requires companies to pay a onetime transition tax on earnings of certain foreign subsidiaries that were previously deferred, creates new taxes on certain foreign sourced earnings and limits the use of future net operating losses. For tax-exempt organizations, the Act imposes an excise tax on compensation paid in excess of \$1 million to certain executives, subjects certain fringe benefits to taxation as unrelated business income, requires organizations to separately compute UBI for each trade or business, imposes an excise tax on investment income of applicable educational institutions and repeals the exempt status of advance refunding bond issuances. The provisions of the Act do not have a material tax effect on the University's financial statements. Certain regulatory guidance provides for a measurement period of up to one year.

### Revenue Recognition

Tuition and fees are recognized on an accrual basis in the period earned. Auxiliary income is recognized when goods or services are provided. Tuition and fees collected that are applicable to future academic terms are recorded as deferred revenue, fees and deposits.

### Scholarships and student aid

Scholarships and student aid represent the difference between the stated charge for goods and services provided by the University and the amount billed to students and/or third parties making payments on behalf of students for tuition and fees. Scholarships for room, board and books are included in auxiliary expense. Amounts are funded by endowment earnings, contributions, federal and state grants, and unrestricted revenues of the University. Unrestricted revenues of the University funded scholarships and student aid of approximately \$37,343 and \$34,447 for the years ended May 31, 2019 and 2018, respectively.

### Functional Allocations of Expenses

The costs of providing the various programs and other activities have been summarized on a functional basis on the accompanying consolidated statements of activities. Accordingly, certain costs have been allocated among the programs and supporting services benefited, using a methodology consistent with prior years.

### Fundraising

Fundraising is expensed as incurred and included in Institutional support. Expenses were \$3,587 and \$3,800 for the fiscal years ended May 31, 2019 and 2018, respectively.

### Federal Student Financial Aid Programs

Prior to the cancellation of the Federal Perkins Student Loan program effective September 30, 2018, funds provided by the U.S. Government under the Federal Perkins Student Loan program were loaned to qualified students and re-loaned as collections were made. These funds are ultimately refundable to the U. S. Government and are, therefore, recorded as a long-term liability. Such funds required the University to provide a matching amount which varied according to regulations during operation of the program.

### Agency Transactions

Activities of Federal Direct Lending, Pell Grants (Pell), the Veterans Affairs (VA) Yellow Ribbon Program and the Texas Be-On-Time Loan Program are not reflected in the consolidated statements of activities as the transactions are considered to be agency transactions.

The University also maintains accounts for local not-for-profit organizations, student organizations, fundraising events and the Society of Mary (see Note 13). These transactions are excluded from the consolidated statements of activities as they are not University activities but are reflected on the accompanying consolidated statements of cash flows.

## 1. Summary of Significant Accounting Policies (continued)

### Retirement Plans

The University has a defined contribution retirement plan administered by providers of retirement services, which covers substantially all of its employees upon completing one year of service and working at least 1,000 hours. Contributions are made at 7% of participants' base salaries for those who contribute 5% of their base salaries. Employees who do not contribute 5% of their salaries are not eligible for the 7% contribution. The University's contributions for the years ended May 31, 2019 and 2018, approximated \$2,476 and \$2,458, respectively. The University has a deferred compensation plan administered by providers of retirement services for certain members of the University's management. Contributions are made by the employees, and no amounts are contributed by the University.

### Reclassifications

Changes in accrued interest income on notes receivable and restricted cash used for operating expenses were reclassified to operating activities on the 2018 consolidated statement of cash flows to conform to the 2019 presentation. For 2018, maturities of contributions receivable in less than one year of \$1,920 were reclassified to due in more than one year to conform to the 2019 presentation. The reclassifications had no significant impact on the University's financial position, change in net assets or cash flows.

### Subsequent Events

Subsequent events were evaluated through October 23, 2019, which is also the date the accompanying consolidated financial statements were available to be issued.

### New Accounting Pronouncements

In November 2016, the Financial Accounting Standards Board (FASB) issued Accounting Standards Update (ASU) 2016-18, Statement of Cash Flows (Topic 230): Restricted Cash, which requires that restricted cash and restricted cash equivalents be included as components of total cash and cash equivalents as presented on the statement of cash flows. ASU 2016-18 is effective for fiscal years beginning after December 15, 2018. The University is evaluating this update; however, we do not anticipate that the adoption of this guidance will have a material impact on our results of operations, financial position or disclosures.

In January 2016, the FASB issued ASU 2016-02, Leases (Topic 842): Amendments to the FASB Accounting Standards Codification, which requires a lessee to recognize a lease asset representing its right to use the underlying asset for the lease term and a lease liability for the payments to be made to lessor on its statement of position for all operating leases greater than 12 months. ASU 2016-02 is effective for the University on June 1, 2020, with early adoption permitted. ASU 2016-02 requires adoption of its amendments on a modified retrospective basis. The University is evaluating the impact that the adoption of ASU 2016-02 will have on the University's consolidated financial position, operating activities or cash flows.

In May 2014, the FASB issued ASU 2014-09, Revenue from Contracts with Customers (Topic 606), requiring an entity to recognize the amount of revenue to which it expects to be entitled for the transfer of promised goods or services to customers. The updated standard will replace most existing revenue recognition guidance when it becomes effective and permits the use of either a full retrospective or retrospective with cumulative effect transition method. In August 2015, the FASB issued ASU 2015-14, Revenue from Contracts with Customers (Topic 606): Deferral of the Effective Date, which defers the effective date of ASU 2014-09 one year, making it effective for annual reporting periods beginning after December 15, 2018. The University plans to apply this standard using the modified retrospective approach, which if any impact, would result in a cumulative-effect adjustment as of the date of adoption. We do not anticipate that the adoption of this guidance will have a material effect on our results of operations, financial position or disclosures.

## 2. Liquidity and Availability

The University's financial assets available within one year of the balance sheet date for general expenditures are as follows:

	Year Ended May 31, 2019	Year Ended May 31, 2018
Total assets at year end	\$ 352,569	\$ 361,918
Less		
Pledges receivable due in more than one year	(6,471)	(7,423)
Donor-restricted endowment funds	(142,531)	(139,728)
Board-designated endowment funds	(53,932)	(56,285)
Notes receivable	(9,495)	(9,433)
Land, buildings and equipment, net	(117,423)	(121,984)
Other assets	(574)	(574)
Financial assets available at year-end for current use	\$ 22,143	\$ 26,491

As part of the University's liquidity management, financial assets are structured to be available as general expenditures, liabilities and other obligations come due. In addition to amounts appropriated for general expenditure as part of the annual budget approval and appropriation process, additional board-designated amounts of \$1,369 and \$3,000 were appropriated to fund scholarships and financial aid as of May 31, 2019 and 2018, respectively. Both the board-designated endowment funds and donor-restricted endowments contain investments with lock-up provisions that reduce the total investments that could be made available (see Note 10 for disclosures about investments).

## 3. Contributions Receivable

Contributions receivable consist of unconditional promises to give, which the University received and are outstanding at May 31, 2019 and 2018. Receivables with maturities of more than one year are reflected at present value of estimated future cash flows using a discount rate appropriate to the term of the receivable. The fair value of the gross contributions at May 31, 2019 and 2018, approximates the carrying value. Most of the contributions are donor-restricted primarily for future building acquisitions or scholarships.

Maturities of contributions receivable at May 31 are as follows:

	2019	2018
Less than one year	\$ 2,056	\$ 2,855
One to four years	4,376	5,327
More than five years	2,095	2,096
Total contributions	8,527	10,278
Less allowance for uncollectible pledges	(750)	(963)
Discount	(866)	(995)
Net contributions receivable	\$ 6,911	\$ 8,320

## 4. Notes Receivable

On June 27, 2012, the University made a loan of \$9,091 to Chase NMTC St. Mary's University Investment Fund, LLC (the Borrower) to fund capital improvements and construction. Beginning June 2012 through June 2019 (the NMTC Compliance Period), the outstanding principal of the loan accrues interest at 1.945% per annum and the Borrower makes annual interest only payments of 1.3395% per annum on the outstanding balance. The carrying value of the note includes accrued unpaid interest of \$404 and \$342 as of May 31, 2019 and 2018, respectively. Interest income totaled \$183 and \$182 for the years ended May 31, 2019 and 2018, respectively.

## 5. Investments and Funds Held in Trust by Others

Investments and funds held in trust have the following positions based on the ASC 820 fair value hierarchy levels describe in Note 1.

	Assets at Fair Value as of May 31, 2019			
	Level 1	Level 2	Level 3	Total
Cash and cash equivalents	\$ 6,921	\$ -	\$ -	\$ 6,921
Investments				
U.S. corporate bonds and notes	16,895	-	-	16,895
U.S. equities	64,727	-	-	64,727
International equities	31,967	-	-	31,967
Emerging markets mutual funds	6,959	-	-	6,959
U.S. intermediate government/credit bond funds	-	5,937	-	5,937
International intermediate bond funds	-	3,301	-	3,301
U.S. mineral rights	-	-	3,025	3,025
Subtotal	\$ 120,548	\$ 9,238	\$ 3,025	\$ 132,811
Investments measured at net asset value:				
U.S. equities fund				\$ 7,331
U.S. real estate trust funds				9,866
Credit long-short hedge fund				6,012
Multi-strategy hedge funds				17,223
Multi-strategy private equities funds				4,817
International hedge fund				322
Total Investments				\$ 178,382
Funds held in trust by others	-	-	\$ 4,892	4,892
Total assets at fair value	-	-	-	\$ 190,195

	Assets at Fair Value as of May 31, 2018			
	Level 1	Level 2	Level 3	Total
Cash and cash equivalents	\$ 8,066	\$ -	\$ -	\$ 8,066
Investments				
U.S. corporate bonds and notes	\$ 15,476	-	-	\$ 15,476
U.S. equities	73,072	-	-	73,072
U.S. real estate trusts	50	-	-	50
International equities	32,338	-	-	32,338
Emerging markets mutual funds	6,985	-	-	6,985
U.S. intermediate government/credit bond funds	-	6,335	-	6,335
International intermediate bond funds	-	2,296	-	2,296
U.S. mineral rights	-	-	1,364	1,364
Subtotal	\$ 127,921	\$ 8,631	\$ 1,364	\$ 137,916
Investments measured at net asset value:				
U.S. equities fund				11,720
U.S. real estate trust funds				10,889
Credit long-short hedge fund				5,870
Multi-strategy hedge funds				16,077
Multi-strategy private equities funds				3,751
International hedge fund				611
Total Investments				\$ 186,834
Funds held in trust by others	-	-	\$ 4,999	\$ 4,999
Total assets at fair value	-	-	-	\$ 199,899

## 5. Investments and Funds Held in Trust by Others (continued)

The following table includes additional disclosures for the fair value measurements of investments in certain entities that calculate fair value using net asset value per share.

	Assets at Fair Value as of May 31, 2019			
	Fair Value	Unfunded Commitments	Redemption Frequency	Redemption Notice Period
U.S. equities funds <sup>(a)</sup>	\$ 7,331	\$ –	Monthly	6-15 days
U.S. real estate trusts <sup>(b)</sup>	9,866	–	Subject to approval	45 days before the quarter ends
Credit long-short hedge fund <sup>(c)</sup>	6,012	–	Quarterly	45 days before the quarter ends
Multi-strategy hedge funds <sup>(d)</sup>	17,223	–	Subject to approval	60-65 days before the quarter ends
Multi-strategy private equities funds <sup>(e)</sup>	4,817	5,269	Subject to approval	
International hedge funds <sup>(f)</sup>	322	–	Quarterly	Redemption request is pending
<b>Total</b>	<b>\$ 45,571</b>	<b>\$ 5,269</b>		

	Assets at Fair Value as of May 31, 2018			
	Fair Value	Unfunded Commitments	Redemption Frequency	Redemption Notice Period
U.S. equities funds <sup>(a)</sup>	\$ 11,720	\$ –	Monthly	6-15 days
U.S. real estate trusts <sup>(b)</sup>	10,889	–	Subject to approval	45 days before the quarter ends
Credit long-short hedge fund <sup>(c)</sup>	5,870	–	Quarterly	45 days before the quarter ends
Multi-strategy hedge funds <sup>(d)</sup>	16,077	–	Subject to approval	60-65 days before the quarter ends
Multi-strategy private equities funds <sup>(e)</sup>	3,751	7,396	Subject to approval	
International hedge funds <sup>(f)</sup>	611	–	Quarterly	Redemption request is pending
<b>Total</b>	<b>\$ 48,918</b>	<b>\$ 7,396</b>		

<sup>(a)</sup> U.S. equities funds include investments that are traded securities in the United States; however, the value of the fund itself can only be derived based on those holdings.

<sup>(b)</sup> U.S. real estate trusts include investments in a trust and a limited partnership that invest in real estate. Management of the trust and partnership manage their respective investment portfolios.

<sup>(c)</sup> Credit long-short hedge funds primarily include investments in U.S. high yield debt, consisting of securities rated lower than Baa3/BBB- by Moody's or Standard & Poor's, respectively. The fund may take long/short positions in securities or obligations or any other claims at any position in the capital structure of a high yield issuer, including bank debt, bonds, preferred stock and equities.

<sup>(d)</sup> Multi-strategy hedge funds consist of concentrated group of hedge funds across various strategies including long short/equity, event-driven, relative value and global asset allocation in the traditional LP structure. Management of the fund manage their respective investment portfolios.

<sup>(e)</sup> Multi-strategy private equities include investments that pursue multiple strategies that invest approximately 26% buy-out, 26% venture, 33% special situations, 12% real estate and 3% international. These investments can never be redeemed with the funds. Distributions from each fund will be received as the underlying investments of the funds are liquidated.

<sup>(f)</sup> International hedge funds include investments in international securities outside the United States. Management of the trust and partnership manages their respective investment portfolios. A redemption request to liquidate total holdings is pending on fund manager approval.

## 5. Investments and Funds Held in Trust by Others (continued)

The fair value measurement Level 3 reconciliation is as follows:

	U.S. mineral rights	Funds held by others	Total
Balance at June 1, 2017	\$ 2,044	\$ 4,675	\$ 6,719
Net (loss) gain realized and unrealized	(680)	324	(356)
Balance at May 31, 2018	\$ 1,364	\$ 4,999	\$ 6,363
Net gain (loss) realized and unrealized	1,661	(107)	1,554
Balance at May 31, 2019	\$ 3,025	\$ 4,892	\$ 7,917

At May 31, investments included the Myra Stafford Pryor Free Enterprises Trust, a perpetual trust fund held by the University for a "Chair in Free Enterprise" and scholarships. Subsequent to May 31, 2019, an income distribution of \$95 was received for 2019 expenses.

	2019	2018
Fair value	\$ 1,598	\$ 1,482
Income distributed	–	93

At May 31, funds held in trust by others consisted of the Emil C.E. Jurica Endowment Trust, an irrevocable trust formed for the sole benefit of the University. Assets are held and managed by the Emil C.E. Jurica Endowment Trust trustees, and income is to be used for the Bill Greehey School of Business. The fair value of the funds held in trust by others is based on the University's portion of the fair value of the underlying investments held by the trust.

	2019	2018
Fair value	\$ 4,892	\$ 4,999
Income distributed	146	146

## 6. Land, Buildings and Equipment

Land, buildings and equipment consisted of the following as of May 31:

	Estimated Useful Lives	2019	2018
Land		\$ 601	\$ 601
Buildings	45 years	135,387	135,387
Building improvements, parking lots, and drives	20 years	41,464	40,246
Equipment	5 to 25 years	23,219	22,272
Library books	5 years	33,411	32,639
Construction-in-progress		–	229
Land, buildings and equipment		\$ 234,082	\$ 231,374
Less accumulated depreciation		(116,659)	(109,390)
Land, buildings and equipment, net		\$ 117,423	\$ 121,984



## 7. Indebtedness

Indebtedness at May 31 consisted of the following:

	Interest Rate	Final Maturity	2019 Principal Payments	Unpaid Principal	
				2019	2018
\$15,055 Revenue and Refunding Bonds of 1999, Refinanced July 2010. For construction of a convocation center and residence hall, renovations to existing residence halls and extinguishment of 1990 Student Center Bonds; issued through the City of San Antonio, Texas Higher Education Authority; payable semiannually	3.05%	May 2019	\$ 1,188	\$ –	\$ 1,188
\$ 8,500 Revenue Bonds of 2007 For residence hall construction; issued through the City of Olmos Park, San Antonio, Texas, Higher Education Facilities Corporation; payable semiannually	3.43% to 4.35%	May 2032	315	4,435	4,750
\$10,000 Revenue Bonds of 2008 For residence hall construction; issued through the City of Olmos Park, San Antonio, Texas, Higher Education Facilities Corporation; payable semiannually	3.92%	May 2032	370	6,525	6,895
\$ 7,000 Note Payable 2012 For facility renovations and other capital improvements; principal payable annually; interest resets and payable monthly	LIBOR + 1.15%	May 2019	1,167	–	1,167
\$ 9,091 Note Payable 2012 For capital improvements and construction using New Market Tax Credit program; interest only payable annually through June 2019; extinguished June 28, 2019	1.036%	June 2019	–	9,091	9,091
\$ 2,669 Note Payable 2012 For capital improvements and construction using New Market Tax Credit program; interest only payable annually through June 2019; extinguished June 28, 2019	1.036%	June 2019	–	2,669	2,669
\$25,000 Note Payable 2016 For residence hall construction; issued through the City of San Antonio, Texas, Higher Education Facilities Corporation. Interest payable monthly (2.84% as of May 31, 2019) and principal payable annually; 10-year extension option, subject to lender approval, on September 30, 2026	LIBOR + 0.70%	Sept 2026	1,000	23,000	24,000
Total			\$ 4,040	\$ 45,720	\$ 49,760

## 7. Indebtedness (continued)

Combined aggregate amount of principal maturities and interest for indebtedness are as follows:

	Principal	Interest	Total
2020	\$ 13,470	\$ 1,164	\$ 14,634
2021	1,745	1,047	2,792
2022	1,775	988	2,763
2023	1,810	929	2,739
2024	1,840	867	2,707
Thereafter	25,080	2,391	27,471
<b>Total</b>	<b>\$ 45,720</b>	<b>\$ 7,386</b>	<b>\$ 53,106</b>

## 8. Net Assets Released From Restrictions

Sources of net assets released from donor-restrictions by incurring expenses satisfying the restricted purposes or by occurrence of events specified by donors were as follows during the years ended May 31:

	2019	2018
Academic programs	\$ 3,948	\$ 3,135
Community service	152	220
Operational support	122	858
Scholarships	4,364	4,967
<b>Total operating activities</b>	<b>\$ 8,586</b>	<b>\$ 9,180</b>
<b>Nonoperating activities, building improvement</b>	<b>\$ 415</b>	<b>\$ 558</b>

## 9. Restrictions and Limitations on Net Asset Balances

Net assets with donor restrictions consist of gifts, other unexpended revenues and gains restricted for the following as of May 31:

	2019	2018
Academic programs	\$ 69,924	\$ 69,163
Community service	2,563	2,720
Operational support and construction	8,377	8,261
Scholarships	77,356	75,737
<b>Total</b>	<b>\$ 158,220</b>	<b>\$ 155,881</b>

Net assets with donor restrictions consist of endowment gifts and funds held in trust by others. The income from these invested net assets is primarily dedicated for academic programs, scholarships, operational support, and construction and is recorded as donor-restricted income.

## 10. Endowment Net Asset Classifications

The University's endowment consists of 402 individual funds established for a variety of purposes. The endowment includes both donor-restricted endowment funds and funds designated by the Board of Trustees to function as endowments. Net assets associated with endowment funds, including funds designated by the Board of Trustees to function as endowments, are classified and reported based on the existence or absence of donor-imposed restrictions.

The Board of Trustees of the University has interpreted the UPMIFA as requiring the preservation of the fair value of the original gift as of the gift date of the donor-restricted endowment funds absent explicit donor stipulations to the contrary. As a result of this interpretation, the University classifies as net assets with donor restrictions: (a) the original value of gifts donated to the University permanent endowment, (b) the original value of subsequent gifts to the permanent endowment and (c) accumulations to the permanent endowment made in accordance with the direction of the applicable donor gift instrument at the time the accumulation is added to the fund.

In accordance with UPMIFA, the University considers the following factors in making a determination to appropriate or accumulate donor-restricted funds: duration and preservation of the fund; purposes of the University and the donor-restricted endowment fund; general economic conditions; possible effect of inflation and deflation; expected total return from income and the appreciation of the investments; and investment policies of the University.

The University has adopted investment and spending policies for its endowment assets that attempt to provide a predictable stream of funding to programs supported by its endowment while seeking to maintain purchasing power of the endowment assets.

Endowment investments are diversified to achieve a reasonable defense against loss of corpus or future purchasing power while stabilizing the amount available for current spending. Taking these factors into consideration, the University's spending policy is to distribute up to 4.75% of the three-year moving average of the total endowment market value, along with utilization of any prior year carryforward balances subject to University policies.

The endowment net asset composition by type of fund consisted of the following:

	Without Donor Restrictions	With Donor Restrictions	Total
Endowment net assets, May 31, 2018	\$ 56,285	\$ 139,728	\$ 196,013
Investment return			
Investment income	666	1,620	2,286
Net appreciation	971	2,338	3,309
<b>Total investment gain</b>	<b>1,637</b>	<b>3,958</b>	<b>5,595</b>
Contributions	–	4,826	4,826
Transfers	–	220	220
Appropriated for expenditure	(3,990)	(6,303)	(10,293)
Carried forward for expenditure	–	102	102
<b>Endowment net assets, May 31, 2019</b>	<b>\$ 53,932</b>	<b>\$ 142,531</b>	<b>\$ 196,463</b>

From time to time, the fair value of assets associated with individual donor-restricted endowment funds may fall below the level that the donor or UPMIFA requires the University to retain as a fund of perpetual duration. Deficiencies of this nature, which are reported in with donor restricted net assets, were \$15 and \$16 as of May 31, 2019 and 2018, respectively. Endowment deficiencies resulted from unfavorable market fluctuations that occurred shortly after the investment of new donor-restricted contributions and continued appropriation for certain programs that was deemed prudent by the Board of Trustees.

## 11. Net Assets

The University's net assets as of May 31, includes the following:

	2019			2018		
	Without Donor Restrictions	With Donor Restrictions	Total Net Assets	Without Donor Restrictions	With Donor Restrictions	Total Net Assets
Nature of Specific Net Assets						
Undesignated	\$ 1,245	\$ –	\$ 1,245	\$ 1,078	\$ –	\$ 1,078
Donor-restricted	–	15,689	15,689	–	16,153	16,153
Donor-restricted endowment funds	–	142,531	142,531	–	139,728	139,728
Board-designated endowment funds	53,932	–	53,932	56,285	–	56,285
Net physical and other assets	78,385	–	78,385	81,703	–	81,703
<b>Total</b>	<b>\$ 133,562</b>	<b>\$ 158,220</b>	<b>\$ 291,782</b>	<b>\$ 139,066</b>	<b>\$ 155,881</b>	<b>\$ 294,947</b>

## 12. Functional and Natural Expenses

The accompanying consolidated financial statements report certain categories of expenses that are attributable to more than one program or supporting function. Therefore, these expenses require allocation on a reasonable basis that is consistently applied. The expenses that are allocated include depreciation, interest, and office and occupancy. Depreciation expense is allocated on tangible assets over its estimated useful life. Interest expense on external debt is allocated to the functional categories, which have benefited from the proceeds of the external debt.

For the year ended May 31, 2019, functional and natural expense consists of the following:

	Academic and student services	Auxiliaries	Program Total	Institutional support	Total
Salaries and Benefits	\$ 54,286	\$ 2,344	\$ 56,630	\$ 11,956	\$ 68,586
Professional Services	1,037	5,016	6,053	1,191	7,244
Occupancy	1,660	2,084	3,744	711	4,455
Depreciation	4,684	1,617	6,301	1,001	7,302
Interest on indebtedness	171	1,170	1,341	18	1,359
Operating expenses	10,563	751	11,314	4,306	15,620
<b>Total expenses</b>	<b>\$ 72,401</b>	<b>\$ 12,982</b>	<b>\$ 85,383</b>	<b>\$ 19,183</b>	<b>\$ 104,566</b>

For the year ended May 31, 2018, functional and natural expense consists of the following:

	Academic and student services	Auxiliaries	Program Total	Institutional support	Total
Salaries and Benefits	\$ 53,622	\$ 2,216	\$ 55,838	\$ 11,723	\$ 67,561
Professional Services	978	4,968	5,946	1,110	7,056
Occupancy	2,064	1,872	3,936	804	4,740
Depreciation	4,423	1,545	5,968	878	6,846
Interest on indebtedness	81	1,034	1,115	30	1,145
Operating expenses	9,564	1,271	10,835	4,304	15,139
<b>Total expenses</b>	<b>\$ 70,732</b>	<b>\$ 12,906</b>	<b>\$ 83,638</b>	<b>\$ 18,849</b>	<b>\$ 102,487</b>

### 13. Related-Party Transactions

The Society of Mary is represented on the University Board of Trustees and the Corporation. The Members of the Corporation (Provincial Superior and three other Provincial Council members of the Society of Mary, Province of the United States, President of the University, and the Chairperson of the Board of Trustees), upon recommendation of the Board of Trustees, approve the Bylaws of the University, the nomination of the individuals to serve on the Board of Trustees, the sale and transfer of properties, and the distribution of assets in the event of dissolution.

The Society of Mary made a pledge to the University of \$1,500 in May 2018, payable over three years, to fund an endowed Chair in Catholic and Marianist Education Leadership. Contributions receivable include \$1,000 and \$1,500 at May 31, 2019 and 2018, respectively, for the amount remaining to be paid. Including payments for amounts pledged, the Marianist Province of the United States (Marianists), the Marianists Trust, and Marianist Communities, combined, contributed amounts to the University of \$969 and \$448 for the years ended May 31, 2019 and 2018, respectively. These contributions are reported as donor-restricted private gifts.

The University entered into an agreement to lease certain real property to the Marianists during fiscal year 2004. The lease is for a term of 50 years with two 10-year renewal options. The University recorded a contribution payable of approximately \$124 at May 31, 2004, to reflect the fair market value, discounted at 5.5% of the lease. The contribution payable is included in accounts payable and accrued liabilities in the accompanying consolidated statements of financial position. The Marianists own and operate certain properties within the University's campus boundaries. The University pays certain bills on behalf of the Marianists and then is reimbursed on a periodic basis. At May 31, 2019 and 2018, \$10 and \$0 respectively, are receivable.

The University receives endowment gifts from the University Alumni Association (the Association), a separate nonprofit organization that is not consolidated into the accompanying consolidated financial statements of the University. In October 2014, the Association made a pledge of \$1,000 to fund an endowed Chair in Catholic Leadership. Contributions receivable include \$800 at both May 31, 2019 and 2018, for amount remaining to be paid. Including payments for amounts pledged, gifts from the Association of \$73 and \$276 for the years ended May 31, 2019 and 2018, respectively, are recorded as donor-restricted private gifts.

# Supplementary Information

## CONSOLIDATING STATEMENTS OF FINANCIAL POSITION

May 31, 2019 (in thousands)

	St. Mary's University	St. Mary's Holdings, Inc.	Elimination	Consolidated Balance
<b>ASSETS:</b>				
Cash and cash equivalents	\$ 24,061	\$ -	\$ -	\$ 24,061
Restricted cash	-	46	-	46
Receivables				
Student accounts, net	3,821	-	-	3,821
Accounts receivable, net	10,544	-	(8,220)	2,324
Contributions receivable, net	6,911	-	-	6,911
Student loans, net	3,944	-	-	3,944
Prepaid expenses	337	359	-	696
Notes receivable	9,495	-	-	9,495
Investments	178,382	-	-	178,382
Funds held in trust by others	4,892	-	-	4,892
Property, plant, and equipment, net	97,560	19,863	-	117,423
Other assets	574	-	-	574
<b>Total Assets</b>	<b>\$ 340,521</b>	<b>\$ 20,268</b>	<b>\$ (8,220)</b>	<b>\$ 352,569</b>
<b>LIABILITIES:</b>				
Accounts payable and accrued liabilities	\$ 2,224	\$ 8,271	\$ (8,220)	\$ 2,275
Accrued salaries and benefits	3,053	-	-	3,053
Student deposits	364	-	-	364
Other deposits	1,055	-	-	1,055
Deferred revenue	2,818	-	-	2,818
Indebtedness	33,960	11,760	-	45,720
U.S. Government advances for student loans	5,502	-	-	5,502
<b>Total Liabilities</b>	<b>48,976</b>	<b>20,031</b>	<b>(8,220)</b>	<b>60,787</b>
<b>NET ASSETS:</b>				
Without donor restriction	133,325	237	-	133,562
With donor restriction	158,220	-	-	158,220
<b>Total Net Assets</b>	<b>291,545</b>	<b>237</b>	<b>-</b>	<b>291,782</b>
<b>Total Liabilities and Net Assets</b>	<b>\$ 340,521</b>	<b>\$ 20,268</b>	<b>\$ (8,220)</b>	<b>\$ 352,569</b>

## CONSOLIDATING REVENUE AND EXPENSES

For the year ended May 31, 2019 (in thousands)

	St. Mary's University	St. Mary's Holdings, Inc.	Elimination	Consolidated Balance
<b>OPERATING ACTIVITIES:</b>				
Total operating revenues	\$ 106,179	\$ 1,224	\$ (1,224)	\$ 106,179
Total expenses	\$ 104,177	\$ 1,157	\$ (768)	\$ 104,566
Change in net assets from operating activities	\$ 2,002	\$ 67	\$ (456)	\$ 1,613