Hope College

Financial Report
with Additional Information
June 30, 2025

Contents

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Independent Auditor's Report

To the Board of Trustees
Hope College

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of Hope College (the "College"), which comprise the statement of financial position as of June 30, 2025 and the related statements of activities and changes in net assets and cash flows for the year then ended, and the related notes to the financial statements.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the College as of June 30, 2025 and the changes in its net assets and its cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

We conducted our audit 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. 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 the College and to meet our ethical responsibilities in accordance with the 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 audit opinion.

Emphasis of Matter

As described in Note 6 to the financial statements, the financial statements include hedge funds, limited partnerships, and fund of funds investments totaling $229,871 (in thousands) (43 percent of net assets) that have been valued at net asset value and are subject to market fluctuation and values determined by third-party investment fund managers and general partners. Our opinion is not modified with respect to this matter.

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 the College's ability to continue as a going concern within one year after the date that the financial statements are issued or available to be issued.

To the Board of Trustees
Hope College

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 the College'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 the College'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.

Report on Summarized Comparative Information

We have previously audited the College's 2024 financial statements, and we expressed an unmodified audit opinion on those audited financial statements in our report dated November 7, 2024. In our opinion, the summarized comparative information presented herein as of and for the year ended June 30, 2024 is consistent, in all material respects, with the audited financial statements from which it has been derived.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated December 2, 2025 on our consideration of the College's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, 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 the College'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 the College's internal control over financial reporting and compliance.

Plante & Moran, PLLC

December 2, 2025

Statement of Financial Position

June 30, 2025 and 2024
(in thousands)

	2025	2024
Assets		
Cash and cash equivalents	$ 24,929	$ 28,569
Investments	331,412	311,449
Receivables - Net of allowances:		
Student accounts and loans receivable - Less allowance for credit losses of $516 at June 30, 2025 and 2024	570	907
Contributions receivable	7,833	7,384
Government grants receivable	366	864
Other receivables	2,718	2,211
Inventory and other assets	912	883
Prepaid and deferred expenses	1,643	1,565
Beneficial interest in trusts	1,560	1,528
Land, buildings, and equipment - Net	208,360	211,910
Total assets	**$ 580,303**	**$ 567,270**
Liabilities and Net Assets		
Liabilities		
Accounts payable and tax withholdings	$ 5,591	$ 7,642
Obligations under split-interest agreements	5,825	6,663
Accrued liabilities	2,720	3,159
Fair value of interest rate swaps	437	53
Refundable Federal Perkins Loan advances	797	1,260
Accumulated employee postretirement plans	2,541	2,209
Student and other deposits	1,763	684
Early retirement benefit	1,200	978
Notes payable	27,268	27,899
Total liabilities	48,142	50,547
Net Assets		
Without donor restrictions	232,140	234,232
With donor restrictions	300,021	282,491
Total net assets	532,161	516,723
Total liabilities and net assets	**$ 580,303**	**$ 567,270**

See notes to financial statements.

Statement of Activities and Changes in Net Assets

Year Ended June 30, 2025
(with comparative totals for 2024)
(in thousands)

	2025			2024
	Without Donor Restrictions	With Donor Restrictions	Total	Total
Revenue, (Losses) Gains, and Other Support				
Tuition and fees - Net of institutional discounts and other financial aid totaling $65,843 and $61,673 in 2025 and 2024, respectively	$ 58,615	$ -	$ 58,615	$ 57,671
Income from auxiliary activities	39,556	-	39,556	37,543
Other student revenue	1,363	-	1,363	3,107
Contributions of cash and other financial assets	9,102	2,165	11,267	9,933
Government and private grants	3,646	2,073	5,719	5,356
Dividends, interest, and other (losses) gains on nonendowed activities - Net of fees	(775)	3,418	2,643	2,656
Other income	4,182	2,053	6,235	4,809
Net assets released from restrictions	24,405	(24,405)	-	-
Total revenue, gains, and other support	140,094	(14,696)	125,398	121,075
Expenses				
Educational expenses:				
Instruction	44,555	-	44,555	42,609
Research	8,089	-	8,089	7,886
Academic support	13,293	-	13,293	12,128
Student services	21,186	-	21,186	19,930
Fundraising	6,427	-	6,427	6,296
Institutional support	15,783	-	15,783	15,513
Auxiliary activities	34,033	-	34,033	32,980
Total expenses	143,366	-	143,366	137,342
Decrease in Net Assets - Before nonoperating income	(3,272)	(14,696)	(17,968)	(16,267)
Nonoperating Income (Loss)				
Endowment and other restricted contributions of cash and other financial assets	-	8,491	8,491	2,939
Investment income	2,209	24,106	26,315	26,752
Change in value and payments made on split-interest agreements	-	(371)	(371)	(1,365)
Change in value of swap agreements	(385)	-	(385)	245
Change in value of postretirement liability	(644)	-	(644)	49
Total nonoperating income	1,180	32,226	33,406	28,620
(Decrease) Increase in Net Assets	(2,092)	17,530	15,438	12,353
Net Assets - Beginning of year	234,232	282,491	516,723	504,370
Net Assets - End of year	**$ 232,140**	**$ 300,021**	**$ 532,161**	**$ 516,723**

Statement of Cash Flows

Years Ended June 30, 2025 and 2024
(in thousands)

	2025	2024
Cash Flows from Operating Activities		
Increase in net assets	$ 15,438	$ 12,353
Adjustments to reconcile increase in net assets to net cash from operating activities:		
Depreciation	12,637	11,974
Amortization of loan issuance costs	62	11
Accumulated postretirement expenses	522	(341)
Obligations under split-interest agreements	(995)	600
Net appreciation of investments	(2,103)	(4,511)
Loss (gain) on fair value of interest rate swaps	385	(245)
Net realized and unrealized gain on investments	(28,896)	(30,168)
Changes in operating assets and liabilities that provided (used) cash:		
Student, grants, and other receivables	70	3,508
Prepaid and other assets	(107)	(287)
Beneficial interest in trusts	(32)	185
Contributions receivable - Net of restricted proceeds	(11,837)	(122)
Accounts payable and other accrued liabilities	(1,380)	(320)
Net cash used in operating activities	(16,236)	(7,363)
Cash Flows from Investing Activities		
Purchase of building improvements and equipment	(9,150)	(12,316)
Student loans collected	260	413
Proceeds from investments - Net	11,036	15,356
Net cash provided by investing activities	2,146	3,453
Cash Flows from Financing Activities		
Proceeds from contributions restricted for investment in endowment	8,394	2,939
Proceeds from contributions restricted for investment in land, buildings, and equipment	2,993	67
Net proceeds (payments) under split-interest agreements	157	(296)
Payments on notes payable and long-term debt	(631)	(611)
Refundable Federal Perkins Loan repayments to the federal government	(463)	(533)
Net cash provided by financing activities	10,450	1,566
Net Decrease in Cash and Cash Equivalents	(3,640)	(2,344)
Cash and Cash Equivalents - Beginning of year	28,569	30,913
Cash and Cash Equivalents - End of year	**$ 24,929**	**$ 28,569**
Supplemental Cash Flow Information - Cash paid for interest	$ 1,123	$ 1,146

See notes to financial statements.

Note 1 - Nature of Business

Hope College (the "College") is a four-year private residential college located in Holland, Michigan. The mission is to educate students for lives of leadership and service in a global society through academic and co-curricular programs of recognized excellence in the liberal arts and in the context of the historic Christian faith. The College is exempt from income taxes under Section 501(c)(3) of the Internal Revenue Code.

Note 2 - Significant Accounting Policies

Accrual Basis

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

Classification of Net Assets

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

Net assets without donor restrictions: Net assets that are not subject to donor-imposed restrictions or for which the donor-imposed restrictions have expired or been fulfilled. Net assets in this category may be expended for any purpose in performing the primary objective of the College.

Net assets with donor restrictions: Net assets subject to stipulations imposed by donors and grantors. Some donor restrictions are temporary in nature; those restrictions will be met by actions of the College or by the passage of time. Other donor restrictions are perpetual in nature, where the donor has stipulated the funds be maintained in perpetuity.

Earnings, gains, and losses on donor-restricted net assets are classified as net assets with donor restrictions due to restrictions by the donor or by applicable state law.

Cash Equivalents

The College considers all highly liquid investments with a maturity date of three months or less when purchased to be cash equivalents.

Concentration of Credit Risk Arising from Deposit Accounts

The College maintains cash balances at several banks. Accounts at each institution are insured by the Federal Deposit Insurance Corporation (FDIC) up to $250. As of June 30, 2025, the College had uninsured deposits totaling $6,120. The College evaluates the financial institutions with which it deposits funds; however, it is not practical to insure all cash deposits.

Investments

Investment in equity securities with readily determinable fair values and all investments in debt securities are reported at fair value, with gains and losses reported on the statement of activities and changes in net assets. Investments are stated at current market value based on quoted prices for publicly traded securities. Real estate investments are stated at cost on the date of acquisition or fair market value at the date of receipt in the case of gifts. Investments not publicly traded are either stated at cost, which approximates market, or at appraised market values when applicable. Hedge funds and alternatives are recorded at their most recent available valuation and updated for capital contributions and distributions. The net realized and unrealized appreciation (depreciation) in the market value of investments is included in the accompanying statement of activities and changes in net assets. Gains, losses, and investment income are reported as increases or decreases in unrestricted net assets unless their use is restricted by explicit donor stipulations or law.

Note 2 - Significant Accounting Policies (Continued)

Allowance for Current Expected Credit Losses

The College calculates the allowance on student accounts receivable and student loans receivable using an expected loss model. Each pool is evaluated individually but all consider the pool's actual historical loss rates adjusted for current economic conditions and reasonable and supportable forecasts. The allowance for credit losses on student accounts and loans receivable balances was approximately $516 as of June 30, 2025 and 2024. There is no allowance at June 30, 2025 and 2024 related to other notes receivable.

Contributions

Contributions, including unconditional promises to give in the future, are measured at fair value and reported as revenue when received. Donor promises to give in the future are recorded at the present value of estimated future cash flows. Contributions with donor-imposed time or purpose restrictions are reported as with donor-restricted support. Contributions resulting from split-interest agreements, measured at the time into which the agreements are entered, are based on the difference between the fair value of the assets received or promised and the present value of the obligation to the third-party recipients under the contract. All other contributions are reported as without donor restrictions. The College has adopted the policy of recording restricted contributions as unrestricted if the restriction is met and released in the same accounting period.

Inventories

Inventories consist of books, merchandise, and food supplies and are carried at the lower of cost or net realizable value determined by the first-in, first-out (FIFO) method.

Land, Buildings, and Equipment

Land, buildings, and equipment are recorded at cost on the date of purchase or at fair market value at the date of donation. Depreciation is computed on a straight-line basis over the estimated useful lives of the assets, which range from 5 to 50 years. Costs of maintenance and repairs are charged to expense when incurred.

Revenue Recognition

During 2025, the College recognized revenue from tuition and fees of $58,615 and from room and board of $29,033, respectively. Revenue for tuition and fees, net of tuition discounts; room and board; and other is recognized ratably over the applicable enrollment period or as earned. The nature, amount, timing, and uncertainty of the College's tuition and room and board revenue varies depending on the following factors:

- Student's in-state, out-of-state, or international status
- Student's enrollment status (e.g., freshman, senior, part-time, or full-time)
- Courses selected
- Scholarship discounts
- Housing assignment
- Meal plan options

For the year ended June 30, 2025, the closing and opening balances of the College's student accounts receivable were $418 and $451, respectively.

Note 2 - Significant Accounting Policies (Continued)

Timing of Satisfaction

The College typically satisfies its performance obligations over time as services are rendered because students typically obtain the benefits of such services as the services are performed. The College typically uses days elapsed during the semester to measure progress toward completion of performance obligations satisfied over time.

In some cases, the time required to render a service is trivially short; in those cases, the College satisfies its performance obligation upon completion of the service. The service is complete upon transfer of control to the service, which is based upon when the College has the right to payment and the student has accepted the service.

Significant Payment Terms

Payment for tuition and fees is typically due by the start of the semester. Invoices become available at least six weeks prior to the start of the semester. Payment for other services is typically due within 30 days after an invoice is sent. Invoices for other services are typically sent as soon as the service is completed. The College does not offer discounts if the student pays some or all of an invoice amount prior to the due date. Payment early in the applicable semester or service period is reflected as a deposit, while payment late in the applicable semester or service period is reflected as student accounts receivable.

Transaction Price

The transaction price of a contract with a student is the amount of consideration to which the College expects to be entitled in exchange for transferring promised services to the student.

To determine the transaction price of a contract, the College considers its customary business practices and the terms of the contract. For the purpose of determining transaction prices, the College assumes that the services will be transferred to the student as promised in accordance with the existing contracts and that the contracts will not be canceled, renewed, or modified.

For tuition and fees, the amount of consideration to which the College will be entitled is variable as long as a student can withdraw from the semester and receive a refund. The College excludes estimated refunds from the transaction price (and from the disclosure of the amounts of transaction prices allocated to remaining performance obligations). The College also maintains appropriate accounts to reflect the effects of expected refunds on the College's financial position and periodically adjusts those accounts to reflect its actual refund experience. The College estimates refunds using historical and projected refund and enrollment trends.

At the end of each fiscal year, the College updates the estimated transaction prices of contracts having unsatisfied performance obligations. At that time, revenue and related account balances are adjusted to reflect any changes in transaction prices.

Scholarship Discounts and Allowances

Student tuition and fee revenue and certain other revenue from students are reported net of scholarship discounts and allowances in the statement of activities and changes in net assets. Scholarship discounts and allowances are the difference between the stated charge for goods and services provided by the College and the amount that is paid by students and/or third parties making payments on the students' behalf. Certain governmental grants and other federal, state, or nongovernmental programs are recorded as either operating or nonoperating revenue in the College's financial statements. To the extent that revenue from such programs is used to satisfy tuition and fees and other student charges, the College has recorded a scholarship discount and allowance.

Note 2 - Significant Accounting Policies (Continued)

Federal Financial Assistance Programs

The College participates in federally funded Pell Grants; SEOG; and Federal Work-Study, federal direct lending, and Perkins Loan programs. Federal programs are audited in accordance with the Single Audit Act Amendments of 1996; the U.S. Office of Management and Budget's *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (commonly called the "Uniform Guidance"); and the *Compliance Supplement*.

During fiscal year 2025, the College distributed $12,305 for direct lending through the U.S. Department of Education, which is not included as revenue and expenditures in the accompanying financial statements.

Grant Revenue

Revenue from government grant and contract agreements is considered a nonexchange transaction and is recognized as the conditions of the grants have been met. Revenue from private grant agreements with donor-imposed time or purpose restrictions are reported as with donor-restricted support. Grant awards available for which conditions have not yet been met as of June 30, 2025 total $2,685.

Measure of Operations

The College's measure of operations, as presented in the statement of activities and changes in net assets, includes revenue from tuition (net of certain institutional financial aid and discounts) and fees, grants and contracts, auxiliary activities (room and board), contributions for operating programs, and other revenue. Operating expenses are reported on the statement of activities and changes in net assets by functional classification.

The College's nonoperating activity within the statement of activities and changes in net assets includes endowment and other restricted contributions, investment income net of annual endowment spending draw, changes in the fair value of split-interest agreements and interest rate swaps, and long-term benefit plan obligation funding changes. These activities are not considered part of the College's operating cycle.

Functional Allocation of Expenses

Program expenses on the statement of activities and changes in net assets are classified as instruction, student services, research, and auxiliary activities. Support and administrative expenses include academic support and institutional support. Fundraising costs have been identified separately on the statement of activities and changes in net assets. Although the methods of allocation used are considered appropriate, other methods could be used that would produce different amounts.

Use of Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenue and expenses during the reporting period. Actual results could differ from those estimates.

Risks and Uncertainties

The College invests in various investment securities. Investment securities are exposed to various risks, such as interest rate, 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 those changes could materially affect the amounts reported in the statement of financial position.

(all amounts in thousands)

Note 2 - Significant Accounting Policies (Continued)

Comparative Information

The financial statements include certain prior year summarized comparative information in total but not by net asset class. Such information does not include sufficient detail to constitute a presentation in conformity with accounting principles generally accepted in the United States of America. Accordingly, such information should be read in conjunction with the College's financial statements for the year ended June 30, 2024, from which the summarized information was derived.

Reclassification

The College reclassified 2024 expense amounts previously reported as Sales and Services in the Statement of Activities totaling $2,488 to other operating expense categories including Auxiliary Activities, Student Services and Institutional Support to conform with 2025 presentation. The reclassification had no impact on the statement of financial position, total operating revenue, expenses, net position or cash flows.

Subsequent Events

The financial statements and related disclosures include evaluation of events up through and including December 2, 2025, which is the date the financial statements were available to be issued.

Note 3 - Liquidity and Availability of Resources

The following reflects the College's financial assets as of June 30, 2025, reduced by amounts not available for general use because of contractual or donor-imposed restrictions within one year of the date of the statement of financial position:

Cash and cash equivalents	$ 24,929
Accounts and government grants receivable	4,169
Contributions receivable	7,833
Investment proceeds receivable	1
Investments	331,412
Financial assets - At year end	368,344
Less those unavailable for general expenditures within one year due to contractual or donor-imposed restrictions:	
Restricted by donor with time or purpose restrictions	285,940
Subject to appropriation and satisfaction of donor restrictions	11,774
Investments held in annuity trust	3,983
Financial assets available to meet cash needs for general expenditures within one year	$ 66,647

None of these financial assets are subject to donor or other contractual restrictions that make them unavailable for general expenditure within one year of the date of the statement of financial position.

The College's cash flows have seasonal variations during the year attributable to tuition billing and concentration of contributions received at calendar and fiscal year end. The College manages its financial assets to be available as its general expenditures, liabilities, and other obligations come due. In addition, the College invests cash in excess of daily requirements in various short-term investments, including certificates of deposit and short-term treasury instruments.

The College also realizes there could be unanticipated liquidity needs and has undrawn available lines of credit in the amount of approximately $12,000 at June 30, 2025, which it could draw upon to satisfy general expenditures, if needed, as further described in Note 9.

(all amounts in thousands)

Note 3 - Liquidity and Availability of Resources (Continued)

The College's endowment funds consist of donor-restricted endowments and a quasi endowment totaling $328,088 at June 30, 2025. Included in this amount is $84,169 of accumulated investment gains on donor-restricted endowments that is restricted for specific purposes. Currently, these funds are not available for general expenditure; however, the College could access these funds through donor and board approval, if needed, although the College has no immediate plans to do so. Additionally, the College does not intend to spend from its quasi endowment, other than amounts appropriated for general expenditure as part of its annual budget approval and appropriation process; however, amounts from its quasi endowment could be made available, if necessary. Of the investments held within the quasi endowment and donor-restricted endowments, approximately 22.9 percent could be liquidated daily and 5.5 percent could be liquidated weekly, with an additional 11.4 percent that could be liquidated monthly (see Note 5 for disclosures about the investments).

Note 4 - Net Assets

Net assets with donor restrictions as of June 30, 2025 are available for the following purposes:

Subject to expenditures for a specified purpose:	
Unexpended funds received and restricted by donor-specified use	$ 11,736
Unexpended funds received for investment in property and equipment	2,594
Total subject to expenditures for a specified purpose	14,330
Subject to the passage of time - Annuity funds	3,983
Subject to the College's spending policy and appropriation - Unspent accumulated earnings on endowment funds	84,169
Held in perpetuity:	
Loan funds	238
Endowment funds	197,301
Total held in perpetuity	197,539
Total net assets with donor restrictions	$ 300,021

Note 5 - Investment Earnings

Investment gain included in the accompanying statement of activities and changes in net assets is as follows:

Investment fees - Net of dividends and interest	$ (322)
Net realized and unrealized gains	29,280
Total	$ 28,958

Investment gain is reported as the following:

Endowment income recognized under spending policy	$ 14,787
Dividend, interest, and other losses on nonendowed investments - Net of fees	538
Net gain on investments - Net of endowment income realized under spending policy	13,633
Total	$ 28,958

There was $5,245 of fees netted against investment income for the year ended June 30, 2025.

Note 6 - Fair Value Measurements

Accounting standards require certain assets and liabilities be reported at fair value in the financial statements and provide a framework for establishing that fair value. The framework for determining fair value is based on a hierarchy that prioritizes the inputs and valuation techniques used to measure fair value.

Fair values determined by Level 1 inputs use quoted prices in active markets for identical assets or liabilities that the College has the ability to access.

Fair values determined by Level 2 inputs use other inputs that are observable, either directly or indirectly. These Level 2 inputs include quoted prices for similar assets and liabilities in active markets and other inputs, such as interest rates and yield curves, that are observable at commonly quoted intervals.

Level 3 inputs are unobservable inputs, including inputs that are available in situations where there is little, if any, market activity for the related asset or liability. These Level 3 fair value measurements are based primarily on management's own estimates using pricing models, discounted cash flow methodologies, or similar techniques taking into account the characteristics of the asset or liability.

In instances where inputs used to measure fair value fall into different levels in the above fair value hierarchy, fair value measurements in their entirety are categorized based on the lowest level input that is significant to the valuation. The College's assessment of the significance of particular inputs to these fair value measurements requires judgment and considers factors specific to each asset or liability.

(all amounts in thousands)

Note 6 - Fair Value Measurements (Continued)

The following table presents information about the College's assets and liabilities measured at fair value on a recurring basis at June 30, 2025 and the valuation techniques used by the College to determine those fair values:

	Assets and Liabilities Measured at Fair Value on a Recurring Basis at June 30, 2025			
	Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)	Balance at June 30, 2025
Assets				
Common stocks:				
Domestic stocks	$ 23,271	$ -	$ -	$ 23,271
Global equity (domestic/international)	53,604	-	-	53,604
Total common stocks	76,875	-	-	76,875
Fixed income:				
Federal, government, and agency bonds	-	14,867	-	14,867
Corporate bonds	-	7,315	-	7,315
Money markets and CDs	-	2,484	-	2,484
Other - Beneficial interest in trusts	-	-	1,560	1,560
Total	$ 76,875	$ 24,666	$ 1,560	103,101
Investments measured at NAV:				
Hedge funds				51,283
Commodities and real assets				1,286
Private equity				113,026
Mutual funds - Domestic equity				41,998
Mutual funds - Emerging markets equity				6,798
Mutual funds - International equity				15,480
Total investments measured at NAV				229,871
Total assets				$ 332,972
Liabilities - Interest rate swap agreements	$ -	$ 437	$ -	$ 437

(all amounts in thousands)

Note 6 - Fair Value Measurements (Continued)

The following table summarizes the valuation methods and inputs used to determine fair value at June 30, 2025 for assets measured at fair value on a recurring basis using unobservable inputs (Level 3 inputs):

	Fair Value at June 30, 2025	Valuation Technique	Unobservable Inputs	Ranges of Inputs
Assets:				
Beneficial interest in lead trusts	$ 712	Discounted cash flow	Life expectancy Risk-free rate	20 - 100 years 5.25% - 7.75%
Beneficial interest in perpetual trusts	$ 848	Present value of estimated distributed income	Market value of underlying assets and distributions	N/A

Investments in Entities that Calculate Net Asset Value per Share

The College holds shares or interests in investment companies at year end where the fair value of the investment held is estimated based on net asset value per share (or its equivalent) of the investment company.

At year end, the fair value, unfunded commitments, and redemption rules of those investments are as follows:

	Investments Held at June 30, 2025			
	Fair Value	Unfunded Commitments	Redemption Frequency, if Eligible	Redemption Notice Period
Hedge - Event driven (a)	$ 6,336	$ -	Quarterly - Annually	45-90 Days
Hedge - Directional equity (b)	36,550	-	Quarterly - Annually	45-90 Days
Hedge - Fund of hedge funds (c)	8,397	-	Quarterly - Annually	60-90 Days
Real estate private equity (d)	1,286	8,716	Illiquid	Illiquid
Private equity (e)	113,026	40,511	Illiquid	Illiquid
Mutual funds (f)	64,276	-	Quarterly	60 days
Total	$ 229,871	$ 49,227		

a) Event driven - This strategy involves taking a long or short position in any security (stock, bond, or loan) of a corporation that is undergoing some corporate event. Events include merger, acquisition, spinoff, bankruptcy, and restructuring. For instance, in a merger or acquisition, event-driven managers usually buy the stock of the company that is being acquired and sell short the stock of the company that it is acquiring, a trade that makes money if and when the two companies consummate their merger. In other types of corporate events, such as bankruptcy, event-driven managers usually use the bankruptcy to purchase the bonds or loans of the bankrupt company in order to profit from the company's restructuring, either through price appreciation of the security purchased, or through actively working with the company to restructure.

b) Directional equity - This strategy involves buying stock long and selling stock short in order to produce a portfolio that is exposed to far less market exposure than traditional long-only portfolios of stocks. Managers make decisions on which stocks to buy long and which to sell short by using any number of multiple styles, including computer models to model the fundamental health and technical stock movement of companies and traditional fundamental analysis of a company's value and growth prospects.

(all amounts in thousands)

Note 6 - Fair Value Measurements (Continued)

c) Fund of hedge funds - This strategy involves generating returns through diversified portfolios of hedge funds and hedge fund strategies. It should be expected that this asset class will have varying levels of exposure to all of the various hedge fund strategies previously identified. The investments in this asset class will be made in securities of offshore corporations and will have an identifiable, although thinly traded, market for liquidity.

d) Real estate private equity - This strategy involves generating returns predominately through the identification of undervalued or mispriced real estate assets or real estate-related companies. Investments would be expected to be made through either public or private equity securities, convertible notes or warrants, or other acquired or originated debt securities. The exposure within this asset class would be expected to be predominately long-only exposure and will generally be maintaining a long exposure to direct real estate assets or real estate-related companies and securities. Additionally, it is not expected that these assets would be held as marketable securities with an active or easily identifiable market; however, the asset class overall would be expected to generate some level of current income. This exposure is obtained primarily through investments in long-dated limited partnership vehicles and is considered illiquid.

e) Private equity - Domestic - This strategy involves making investments through limited partnership structures and is illiquid in nature. Investments are typically made in unlisted companies (companies not traded on public exchanges), or, in some cases, listed companies are purchased and taken private. Private equity encompasses a broad array of strategies and securities. Buyout, growth equity, and venture capital strategies purchase equity in private companies at different stages of the company's life cycle. Other strategies, such as mezzanine or special situations, will invest in debt, preferred equity, or other parts of a company's capital structure. Investments may be in any sector of the economy or geography in the United States, although funds will typically specialize in specific industries and regions.

f) Mutual funds - This strategy is to provide endowment funds and nonprofit organizations long-term capital growth. These funds invest in a portfolio of equity investments in small capitalization issuers domiciled in the U.S. and internationally or whose securities are principally traded in the U.S. and internationally. The equity investments may include common stock, preferred stock, securities convertible into common stock, warrants, rights, and American and international depositary receipts. In addition, such investments may include futures, options, swaps, and other instruments with similar economic exposures.

Note 7 - Contributions Receivable

Contributions receivable are recorded at their net present value using a discount rate equal to the 30-year Treasury bond rate on June 30 of the year in which the gift was received (ranging from 1.41 percent to 4.78 percent). The contributions have been made primarily for capital and operating purposes and are expected to be received as follows as of June 30, 2025:

Gross promises to give before unamortized discount	$ 8,608
Less allowance for uncollectible contributions	(278)
Less allowance for net present value discount	(497)
Net contributions receivable	$ 7,833
Amounts due in:	
Less than one year	$ 3,509
One to five years	5,099
Total	$ 8,608

As of and for the year ended June 30, 2025, the College received contributions totaling $3,373 and held contributions receivable of $3,000 from board members and members of management.

(all amounts in thousands)

Note 8 - Land, Buildings, and Equipment

Land, buildings, and equipment consist of the following as of June 30, 2025:

Land and land improvements	$ 26,600
Buildings	306,256
Equipment and other	42,649
Construction in progress	11,155
Total cost	386,660
Less accumulated depreciation	178,300
Net land, buildings, and equipment	$ 208,360

Depreciation expense was $12,637 for the year ended June 30, 2025.

Note 9 - Notes Payable and Long-term Debt

The College has notes payable as of June 30, 2025 as follows:

Michigan Finance Authority General Revenue and Refunding Variable Rate Demand Bonds, Series 2015 - In the amount of $13,940, issued to advance refund the remaining portion of the Series 2004 bonds, due serially each April 1 in amounts ranging from $590 to $795, plus interest payable monthly at a variable weekly rate. The 2015 bonds mature in fiscal year 2034	$ 6,370
Michigan Finance Authority General Revenue and Refunding Variable Rate Demand Bonds, Series 2023 - In the amount of $20,940, issued to advance refund the remaining portion of the Series 2012 and 2013 bonds, due serially each March 1 in amounts ranging from $21 to $1,845, plus interest payable monthly at a variable rate. The 2023 bonds mature in fiscal year 2048	20,898
Total	$ 27,268

The above debt is unsecured, and the revenue of the College is pledged as collateral to the debt. The bonds are subject to various financial covenants.

The balance of the above debt matures as follows:

2026	$ 647
2027	723
2028	736
2029	764
2030	788
Thereafter	23,610
Total	$ 27,268

The College had an unsecured line of credit with a bank, which had available borrowings of $12,000. Interest was payable monthly at a rate of SOFR plus 1.75 percent, with a floor of 2 percent. The line expires on March 31, 2027, with no borrowings outstanding.

Note 10 - Derivative Financial Instruments

The College is exposed to certain risks in the normal course of its business operations. The main risks are those relating to the variability of future earnings and cash flows, which are managed through the use of derivatives. All derivative financial instruments are reported in the statement of financial position at fair value.

(all amounts in thousands)

Note 10 - Derivative Financial Instruments (Continued)

In particular, interest rate swaps are used to manage the risk associated with interest rates on variable-rate borrowings.

Any gains or losses recognized on derivatives are recognized in current year earnings.

Below is a summary of the swaps held by the College as of June 30, 2025:

	Outstanding Notional Amount	Effective Date	Fixed Rate Paid	Variable Rate Received	Fair Values	Swap Termination Date	Counterparty
Series 2002B and Series 2004, refunded by Series 2013 and Series 2015	$ 18,000	March 1, 2023	3.8845%	SOFR	$ 610	April 1, 2034	JPMorgan Chase
Series 2012	11,090	March 1, 2023	2.195%	80% of SOFR	(173)	April 1, 2032	PNC Bank

An unrealized gain totaling $385 is included as a fair value adjustment to nonoperating revenue for the year ended June 30, 2025. The realized loss in the amount of $108 has been recognized in interest expense for the year ended June 30, 2025.

Note 11 - Beneficial Interest and Obligations Under Split-interest Agreements

The College is party to split-interest agreements with certain donors. These agreements include contracts entered into with certain donors and trust agreements from which the College benefits (matching unitrusts, pooled life revenue funds, and irrevocable trusts). Under each agreement, the donor has contributed funds to be held in trust, with the College as the beneficiary. As a condition of accepting the gift, the College is required to pay a specified amount each year to the donor or a designated beneficiary until his or her death. Upon death of the beneficiaries, the remaining funds become the property of the College. The market value of assets related to these agreements totals $9,806 and is included in cash and cash equivalents and investments.

Net assets related to these agreements are classified as with donor restrictions based on donor stipulations.

Obligations under split-interest agreements represent the present value of future payments to beneficiaries required under the agreements. The present value is computed based on the normal life expectancy of the beneficiaries using discount rates ranging from 1.41 percent to 7.00 percent.

The College is also named as the beneficiary on certain charitable remainder trusts, lead trusts, and perpetual trusts.

The assets of the lead trusts are held with third-party trustees, and the College is designated as a beneficiary to receive distributions from the trusts for a designated period of time. The moneys received from these lead trusts are treated as restricted income. Income distributions restricted for scholarships and the sciences received from these trusts totaled approximately $122 for the year ended June 30, 2025. The beneficial interest amounts under these agreements represent the College's designated value of the underlying investments in the trust and amounted to $712 as of June 30, 2025.

The assets of the perpetual trusts are held with third-party trustees, and the College is designated as a beneficiary to receive distributions from the earnings of the trusts at least annually. The moneys received from these irrevocable trusts are treated as restricted income. Income distributions restricted for scholarships and the sciences received from these trusts totaled approximately $87 for the year ended June 30, 2025. The beneficial interest amounts under these agreements represent the College's designated value of the underlying investments in the trusts and amounted to $848 as of June 30, 2025.

(all amounts in thousands)

Note 12 - Donor-restricted and Board-designated Endowments

The College's 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.

Interpretation of Relevant Law

The College is subject to the Uniform Prudent Management of Institutional Funds Act (UPMIFA) and, thus, classifies amounts in its donor-restricted endowment funds as net assets with donor restrictions because those net assets are time restricted until the board of trustees appropriates such amounts for expenditures. Most of those net assets also are subject to purpose restrictions that must be met before reclassifying those net assets to net assets without donor restrictions. The board of trustees of the College had interpreted UPMIFA as not requiring the maintenance of purchasing power of the original gift amount contributed to an endowment fund, unless a donor stipulates the contrary. As a result of this interpretation, when reviewing its donor-restricted endowment funds, the College considers a fund to be underwater if the fair value of the fund is less than the sum of (a) the original value of initial and subsequent gift amounts donated to the fund and (b) any accumulations to the fund that are required to be maintained in perpetuity in accordance with the direction of the applicable donor gift instrument. The College has interpreted UPMIFA to permit spending from underwater funds in accordance with the prudent measures required under the law. Additionally, in accordance with UPMIFA, the College considers the following factors in making a determination to appropriate or accumulate donor-restricted endowment funds:

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

	Endowment Net Asset Composition by Type of Fund as of June 30, 2025		
	Without Donor Restrictions	With Donor Restrictions	Total
Board-designated endowment funds	$ 32,746	$ -	$ 32,746
Donor-restricted endowment funds:			
Original donor-restricted gift amount and amounts required to be maintained in perpetuity by the donor	-	197,301	197,301
Accumulated investment gains	13,872	84,169	98,041
Total	$ 46,618	$ 281,470	$ 328,088

(all amounts in thousands)

Note 12 - Donor-restricted and Board-designated Endowments (Continued)

	Changes in Endowment Net Assets for the Fiscal Year Ended June 30, 2025		
	Without Donor Restrictions	With Donor Restrictions	Total
Endowment net assets - Beginning of year	$ 46,129	$ 263,786	$ 309,915
Investment return:			
Investment loss	-	(1,945)	(1,945)
Appreciation in fair value	1,825	26,387	28,212
Total investment return	1,825	24,442	26,267
Contributions	-	8,491	8,491
Appropriation of endowment assets for expenditure	(1,336)	(15,249)	(16,585)
Endowment net assets - End of year	$ 46,618	$ 281,470	$ 328,088

Underwater Endowment Funds.

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 College to retain as a fund of perpetual duration. Deficiencies of this nature exist in nine donor-restricted endowment funds, which together have an original gift value of $352, a current fair value of $348, and a deficiency of $4 as of June 30, 2025. These deficiencies resulted from unfavorable market fluctuations that occurred shortly after the investment of new contributions for donor-restricted endowment funds and continued appropriation for certain programs that was deemed prudent by the board of trustees.

Return Objectives and Risk Parameters

The College has adopted a policy to ensure a total return (yield plus capital appreciation) necessary to preserve and enhance (in real dollar terms) the principal of the funds and at the same time provide a dependable source of support for current projects of the College.

Strategies Employed for Achieving Objectives

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

Spending Policy and How the Investment Objectives Relate to Spending Policy

The College has adopted a policy to utilize a spending rate up to 5.5 percent of the trailing 12-quarter moving average of the fund's marketable securities. For the year ended June 30, 2025, the College used a rate of 5.1 percent. The College has established an unrestricted endowment fund balance that meets or exceeds any deficiencies in donor-restricted endowments.

(all amounts in thousands)

Note 13 - Employee Retirement Plans

The College has the following employee retirement benefit plans that cover substantially all nonstudent employees:

1966 Plan

This is a defined contribution plan covering substantially all regular faculty members, administrative employees, and other employees. The College contributes 10.5 percent of the regular compensation of covered employees after each payroll to TransAmerica Retirement Solutions, which then allocates those dollars to each employee's designated investment choice. Total contributions to the plan by the College were $5,118 in 2025. Employees may also make voluntary contributions to the plan up to certain limitations allowed by law. All contributions vest immediately.

Early Retirement Program

An early retirement program is available to tenured faculty members who have reached the age of 60 and have completed at least 10 years of full-time service to the College. A discount rate of 5.14 percent was used to calculate the liability for this program. This program is in effect until July 31, 2026, at which time it shall terminate unless it is renewed by the College's board of trustees.

Postretirement Benefits

The College also provides health care benefits to faculty who retire after attaining age 60 with 10 years of service and to all retirees beginning at age 65. Effective April 1995, this plan was amended to discontinue offering postemployment health insurance to new employees hired after June 1, 1995. Employees hired after June 1, 1995 can receive retiree health insurance but will be required to pay 100 percent of the monthly premiums. Effective January 1, 2005, the plan was further amended to include a level of retiree contribution by employees hired before June 1, 1995 based upon years of service and employment date. A discount rate of 5.14 percent was used to calculate the benefit.

The change in the accumulated postretirement benefit costs and other employee retirement plans for the year ended June 30, 2025 is as follows:

	Early Retirement Program	Postretirement Benefits Plan
Accumulated benefit costs - July 1, 2024	$ 978	$ 2,209
Service costs on benefits earned	70	60
Interest costs on accumulated benefit obligation	42	97
Deferral of prior service cost	-	(216)
Recognition of net actuarial gain	(25)	(217)
Net periodic benefit cost	87	(276)
Expected benefit payments - Net of retiree payments	(82)	(220)
Unrecognized actuarial gain	217	828
Accumulated benefit costs - June 30, 2025	$ 1,200	$ 2,541

The primary source of actuarial gain recognized above relates to a change in the actuarial discount rate. The service cost on the benefit earned in the above table is included in operating expenses. The remaining components of the postretirement benefit expense are included as nonoperating.

(all amounts in thousands)

Note 13 - Employee Retirement Plans (Continued)

The expected benefits to be paid in the next fiscal years are as follows:

Years Ending	Early Retirement Program	Postretirement Benefits	Total
2026	$ 353	$ 350	$ 703
2027	62	276	338
2028	66	242	308
2029	85	235	320
2030	95	240	335
2031-2035	438	998	1,436

The 2025 costs related to the postretirement plan were developed based on the health insurance plan in effect at June 30, 2025. For the year ended June 30, 2025, the actuary assumed that retiree medical cost increases would be 3 percent. The health care cost trend rate assumption significantly affects the amounts reported. For example, a 1 percentage point increase would increase the accumulated postretirement benefit obligation by $174, and a 1 percentage point decrease would decrease the accumulated postretirement benefit obligation by $143.

Note 14 - Self-insurance

The College has a self-insured medical plan covering all of its eligible employees. The College's individual excess risk benefit level per employee for the year ended June 30, 2025 was $350 for the first employee, with $300 for each employee thereafter. There is no total exposure limit. Claims paid and amounts expensed by the College under the plan were $9,322 for the year ended June 30, 2025. The College has recorded an accrual of $820 at June 30, 2025 for known claims and estimated claims incurred but not reported.

Note 15 - Functional Expenses

	Instruction	Research	Academic Support	Student Services	Auxiliary Activities	Fundraising	Institutional Support	Total
Salary and benefits	$ 37,288	$ 4,276	$ 9,002	$ 12,068	$ 8,236	$ 4,411	$ 10,300	$ 85,581
Depreciation	3,207	329	359	1,677	5,779	540	746	12,637
Interest	285	29	32	149	514	48	66	1,123
Utilities	532	55	60	285	2,359	89	245	3,625
Food service	119	83	155	778	10,744	169	152	12,200
Travel	1,070	401	776	2,024	184	255	435	5,145
Supplies	643	653	1,379	739	2,440	134	180	6,168
Other	1,411	2,263	1,530	3,466	3,777	781	3,659	16,887
Total	$ 44,555	$ 8,089	$ 13,293	$ 21,186	$ 34,033	$ 6,427	$ 15,783	$ 143,366

Expenses are presented by functional classification in accordance with the overall service mission of Hope College. Hope College's primary program service is academic instruction, which includes instruction, student services, auxiliary, and research. Expenses reported as fundraising, academic support, sales and services, and institutional support are incurred in support of this primary program activity. Depreciation, interest, and utilities expenses are allocated to program and supporting activities based upon periodic assessment of facilities usage. Although methods of allocation used are considered appropriate, other methods could be used that would produce different amounts.

Note 16 - Related Party Transactions

The College has a 49.7 percent interest in Creative Dining Services, Inc., which is reported under the equity method and included in the investments of the College. Creative Dining Services, Inc. provides dining and catering services to the West Michigan area and several other Midwestern states. Services acquired from Creative Dining Services, Inc. totaled $11,515 for the year ended June 30, 2025.

The College provides tuition grants to employees and dependents of employees under an employee tuition plan. Such individuals must meet certain employment and academic requirements. Benefits under the plan do not vest. Tuition grants related to this plan were $2,451 during 2025.

The College holds investments in its endowment funds that involve investment committee members and other related parties of the College that are involved in investment management for the College. The investment values totaled $8,397 at June 30, 2025.

Additional Information

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Independent Auditor's Report on Additional Information

To the Board of Trustees
Hope College

We have audited the financial statements of Hope College as of and for the year ended June 30, 2025 and have issued our report thereon dated December 2, 2025, 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 combining statement of financial position is presented for the purpose of additional analysis and is not a required part of the financial statements. Additionally, the financial responsibility supplemental schedule and notes to the financial responsibility schedule are also presented for the purpose of additional analysis, as required by Title 34 U.S. *Code of Federal Regulations* (CFR) Section 668.172, *Department of Education Financial Ratios*, and are also 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 information is fairly stated in all material respects in relation to the financial statements as a whole.

Plante & Moran, PLLC

December 2, 2025

Combining Statement of Financial Position

June 30, 2025

(with combined totals for June 30, 2024)
(in thousands)

	Current Unrestricted	Current Restricted	Plant	Endowment	Annuities	Agency	Student Loan	Total	2024
Assets									
Cash and cash equivalents	$ 1,528	$ 20,761	$ (2,063)	$ 3,564	$ -	$ 316	$ 823	$ 24,929	$ 28,569
Investments	-	-	-	321,606	9,806	-	-	331,412	311,449
Receivables - Net of allowances:									
Student accounts and loans receivable - Less allowance for credit losses of $516 at June 30, 2025 and 2024	72	-	-	-	-	-	498	570	907
Contributions receivable	-	2,114	2,836	2,883	-	-	-	7,833	7,384
Government grants receivable	-	366	-	-	-	-	-	366	864
Other receivables	2,635	58	8	1	5	11	-	2,718	2,211
Inventory and other assets	912	-	-	-	-	-	-	912	883
Prepaid and deferred expenses	1,439	-	204	-	-	-	-	1,643	1,565
Beneficial interest in trusts	-	1,367	-	193	-	-	-	1,560	1,528
Land, buildings, and equipment - Net	-	-	208,360	-	-	-	-	208,360	211,910
Total assets	**$ 6,586**	**$ 24,666**	**$ 209,345**	**$ 328,247**	**$ 9,811**	**$ 327**	**$ 1,321**	**$ 580,303**	**$ 567,270**

Combining Statement of Financial Position (Continued)

June 30, 2025
(with combined totals for June 30, 2024)
(in thousands)

	Current Unrestricted	Current Restricted	Plant	Endowment	Annuities	Agency	Student Loan	Total	2024
Liabilities and Net Assets (Deficiency in Net Assets)									
Liabilities									
Accounts payable and tax withholdings	$ 3,895	$ 216	$ 1,319	$ 158	$ 3	$ -	$ -	$ 5,591	$ 7,642
Obligations under split-interest agreements	-	-	-	-	5,825	-	-	5,825	6,663
Accrued liabilities	1,619	-	1,101	-	-	-	-	2,720	3,159
Fair value of interest rate swaps	-	-	437	-	-	-	-	437	53
Refundable Federal Perkins Loan advances	-	-	-	-	-	-	797	797	1,260
Accumulated employee postretirement plans	2,541	-	-	-	-	-	-	2,541	2,209
Student and other deposits	1,436	-	-	-	-	327	-	1,763	684
Early retirement benefit	1,200	-	-	-	-	-	-	1,200	978
Notes payable	-	-	27,268	-	-	-	-	27,268	27,899
Total liabilities	10,691	216	30,125	158	5,828	327	797	48,142	50,547
Net Assets (Deficiency in Net Assets)									
Without donor restrictions	(4,105)	12,714	176,626	46,619	-	-	286	232,140	234,232
With donor restrictions	-	11,736	2,594	281,470	3,983	-	238	300,021	282,491
Total net assets (deficiency in net assets)	(4,105)	24,450	179,220	328,089	3,983	-	524	532,161	516,723
Total liabilities and net assets (deficiency in net assets)	**$ 6,586**	**$ 24,666**	**$ 209,345**	**$ 328,247**	**$ 9,811**	**$ 327**	**$ 1,321**	**$ 580,303**	**$ 567,270**

Financial Responsibility Supplemental Schedule

Year Ended June 30, 2025
(in thousands)

Ratio	Section	Line item or subsection	Financial element needed to calculate the composite score ratios	Gross Amounts	Net Amounts
	Cross-reference to the financial statement line or note disclosure				
Primary Reserve Ratio:					
Expendable Net Assets:					
	Statement of Financial Position	Net assets without donor restrictions	Net assets without donor restrictions		$ 232,140
		Net assets with donor restrictions	Net assets with donor restrictions		300,021
	N/A	N/A	Secured and Unsecured related party receivable	$ 3,000	
	N/A	N/A	Unsecured related party receivable		3,000
	Statement of Financial Position	Land, buildings, and equipment - Net	Property, plant, and equipment, net (including construction in progress)	386,660	208,360
	N/A	Notes to SI	Property, plant, and equipment, net - Pre-implementation less any construction in progress		151,237
	N/A	Notes to SI	Property, plant, and equipment, net - Post-implementation less any construction in progress without outstanding debt for original purchase		45,968
	Financial Statement Footnotes	Note 8 - Construction in progress	Construction in progress		11,155
	N/A	N/A	Lease right-of-use asset		-
	N/A	N/A	Lease right-of-use asset - Pre-implementation		-
	N/A	N/A	Lease right-of-use asset - Post-implementation		-
	N/A	N/A	Intangible assets		-
	Statement of Financial Position	Accumulated employee postretirement plan and Early retirement benefit	Post-employment and defined pension plan liabilities		3,741
	N/A	N/A	Long-term debt - For long-term purposes and construction in process debt		-
	Statement of Financial Position	Notes payable	Long-term debt for long-term purposes - Pre-implementation		27,268
	N/A	N/A	Qualified long-term debt for long-term purposes - Post-implementation for purchase of property, plant, and equipment		-
	N/A	N/A	Line of credit for construction in process		-
	N/A	N/A	Lease right-of-use asset liability		-
	N/A	N/A	Pre-implementation right-of-use asset liability		-
	N/A	N/A	Post-implementation right-of-use asset liability		-
	Statement of Financial Position	Obligations under split-interest agreements	Annuities with donor restrictions		5,825
	N/A	N/A	Term endowments with donor restrictions		-
	N/A	N/A	Life income funds with donor restrictions		-
	Financial Statement Footnotes	Note 4 - Net Assets, Total held in perpetuity	Net assets with donor restrictions: restricted in perpetuity		197,539
Total Expenses and Losses:					
	Statement of Activities and Changes in Net Assets	Total expenses	Total expenses without donor restrictions		143,366
	Statement of Activities and Changes in Net Assets	Change in value and payments made on split-interest agreements, change in value of swap agreement and change in value of postretirement liability	Non-operating and net investment (loss)		(1,400)
	N/A	N/A	Net investment losses		-
	N/A	N/A	Pension-related changes other than net periodic costs		-

Financial Responsibility Supplemental Schedule

Year Ended June 30, 2025
(in thousands)

Ratio	Cross-reference to the financial statement line or note disclosure: Section	Line item or subsection	Financial element needed to calculate the composite score ratios	Gross Amounts	Net Amounts
Equity Ratio:					
Modified Net Assets:					
	Statement of Financial Position	Net assets without donor restrictions	Net assets without donor restrictions		$ 232,140
		Net assets with donor restrictions	Net assets with donor restrictions		300,021
	N/A	N/A	Intangible assets		-
	N/A	N/A	Secured and Unsecured related party receivable	$ 3,000	
	N/A	N/A	Unsecured related party receivable		3,000
Modified Assets:					
	Statement of Financial Position	Total assets	Total assets		580,303
	N/A	N/A	Lease right-of-use asset - Pre-implementation		-
	N/A	N/A	Pre-implementation right-of-use liability		-
	N/A	N/A	Intangible assets		-
	N/A	N/A	Secured and Unsecured related party receivable	3,000	
	N/A	N/A	Unsecured related party receivable		3,000
Net Income Ratio:					
Change in Net Assets Without Donor Restrictions	Statement of Activities and Changes in Net Assets	Decrease in Net Assets Without Donor Restrictions	Change in net assets without donor restrictions		$ (2,092)
Total revenues and gains	Statement of Activities and Changes in Net Assets	Total operating revenue, gains and other support	Net assets released from restrictions, total operating revenue and other additions and sale of fixed assets, gains (losses)		125,398

Notes to the Financial Responsibility Supplemental Schedule

Year Ended June 30, 2025
(in thousands)

The accompanying Financial Responsibility Supplemental Schedule (the "Schedule") includes the information necessary to calculate the financial responsibility score required by the Department of Education and is presented on the accrual basis of accounting. The information in this schedule is presented in accordance with the requirements of 34 CFR 668.172 Department of Education Financial Ratios. Therefore, some amounts presented in this Schedule may differ from amounts presented in, or used in, the preparation of the basic financial statements.

The Department of Education modified the calculation of the financial responsibility ratio that is required to be computed by all schools that receive Title IV funding. This modification requires schools to disclose certain pre and post amounts relating to long-term debt, property plant and equipment and right of use leases.

Property, Plant, and Equipment, net		
1 Pre-implementation property, plant, and equipment, net (PP&E, net)		
a. Beginning pre-implementation property, plant and equipment, net as of beginning of year	$	161,200
b. Less subsequent depreciation and amortization		(9,963)
c. Less subsequent disposals		-
d. Ending pre-implementation property, plant, and equipment, net as of end of year		151,237
2 Post-implementation property, plant, and equipment, net acquired without debt:		
a. Beginning post-implementation property, plant, and equipment, net as of beginning of year		43,270
b. Long-lived assets acquired without use of debt		5,213
d. Transfer of post-implementation construction in progress placed into service (4c below)		159
e. Less subsequent depreciation and disposals		(2,674)
f. Ending post-implementation property, plant, and equipment, net as of end of year		45,968
3 Post-implementation construction in progress, acquired without debt:		
a. Beginning post-implementation construction in progress as of beginning of year		7,440
b. Construction in progress acquired without use of debt		3,874
c. Transfer construction in progress put into service (2d above)		(159)
d. Ending post-implementation construction in progress as of end of year		11,155
4 Total property, plant, and equipment, net as of end of year	$	208,360