Saint Francis University

Consolidated Financial Statements

June 30, 2014 and 2013

BAKER TILLY

Candor. Insight. Results.

formerly
PARENTEBEARD

Baker Tilly Virchow Krause, LLP
220 Regent Ct, Ste C
State College, PA 16801-7969
tel 814 237 6586
tel 800 267 9405
fax 888 264 9617
bakertilly.com

Independent Auditors' Report

Board of Trustees
Saint Francis University

We have audited the accompanying consolidated financial statements of Saint Francis University, which comprise the consolidated statement of financial position as of June 30, 2014 and 2013, and the related consolidated statements of activities and cash flows for the years then ended, and the related notes to the consolidated financial statements.

Management's Responsibility for the Financial Statements

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

Auditors' Responsibility

Our responsibility is to express an opinion on these consolidated financial statements based on our audits. We conducted our audits in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free from 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 auditors' 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 financial position of Saint Francis University as of June 30, 2014 and 2013, and the changes in its net assets and its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Baker Tilly Virchow Krause, LLP

State College, Pennsylvania
October 17, 2014

Saint Francis University

Consolidated Statement of Financial Position
June 30, 2014 and 2013

	2014	2013
Assets		
Cash and cash equivalents	$ 7,803,324	$ 9,280,269
Accounts receivable:		
Student, net	2,119,472	2,269,385
Government agencies	205,791	517,795
Other	570,338	2,869,629
Contributions receivable, net	1,046,854	2,004,662
Inventory	256,857	253,799
Prepaid expenses and other	983,167	810,575
Deferred financing costs, net	331,576	451,837
Investments	45,307,899	39,489,501
Restricted investments	-	7,656,042
Student loans receivable	1,242,950	1,371,714
Bond project fund	16	748,957
Sinking fund	2,385,927	2,392,568
Beneficial interest in remainder trust	41,567	35,108
Plant assets, net	64,447,767	61,722,005
Total assets	$ 126,743,505	$ 131,873,846
Liabilities and Net Assets		
Liabilities		
Accounts payable	$ 943,600	$ 896,186
Construction accounts payable	426,175	2,363,606
Accrued payroll and related liabilities	3,485,979	3,227,203
Deferred revenue	3,298,726	3,347,372
Other accrued liabilities	547,242	649,025
Student deposits and prepayments	597,899	952,472
Bonds payable	24,160,000	32,290,000
Notes payable	1,696,210	1,029,516
Obligations under capital leases	225,685	794,244
Annuities payable	35,002	36,787
Advance from federal government for student loans	1,318,649	1,307,802
Total liabilities	36,735,167	46,894,213
Net Assets		
Unrestricted	30,600,371	30,048,865
Temporarily restricted	35,016,433	30,879,060
Permanently restricted	24,391,534	24,051,708
Total net assets	90,008,338	84,979,633
Total liabilities and net assets	$ 126,743,505	$ 131,873,846

See notes to consolidated financial statements

Saint Francis University

Consolidated Statement of Activities
Year Ended June 30, 2014
(With comparative totals for 2013)

	2014				2013
	Unrestricted	Temporarily Restricted	Permanently Restricted	Total	Total
Operating Revenues					
Tuition and fees (net of scholarship allowances of $24,009,322 in 2014 and $22,760,837 in 2013)	$ 36,844,332			$ 36,844,332	$ 36,601,588
Federal grants and contracts	1,884,376			1,884,376	3,066,507
State and local grants	699,065			699,065	740,567
Private gifts, grants and bequests	928,689	$ 2,049,263	$ 335,612	3,313,564	3,317,581
Interest and dividends	256,580	652,865		909,445	945,519
Other income	3,183,597			3,183,597	2,927,302
Auxiliary enterprises (net of scholarship allowances of $919,259 in 2014 and $785,832 in 2013)	13,826,997			13,826,997	13,343,493
Net assets released from restrictions, satisfaction of time and purpose restrictions	2,955,322	(2,955,322)			
Total operating revenues	60,578,958	(253,194)	335,612	60,661,376	60,942,557
Operating Expenses					
Educational and general:					
Instructional	21,960,266			21,960,266	19,239,796
Research and public service	1,796,024			1,796,024	2,466,565
Academic support	1,773,610			1,773,610	1,779,072
Student services	14,135,184			14,135,184	13,169,812
Institutional support	11,782,830			11,782,830	11,627,973
Total educational and general	51,447,914			51,447,914	48,283,218
Auxiliary enterprises	9,711,559			9,711,559	9,618,855
Total operating expenses	61,159,473			61,159,473	57,902,073
(Decrease) Increase in Net Assets from Operating Activities	(580,515)	(253,194)	335,612	(498,097)	3,040,484
Nonoperating Activities					
Realized and unrealized gain on investments	1,131,977	3,831,239		4,963,216	3,550,285
Capital grants - state		557,127		557,127	5,480,318
Restoration of underwater endowments	44	(44)		-	-
Change in the valuation of split-interest agreements		2,245	4,214	6,459	3,795
Increase in net assets from nonoperating activities	1,132,021	4,390,567	4,214	5,526,802	9,034,398
Increase in Net Assets	551,506	4,137,373	339,826	5,028,705	12,074,882
Net Assets, Beginning of Year	30,048,865	30,879,060	24,051,708	84,979,633	72,904,751
Net Assets, End of Year	$ 30,600,371	$ 35,016,433	$ 24,391,534	$ 90,008,338	$ 84,979,633

See notes to consolidated financial statements

	Unrestricted	Temporarily Restricted	Permanently Restricted	Total
Operating Revenues				
Tuition and fees (net of scholarship allowances of $22,760,837)	$ 36,601,588			$ 36,601,588
Federal grants and contracts	3,066,507			3,066,507
State and local grants	740,567			740,567
Private gifts, grants and bequests	1,174,136	$ 1,048,608	$ 1,094,837	3,317,581
Interest and dividends	372,410	573,109		945,519
Other income	2,927,302			2,927,302
Auxiliary enterprises (net of scholarship allowances of $785,832)	13,343,493			13,343,493
Net assets released from restrictions, satisfaction of time and purpose restrictions	2,184,522	(2,184,522)		
Total operating revenues	60,410,525	(562,805)	1,094,837	60,942,557
Operating Expenses				
Educational and general:				
Instructional	19,239,796			19,239,796
Research and public service	2,466,565			2,466,565
Academic support	1,779,072			1,779,072
Student services	13,169,812			13,169,812
Institutional support	11,627,973			11,627,973
Total educational and general	48,283,218			48,283,218
Auxiliary enterprises	9,618,855			9,618,855
Total operating expenses	57,902,073			57,902,073
Increase (Decrease) in Net Assets from Operating Activities	2,508,452	(562,805)	1,094,837	3,040,484
Nonoperating Activities				
Realized and unrealized gain on investments	594,960	2,955,325		3,550,285
Capital grants - state		5,480,318		5,480,318
Restoration of underwater endowments	9,887	(9,887)		-
Change in the valuation of split-interest agreements		1,394	2,401	3,795
Increase in net assets from nonoperating activities	604,847	8,427,150	2,401	9,034,398
Increase in Net Assets	3,113,299	7,864,345	1,097,238	12,074,882
Net Assets, Beginning of Year	26,935,566	23,014,715	22,954,470	72,904,751
Net Assets, End of Year	$ 30,048,865	$ 30,879,060	$ 24,051,708	$ 84,979,633

Saint Francis University

Consolidated Statement of Cash Flows
Years Ended June 30, 2014 and 2013

	2014	2013
Cash Flows from Operating Activities		
Change in net assets	$ 5,028,705	$ 12,074,882
Adjustments to reconcile change in net assets to net cash provided by operating activities:		
Depreciation	3,811,802	3,487,146
Loss on disposal of plant assets	45,029	101,278
Realized and unrealized gains on investments	(4,963,216)	(3,550,285)
State grants for capital purposes	(557,127)	(5,480,318)
Private gifts restricted for long-term investment	(335,612)	(1,094,837)
Changes in split-interest agreements	(6,459)	(3,795)
Amortization of deferred financing costs	120,261	27,053
Changes in assets and liabilities:		
Accounts receivable	441,364	9,955
Contributions receivable	844,242	22,782
Inventory	(3,058)	15,584
Prepaid expenses and other	(172,592)	(155,341)
Accounts payable	195,105	(36,909)
Accrued payroll and related liabilities	258,776	236,088
Deferred revenue	(48,646)	(925,807)
Other accrued liabilities	(101,783)	(52,765)
Student deposits and prepayments	(354,573)	140,807
Net cash provided by operating activities	4,202,218	4,815,518
Cash Flows from Investing Activities		
Proceeds from sales of investments	24,458,548	6,768,401
Purchases of investments	(17,657,688)	(15,122,348)
Purchases of plant assets	(7,420,476)	(16,304,890)
Proceeds from the sale of plant assets	201,210	316,933
Change in bond project fund	(1,636,970)	13,206,940
Payments on student loans receivable	253,764	353,081
Student loans advanced	(125,000)	(264,400)
Net cash used in investing activities	(1,926,612)	(11,046,283)
Cash Flows from Financing Activities		
Payments on bonds and loans payable and capital leases	(9,480,314)	(2,295,095)
Payments of deferred financing costs	-	(133,275)
Proceeds from contributions restricted for long-term investments	449,178	344,559
Proceeds from capital grants	2,876,971	3,860,529
Proceeds from issuance of bonds	-	8,680,000
Decrease in sinking fund assets	2,392,552	76,374
Payment of annuity obligations	(1,785)	(32,252)
Net payments from refundable advances from government agencies	10,847	(3,559)
Net cash (used in) provided by financing activities	(3,752,551)	10,497,281
Net (Decrease) Increase in Cash and Cash Equivalents	(1,476,945)	4,266,516
Cash and Cash Equivalents, Beginning of Year	9,280,269	5,013,753
Cash and Cash Equivalents, End of Year	$ 7,803,324	$ 9,280,269
Supplemental Disclosure of Cash Flow Information,		
Cash paid for interest (excluding capitalized interest of $139,167 and $882,250 for 2014 and 2013 respectively)	$ 1,479,542	$ 786,452
Supplemental Disclosure of Noncash Investing and Financing Activities		
Plant assets in accounts payable	$ 387,146	$ 2,472,268
Asset acquired under capital lease	$ 28,344	$ 1,150,144

See notes to consolidated financial statements

1. Nature of Operations and Summary of Significant Accounting Policies

Nature of Operations

Saint Francis University (the "University") is a nonprofit educational institution located in Loretto, Pennsylvania. The University awards grants-in-aid and scholarships from its unrestricted and temporarily restricted net assets to individuals who meet the University's academic standards. The amounts of such awards are determined primarily based upon the academic performance of each applicant. Additional financial aid is provided to students from federal and state programs in which the University participates and from monies contributed to the University by alumni and friends.

DiSepio Institute for Rural Health and Wellness ("DIRHW"), a separate nonprofit organization, is a related party which requires consolidation under Financial Accounting Standards Board (FASB) guidance. DIRHW offers a series of health promotion and rehabilitation services to the University and surrounding community, particularly those who have limited resources and are underserved. DIRHW staff and members of the University's health and behavioral sciences departments pursue clinical research, engage in clinical teaching, and offer clinical services to members of the University and local communities.

The University evaluated subsequent events for recognition or disclosure through October 17, 2014, the date the financial statements were issued.

Principles of Consolidation

The consolidated financial statements include the accounts of the University and DIRHW. All significant intercompany balances and transactions have been eliminated in consolidation.

Accounts Receivable, Students

Accounts receivable, students are reported at net realizable value. Accounts receivable, students are not collateralized. Accounts are written off when they are determined to be uncollectible based upon management's assessment of individual accounts. The allowance for doubtful accounts is estimated based on the University's historical losses and periodic review of individual accounts.

Promises to Give

Unconditional promises to give that are expected to be collected in future years are recorded at the present value of estimated future cash flows. The discounts on those amounts are computed using a risk adjusted interest rate applicable to the year in which the promise is received. Amortization of the discount is included in contribution revenue.

Conditional promises to give are promises for which donor-imposed conditions specify future and uncertain events whose occurrence or failure to occur release the donors from the obligation to transfer assets in the future. If and when such conditions have been substantially met, these promises cease to be conditional, and revenues are recorded, as appropriate.

Donor-Restricted Gifts

All contributions are considered to be available for unrestricted use unless specifically restricted by the donor. Amounts received that are designated for future periods or restricted by the donor for specific purposes are reported as temporarily restricted or permanently restricted support that increases those net asset classifications. When a donor restriction expires, temporarily restricted net assets are reclassified as unrestricted net assets and reported in the statement of activities as net assets released from restrictions.

For contributed property and equipment and contributions restricted by donor for purchases of property and equipment, if donors stipulate how long the assets must be used, the contributions are recorded as restricted support. In the absence of such stipulations, these types of contributions are recorded as unrestricted support.

Investments

Equity securities with readily determinable fair values and debt securities are valued at fair value based on quoted market prices. Adjustments to reflect increases or decreases in market value, referred to as unrealized gains and losses, are reported in the statement of activities.

The cost of investments received as gifts is fair value as determined upon receipt. The cost of investments sold is determined by use of the specific identification method.

All realized and unrealized gains and losses arising from the sale or appreciation (depreciation) in fair value of investments, and all income from investments, are reported as changes in unrestricted net assets unless their use is temporarily or permanently restricted by explicit donor-imposed stipulations, or by law.

Alternative investments, representing ownership in private equity funds are valued at the net asset value equivalent of the underlying holdings.

The University's principal financial instruments subject to credit risk are its investments. The investments are managed by professional advisors subject to the University's investment policy. The degree and concentration of credit risk varies by type of investment. The fair values reported in the consolidated statement of financial position are exposed to various risks including changes in the equity markets, the interest rate environment, and general economic conditions. Due to the level of risk associated with certain investment securities and the level of uncertainty related to changes in the fair value of investment securities, it is reasonably possible that the amounts reported in the accompanying financial statements could change materially in the near term.

Deferred Financing Costs

Costs incurred in connection with debt financing are deferred and amortized over the term of the related debt using a method which approximates the interest method. Amortization expense was $120,261 in 2014 and $27,053 in 2013.

Plant Assets

Plant assets are stated at cost, if purchased, or fair market value at the date of gift, if donated, less accumulated depreciation, computed on a straight-line basis over their estimated useful lives: buildings (40-84 years); land improvements (20-40 years); furniture and equipment (2-10 years); vehicles (5 years). Library books are stated at cost and are depreciated on a straight-line basis over an estimated useful life of 7 years. Maintenance and repairs are charged to expense as incurred; replacements and betterments are capitalized.

Student Deposits and Prepayments

Tuition, fees, and room and board from currently enrolled students is billed in advance and is recognized as revenue when earned.

Advance from Federal Government for Student Loans

The University is a participant in the Federal Perkins Loan program, a program which makes student loans available to eligible participants. This program is funded by both the federal government and the University, with the portion estimated to be allocable to the federal government recorded as a liability in the consolidated statement of financial position, and the portion allocable to the University included in unrestricted net assets.

Temporarily and Permanently Restricted Net Assets

Temporarily restricted net assets are those whose use by the University has been limited to a specific time period or purpose. Permanently restricted net assets have been restricted by donors to be maintained by the University in perpetuity.

Tuition and Fees

Tuition and fees are presented net of grants-in-aid, scholarships, and fellowships.

Nonoperating Activities

For the purpose of the statement of activities, the University considers its changes in unrestricted net assets to be operational changes, except for changes related to gains or losses on investments, capital grants, and changes in the valuation of split-interest agreements.

Government Grants

Operating funds designated by government funding agencies for particular operating purposes are deemed to be earned and reported as revenues when the University has incurred expenditures in compliance with the contract.

Advertising Costs

Advertising costs are expensed as incurred and amounted to approximately $753,000 in 2014 and $637,000 in 2013.

Fund-Raising Costs

Fund-raising costs are expensed as incurred and amounted to approximately $1,169,000 in 2014 and $1,082,000 in 2013 and are included in institutional support in the statement of activities.

Cash Equivalents

For the purposes of the statement of cash flows, the University considered all highly liquid investments with original maturities of three months or less (excluding certain short-term instruments which are classified as investments) to be cash equivalents.

Functional Expenses

Depreciation of property and equipment, interest on long-term debt, and plant operations and maintenance costs are allocated to program and supporting activities based upon the facilities' primary uses.

Income Taxes

The University is a not-for-profit organization as described in Section 501(c)(3) of the Internal Revenue Code and is exempt from federal income taxes on related income pursuant to Section 501(a) of the Code.

The University accounts for uncertainty in income taxes using a recognition threshold of more-likely-than not to be sustained upon examination by the appropriate taxing authority. Measurement of the tax uncertainty occurs if the recognition threshold is met. Management determined there were no tax uncertainties that met the recognition threshold in fiscal 2014 and 2013.

The University's federal Organization Exempt from Income Tax Returns (990) and the Exempt Organization Business Income Tax Returns (990-T) subsequent to fiscal year 2010 remain subject to examination by the Internal Revenue Service.

The University's policy is to recognize interest related to unrecognized tax benefits in interest expense and penalties in operating expenses.

Title IV Requirements

The University participates in Government Student Financial Assistance Programs ("Title IV") administered by the U.S. Department of Education ("ED") for the payment of student tuitions. Substantial portions of the revenue and collection of ending accounts receivable as of June 30, 2014 and 2013 are dependent upon the University's continued participation in the Title IV programs.

Institutions participating in the Title IV programs are also required by ED to demonstrate financial responsibility. ED determines an institution's financial responsibility through the calculation of a composite score based upon certain financial ratios as defined in the regulations. Institutions receiving a composite score of 1.5 or greater are considered fully financially responsible. Institutions receiving a composite score between 1.0 and 1.4 are subject to additional monitoring, and institutions receiving a score below 1.0 are required to submit financial guarantees in order to continue participation in the Title IV programs. As of June 30, 2014 and 2013 and for the years then ended, the University's composite score exceeded 1.5.

Use of Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America 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 revenues and expenses during the reporting period. Actual results could differ from those estimates.

New Accounting Standards

In October 2012, the FASB issued ASU 2012-05, *Statement of Cash Flows (Topic 230): Not-for-Profit Entities: Classification of the Sale of Proceeds of Donated Financial Assets in the Statement of Cash Flows*. This amendment addresses the diversity in practice with regard to the presentation of cash receipts from the sale of donated assets in the statement of cash flows. Under this update, a non-for-profit entity is now required to classify cash receipts from the sale of donated financial assets as cash inflows from operating activities, unless the donor restricted the use of the contributed resources to long-term purposes, in which case those cash receipts should be classified as cash flows from financing activities. The adoption of this ASU did not have any impact on the University's financial position or results of operations.

In April 2013, the FASB issued ASU 2013-06, *Not-for Profit Entities (Topic 958): Services Received from Personnel of an Affiliate*. This amendment will require a recipient non-for-profit entity to recognize all services received from personnel of an affiliate that directly benefit the recipient not-for-profit entity. Such services will be required to be measured at the cost recognized by the affiliate for the personnel providing those services. However, if this measurement will significantly overstate or understate the value of the service received, the recipient not-for-profit entity may elect to recognize that service received at either the cost recognized by the affiliate for the personnel providing that service or the fair value of that service. This update is effective for the University's fiscal year beginning July 1, 2014. The guidance is prospective and management does not believe the adoption of this ASU will have a significant impact on the University's financial position or results of operations.

2. Accounts Receivable, Student

Accounts receivable, student represent amounts due for tuition, fees, and room and board from currently enrolled and former students. The University extended unsecured credit to students and parents of dependent students in connection with their studies. Some of those students are no longer enrolled in the University.

Student accounts receivable consists of the following at June 30:

	2014	2013
Accounts receivable	$ 2,379,472	$ 2,629,385
Allowance for doubtful accounts	(260,000)	(360,000)
Net	$ 2,119,472	$ 2,269,385

3. Contributions Receivable

Contributions receivable, including unconditional promises, are recognized as revenue when the donor's commitment is received. Unconditional promises to be received after one year are initially recognized at the estimated present value of future cash flows, net of allowances (fair value).

Contributions receivable at June 30 are as follows:

	2014	2013
In one year or less	$ 431,210	$ 472,040
Between one year and five years	1,036,751	1,710,940
More than five years	30,000	447,500
Allowance for doubtful collections	(342,194)	(475,617)
Discount	(108,913)	(150,201)
Contributions receivable, net	$ 1,046,854	$ 2,004,662

The net present value of these cash flows was determined by using risk adjusted discount rates between .33% and 4.17% to account for the time value of money for 2014 and 2013.

Management believes the University's allowance for doubtful collections at June 30, 2014 and 2013 is adequate based upon information currently known. However, events impacting donors can occur in subsequent years that may cause a material change in the allowance for doubtful collections.

4. Investments (including restricted investments)

Investments are as follows at June 30:

	2014	2013
Cash and cash equivalents	$ 2,576,321	$ 2,161,808
Mutual funds	17,817,301	15,238,882
Marketable equity securities	16,843,044	14,233,869
Bonds	6,897,761	14,413,426
Alternative investments	1,043,540	981,750
Cash surrender value of life insurance	129,932	115,808
Total	$ 45,307,899	$ 47,145,543

The following summarizes the composition of investment return for the years ended June 30:

	2014	2013
Interest and dividend income	$ 1,193,442	$ 1,200,549
Investment fees	(283,997)	(255,030)
Subtotal, operating activities	909,445	945,519
Realized gains on sale of investments	1,775,707	922,446
Unrealized gains on investments	3,187,509	2,627,839
Subtotal, non-operating activities	4,963,216	3,550,285
Net investment return	$ 5,872,661	$ 4,495,804

5. Fair Value Measurements and Other Financial Instruments

For financial instruments required to be measured at fair value on a recurring basis, fair value is defined as 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. Fair value is measured using a hierarchy prioritizing the inputs used in determining valuations into three levels. The level within the fair value hierarchy is based on the lowest level input that is significant to the fair value measurement.

The levels of the fair value hierarchy are as follows:

Level 1 - Unadjusted quoted prices in active markets that are accessible to the University for identical instruments.

Level 2 - Significant inputs, other than Level 1 inputs that are observable either directly or indirectly for substantially the full term of the instruments through corroboration with observable market data.

Level 3 - Significant unobservable inputs.

The following tables present the financial instruments measured at fair value as of June 30, 2014 and 2013 by caption on the consolidated statement of financial position by the valuation hierarchy defined above:

	2014			
	Level 1	**Level 2**	**Level 3**	**Total Fair Value**
Assets - reported at fair value:				
Investments (Note 4):				
Cash and cash equivalents	$ 2,576,321	$ -	$ -	$ 2,576,321
Equity mutual funds:				
Large cap	2,301,863	-	-	2,301,863
International	8,360,190	-	-	8,360,190
Growth	6,851	-	-	6,851
Real return	1,525,712	-	-	1,525,712
Fixed income mutual funds:				
Core fixed income	3,439,120	-	-	3,439,120
Short term	680,161	-	-	680,161
Inflation protected	1,503,404	-	-	1,503,404
Marketable equity securities:				
Large growth	53,762	-	-	53,762
Mid-cap	4,329,970	-	-	4,329,970
Large-cap	11,361,531	-	-	11,361,531
Small-cap	1,011,546	-	-	1,011,546
International	54,234	-	-	54,234
Other	32,001	-	-	32,001
Bonds:				
U.S. government	-	1,199,994	-	1,199,994
Asset backed	-	2,287,786	-	2,287,786
U.S. corporate	-	2,922,523	-	2,922,523
International	-	487,458	-	487,458
Alternative Investments:				
Patriot Financial Partners, L.P.	-	-	930,485	930,485
LBC Credit Partners, II	-	-	113,055	113,055
Total investments	37,236,666	6,897,761	1,043,540	45,177,967
Beneficial interest in remainder trust	-	-	41,567	41,567
Total assets reported at fair value	$ 37,236,666	$ 6,897,761	$ 1,085,107	$ 45,219,534
Assets disclosed at fair value:				
Cash and cash equivalents	$ 7,803,324	$ -	$ -	$ 7,803,324
Contributions receivable, net	-	-	1,064,854	1,064,854
Student loans receivable	-	1,242,950	-	1,242,950
Total assets disclosed at fair value	$ 7,803,324	$ 1,242,950	$ 1,064,854	$ 10,111,128
Liabilities disclosed at fair value:				
Bonds payable - fixed rate (carrying value of $24,160,000)	$ -	$ 21,599,543	$ -	$ 21,599,543
Notes payable - fixed rate (carrying value of $1,696,210)		1,670,262	-	1,670,262
Construction accounts payable	426,175	-	-	426,175
Advance from federal government for student loans	-	1,318,649	-	1,318,649
Total liabilities disclosed at fair value	$ 426,175	$ 24,588,454	$ -	$ 25,014,629

The level 3 reconciliation at June 30, 2014 is as follows:

		Alternative Investments	
	Beneficial Interest in Remainder Trust	**Patriot Financial Partners, L.P.**	**LBC Credit Partners, II**
Balance at June 30, 2013	$ 35,108	$ 770,285	$ 211,465
Additions:			
Change in the valuation of split-interest agreements, temporarily restricted	2,245	-	-
Change in the valuation of split-interest agreements, permanently restricted	4,214	-	-
Purchases	-	56,250	15,000
Net gains (realized and unrealized)	-	203,950	47,717
Subtractions,			
Return of capital	-	(100,000)	(161,127)
Balance at June 30, 2014	$ 41,567	$ 930,485	$ 113,055

	2013			
	Level 1	**Level 2**	**Level 3**	**Total Fair Value**
Assets - reported at fair value:				
Investments (Note 4):				
Cash and cash equivalents	$ 2,161,808	$ -	$ -	$ 2,161,808
Equity mutual funds:				
Large cap	2,377,585	-	-	2,377,585
International	4,952,085	-	-	4,952,085
Growth	5,768	-	-	5,768
Real return	1,108,727	-	-	1,108,727
Fixed income mutual funds:				
Core fixed income	4,321,695	-	-	4,321,695
Real return	659,090	-	-	659,090
Short term	668,848	-	-	668,848
Inflation protected	1,145,084	-	-	1,145,084
Marketable equity securities:				
Large growth	40,275	-	-	40,275
Mid-cap	3,985,897	-	-	3,985,897
Large-cap	9,123,075	-	-	9,123,075
Small-cap	841,054	-	-	841,054
International	210,608	-	-	210,608
Other	32,960	-	-	32,960
Bonds:				
U.S. government	-	1,081,076	-	1,081,076
Asset backed	-	2,489,570	-	2,489,570
U.S. corporate	-	2,704,014	-	2,704,014
International	-	482,724	-	482,724
Alternative Investments:				
Patriot Financial Partners, L.P.	-	-	770,285	770,285
LBC Credit Partners, II	-	-	211,465	211,465
Restricted investments,				
Bonds,				
U.S. government	-	7,656,042	-	7,656,042
Total investments	31,634,559	14,413,426	981,750	47,029,735
Beneficial interest in remainder trust	-	-	35,108	35,108
Total assets reported at fair value	$ 31,634,559	$ 14,413,426	$ 1,016,858	$ 47,064,843
Assets disclosed at fair value:				
Cash and cash equivalents	$ 9,280,269	$ -	$ -	$ 9,280,269
Contributions receivable, net	-	-	2,004,662	2,004,662
Student loans receivable	-	1,371,714	-	1,371,714
Total assets disclosed at fair value	$ 9,280,269	$ 1,371,714	$ 2,004,662	$ 12,656,645
Liabilities disclosed at fair value:				
Bonds payable - fixed rate (carrying value of $32,290,000)	$ -	$ 29,536,426	$ -	$ 29,536,426
Notes payable - fixed rate (carrying value of $1,029,516)	-	1,007,409	-	1,007,409
Construction accounts payable	2,363,606	-	-	2,363,606
Advance from federal government for student loans	-	1,307,802	-	1,307,802
Total liabilities disclosed at fair value	$ 2,363,606	$ 31,851,637	$ -	$ 34,215,243

The level 3 reconciliation at June 30, 2013 is as follows:

	Beneficial Interest in Remainder Trust	Alternative Investments: Patriot Financial Partners, L.P.	Alternative Investments: LBC Credit Partners, II
Balance at June 30, 2012	$ 31,313	$ 497,373	$ 167,011
Additions:			
Change in the valuation of split-interest agreements, temporarily restricted	1,394	-	-
Change in the valuation of split-interest agreements, permanently restricted	2,401	-	-
Purchases	-	131,250	150,000
Net gains (realized and unrealized)	-	201,662	83,980
Subtractions,			
Return of capital	-	(60,000)	(189,526)
Balance at June 30, 2013	$ 35,108	$ 770,285	$ 211,465

The preceding tables exclude cash surrender value of life insurance in the amount of $129,932 and $115,808 at June 30, 2014 and 2013, respectively, which approximates estimated fair value and which is included in investments in the consolidated statement of financial position.

Change in the valuation of split interest agreements is reported as nonoperating activity in the consolidated statement of activities.

The alternative investments represent investments in private equity funds that pursue multiple strategies to diversify risks and reduce volatility. The fair value of these investments has been estimated using the net asset value per share equivalent of the investments. LBC Credit Partners, II is a private equity fund focused on providing middle market financing and equity co-investments in companies with earnings generally greater than $7.5 million. Their financing promotes transactions such as buyouts, acquisitions, recapitalizations, etc. Valuations are determined by the General Partner which are then reviewed by the Valuation Committee. For publicly traded securities, the value is based on the average price of the 5 trading dates immediately prior to the valuation date. All other securities are valued using fair market value techniques which include arm’s length transactions, market multiples, discounted cash flow, etc. The duration of this investment is the 10th anniversary of the final closing date, however this may be extended at the General Partner’s discretion for up to two one-year periods. Saint Francis is committed for the duration of the investment and has committed $500,000 ($171,585 is unfunded as of June 30, 2014). Patriot Financial Partners, L.P. is a private equity fund focused on investing in community banks, thrifts and financial service related companies throughout the United States. Patriot's objective is to provide superior risk-adjusted returns by applying a hands-on, value-added investment model to non-control investments within the community banking sector, which consists of more than 1,000 public and privately-held depository institutions that have between $500 million and $5 billion of assets. Valuations are determined by the General Partner which require approval from the Advisory Committee. For publicly traded securities, the value is based on the average price of the 10 trading dates immediately prior to the valuation date. All other securities are valued using fair market value techniques which include arm’s length transactions, market multiples, discounted cash flow, etc. The duration of this investment is the 10th anniversary of the final closing date, however this may be extended at the General Partner’s discretion for up to two one-year periods. St. Francis is committed for the duration of the investment and has committed $750,000 ($3,040 is unfunded as of June 30, 2014). There are no redemption restrictions associated with the alternative investments.

Net gains and losses (realized and unrealized) are reported as nonoperating activity - investment gain/(loss) in the consolidated statement of activities.

Net gains and losses on alternative investments:

	2014	2013
Unrestricted	$ 56,312	$ 47,868
Temporarily unrestricted	195,355	237,774
Net gains	$ 251,667	$ 285,642

Valuation Methodologies

The following is a description of the valuation methodologies used for assets and liabilities measured at fair value and for financial instruments disclosed at fair value. There have been no changes in methodologies used at June 30, 2014 and 2013.

Cash and cash equivalents, student accounts receivable, government agencies accounts receivable, other accounts receivable, bond project fund, sinking fund, contributions receivable to be received in less than one year, accounts payable, construction accounts payable, accrued payroll and related liabilities, other accrued liabilities, student deposits and prepayments and annuities payable: The carrying amounts approximate fair value because of the short maturity of those financial instruments.

Contributions receivable to be received in more than one year: The fair value is estimated based on future cash flows discounted at rates between .33% to 4.17%.

Investments: Mutual funds and marketable equity securities in the investment portfolio are measured at fair value using quoted market prices for identical assets, which are considered Level 1 inputs. Bond obligations are valued based on quoted prices of similar assets, with similar terms, in actively traded markets and are measured using Level 2 inputs. The alternative investments were measured using Level 3 inputs at June 30, 2014 and 2013. For measurement purposes, it was determined that the reported net asset value equivalent was relevant for use as an input to the fair value measurement. This determination was made based on evidence gathered via the initial due diligence and ongoing monitoring of the fund. U.S. government and agency obligations are valued based on quoted prices of similar assets, with similar terms, in actively traded markets and are measured using Level 2 inputs.

Student loans receivable and advance from federal government for student loans: The fair value of these loans receivable and advances from the federal government are based upon management's best estimate of the indicated future cash flows and interest rates required by market participants.

Bond payable and notes payable: The fair value of fixed rate long-term debt was estimated using borrowing rates available to the University for debt instruments with comparable maturities.

6. Student Loans Receivable

Student loans are made with funds advanced to the University by the federal government under the Federal Perkins Loan program (the "Program"). Such funds may be reloaned by the University after collection, but in the event that the University no longer participates in the Program, the amounts are refundable to the federal government. The federal government's portion of these funds at June 30, 2014 and 2013 was $1,318,649 and $1,307,802, respectively.

The University matches and contributes one-third of the amount contributed by the U.S. Government to the Program.

The prescribed practices for the Program do not provide for accrual of interest on student loans receivable or for a provision of allowance for doubtful loans. Accordingly, interest on loans is recorded as received; uncollectible loans are not recognized until the loans are canceled or written off in conformity with Federal Perkins Loan Program requirements. The impact of recording interest income on a cash basis is not considered significant. In addition, the credit quality of the student is not evaluated after the initial approval and calculation of the loans. Delinquent loans and the allowance for losses on loans receivable are reviewed by management, but are not material to the overall financial statements.

7. Plant Assets, Net

The composition of plant assets was as follows at June 30:

	2014	2013
Land	$ 380,284	$ 380,284
Land improvements	9,444,891	9,277,892
Buildings	80,513,950	57,793,055
Furniture and equipment	9,876,923	9,885,892
Equipment held under capital leases	882,385	1,819,237
Vehicles	706,049	620,020
Library books	4,937,293	4,884,865
Collections	53,910	53,910
Construction in progress	639,640	19,918,095
Total	107,435,325	104,633,250
Accumulated depreciation	(42,987,558)	(42,911,245)
Plant assets, net	$ 64,447,767	$ 61,722,005

The University provides for depreciation using the straight-line method based on lives which, in the opinion of management, are adequate to allocate asset costs over their productive years. Depreciation expense was approximately $3,812,000 in 2014 and $3,487,000 in 2013.

8. Line of Credit

Saint Francis University has a $2,000,000 unsecured demand line of credit available from a bank. At June 30, 2014 and 2013, no amounts were outstanding under this line of credit. No amounts were drawn under the line of credit during the years ended June 30, 2014 and 2013.

9. Bonds Payable

Bonds payable at June 30, 2014 and 2013 are comprised of the following issues:

	2014	2013
Revenue Bonds, Series 2003 AA4, refunded November 2013	$ -	$ 7,440,000
Revenue Bonds, Series 2011 JJ2 with $5,175,000 due November 1, 2031 with a fixed interest rate of 6% and $11,325,000 due November 1, 2041 with a fixed interest rate of 6.25%	16,500,000	16,500,000
Revenue Bonds, Series 2012 LL2 due in varying annual installments through November 2023; fixed interest rate ranging from 2% to 3.25%	7,660,000	8,350,000
Total	$ 24,160,000	$ 32,290,000

The aggregate future principal payments on bonds payable at June 30 is as follows:

Years ending June 30:	
2015	$ 700,000
2016	710,000
2017	725,000
2018	740,000
2019	750,000
Thereafter	20,535,000
Total	$ 24,160,000

The indentures of the Revenue Bonds, Series 2011 JJ2 and Series 2012 LL2 require the University to pledge as collateral its unrestricted gross revenues not previously pledged.

The University advance-refunded the Series 2003 AA4 Bonds by creating a separate trust fund containing U.S. government securities. The securities and earnings thereon are considered sufficient to fully service the bonds until they were called. These funds are reflected in the consolidated statement of financial position as restricted investments as of June 30, 2013.

As required by the loan agreements, the University has established sinking funds. The University also established a project fund in accordance with the Revenue Bonds, Series 2011 JJ2 loan agreement. The bond proceeds deposited into the project fund are for construction of a new science building and future renovations of other buildings and residence halls. These funds are reflected in the consolidated statement of financial position as of June 30, 2014 and 2013. These funds are invested in cash and cash equivalents and are subject to Federal Deposit Insurance Corporation limits.

In connection with the issuance of these bonds, the University has agreed to certain financial covenants with which it must comply, including a rate covenant. The University was in compliance with these financial covenants at June 30, 2014.

10. Notes Payable

Notes payable at June 30, 2014 and 2013 are comprised of the following:

	2014	2013
Note payable to PennVest, payable in monthly installments of $10,958, including principal and interest at 1.211%; matures July 2018; secured by a mortgage on 6.5 acres of real estate which include the reservoir and water treatment plan, all current and additions of property and equipment thereto	$ 523,190	$ 647,528
Note payable to PennVest, payable in monthly installments of $1,477, including principal and interest at 1.211%; matures July 2018; secured by a mortgage on 6.5 acres of real estate which include the reservoir and water treatment plan, all current and additions of property and equipment thereto	70,572	87,330
Note payable to S&T Bank, payment in semi-annual installments of $103,312, including principal and interest at 4.9%; matures September 2014; secured by all equipment acquired related to the energy conservation project	100,305	294,658
Note payable to First National Bank, payable in monthly installments of $41,219, including principal and interest at 1.95%; matures August 2015	569,989	-
Note payable to First National Bank, payable in monthly installments of $9,873, including principal and interest at 2.52%; matures April 2018	432,154	-
Total	$ 1,696,210	$ 1,029,516

The aggregate future principal payments on notes payable at June 30, 2014, is as follows:

Years ending June 30:		
2015	$	839,560
2016		338,289
2017		260,701
2018		245,677
2019		11,983
Total	$	1,696,210

Interest expense on long-term debt was approximately $1,399,000 and $1,710,000 in 2014 and 2013, respectively.

11. Capital Leases

The University leases computer equipment under capital leases, which expire through 2016. The assets and liabilities under capital leases are recorded at the present value of the minimum lease payments. The assets are included in plant assets and are amortized over the lease terms. Amortization of assets under capital leases are included in depreciation expense.

The cost and accumulated amortization of equipment under capital leases were as follows at June 30, 2014:

Cost of equipment under capital lease	$	882,385
Accumulated amortization		530,843
Total	$	351,542

Minimum future lease payments under capital leases as of June 30, 2014 are as follows:

Years ending June 30:		
2015	$	165,315
2016		61,042
Total minimum lease payments		226,357
Amount representing interest		(672)
Present value of minimum lease payments	$	225,685

Interest rates on the capital leases as of June 30, 2014 range from .29% to 2.35%, which were imputed based upon the lower of the University's incremental borrowing rate at the inception of the leases or the lessor's implicit rate of return.

12. Temporarily and Permanently Restricted Net Assets

Temporarily restricted net assets are available for the following purposes or in future periods as of June 30, 2014 and 2013:

	2014	2013
Accumulated income and gains on permanently restricted net assets (Note 13)	$ 10,510,399	$ 7,279,291
Gifts available for scholarships and other academic purposes	2,111,268	3,616,370
Gifts for capital expenditures	22,031,157	18,779,603
Beneficial interest in remainder trust	17,276	15,031
Contributions receivable	346,333	1,188,765
Total	$ 35,016,433	$ 30,879,060

Permanently restricted net assets are related to the following as of June 30, 2014 and 2013:

	2014	2013
Investments to be held in perpetuity by donor stipulation or by Pennsylvania law, the income from which is generally available for services and programs (Note 13)	$ 23,598,125	$ 23,148,947
Contributions receivable	700,521	815,897
Beneficial interest in remainder trusts	24,291	20,077
Restricted loan fund	68,597	66,787
Total	$ 24,391,534	$ 24,051,708

13. Endowment Funds

The University's endowment consists of approximately 200 individual funds established for a variety of purposes. Its endowment includes both donor-restricted endowment funds and funds designated by the Board of Trustees to function as endowments. As required by accounting principles generally accepted in the United States of America, 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 Pennsylvania law 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 classified as permanently restricted net assets (a) the original value of gifts donated to the permanent endowment, (b) the original value of subsequent gifts to the permanent endowment, and (c) accumulations to the permanent endowment made in accordance with the direction of the applicable donor gift instrument at the time the accumulation is added to the fund. The remaining portion of the donor-restricted endowment fund that is not classified in permanently restricted net assets is classified as either temporarily restricted or unrestricted net assets based on the existence of donor restrictions or by law.

The University considers the following factors in making a determination to appropriate or accumulate donor-restricted endowment funds:

(1) The duration and preservation of the fund

(2) The purpose of the University and the donor-restricted endowment fund

(3) General economic conditions

(4) The possible effect of inflation and deflation

(5) The expected total return from income and the appreciation of investments

(6) Other resources of the University

(7) The investment policies of the University

The University has adopted investment and spending policies for endowment assets that attempt to provide a predictable stream of funding to programs supported by its endowment while seeking to maintain the purchasing power of the endowment assets. Endowment assets include those assets of donor-restricted funds that the University must hold in perpetuity or for a donor-specified period(s) as well as board-designated funds. Under this policy, as approved by the Board of Trustees, the endowment assets are invested in a manner that is intended to produce results that exceed the performance of a median balanced fund while assuming a moderate level of investment risk. The University expects its endowment funds, over time, to provide an average rate of return of approximately 6 percent, net of fees, annually. Actual returns in any given year may vary from this amount.

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

Commonwealth of Pennsylvania law permits the University to allocate to income each year a portion of endowment return. The law allows non-profit organizations to spend a percentage of the market value of their endowment funds, including realized and unrealized gains. The percentage by law must be between 2% and 7%. The University's policy for fiscal years 2014 and 2013 allowed for a payout of 5% of the three-year average balance as measured by the last six semi-annual balance points excluding the current period, which is based on market value net of investment management fees. In establishing this policy, the University considered the long-term expected return on its endowment. Accordingly, over the long term, the University expects the current spending policy to allow its endowment to grow at an average of 4.5% annually. This is consistent with the university's objective to maintain the purchasing power of the endowment assets held in perpetuity or for a specified term as well as to provide additional real growth through new gifts and investment return.

Changes in endowment net assets for the fiscal years ending June 30, 2013 and 2014:

	Unrestricted	Temporarily Restricted	Permanently Restricted	Total
Endowment net assets, July 1, 2012	$ 5,596,389	$ 4,898,073	$ 22,804,388	$ 33,298,850
Investment return:				
Investment income	119,507	573,109	-	692,616
Net realized and unrealized appreciation	595,262	2,955,325	-	3,550,587
Total investment return	714,769	3,528,434	-	4,243,203
Contributions	1,545,751	-	344,559	1,890,310
Appropriation of endowment assets for expenditure	(234,765)	(1,137,329)	-	(1,372,094)
Other changes: Restoration of underwater endowments	9,887	(9,887)	-	-
Endowment net assets, June 30, 2013	7,632,031	7,279,291	23,148,947	38,060,269
Investment return:				
Investment income	188,193	652,865	-	841,058
Net realized and unrealized appreciation	1,104,372	3,831,239	-	4,935,611
Total investment return	1,292,565	4,484,104	-	5,776,669
Contributions	1,366,916	-	449,178	1,816,094
Appropriation of endowment assets for expenditure	(314,420)	(1,252,952)	-	(1,567,372)
Other changes: Restoration of underwater endowments	44	(44)	-	-
Endowment net assets, June 30, 2014	$ 9,977,136	$ 10,510,399	$ 23,598,125	$ 44,085,660

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 law requires the University to retain as a fund of perpetual duration. In accordance with accounting principles generally accepted in the United States of America deficiencies of this nature that are reported in unrestricted net assets were $44 as of June 30, 2013. There were no deficiencies at June 30, 2014. These deficiencies resulted from unfavorable market fluctuations that occurred shortly after the investment of new permanently restricted contributions and continued appropriation for certain programs that was deemed prudent by the Board of Trustees.

14. Pension Plan

The University sponsors a defined contribution pension plan. Pension expense was approximately $1,743,000 in 2014 and $1,666,000 in 2013.

15. Franciscan Sponsorship

The University paid full salaries to the religious faculty and staff of approximately $568,000 and $616,000 during the years ended June 30, 2014 and 2013, respectively.

16. Government Grants and Student Aid

The amounts under these captions do not include amounts remitted to students under the Pennsylvania Higher Education Assistance Agency (PHEAA) Program and the PELL Grants Program. These grants are similar to agency funds as the University acts only as custodian and disbursing agent. Had these amounts been included, revenues and expenses would have increased by approximately $4,116,000 in 2014 and $4,177,000 in 2013.

17. Significant Group Concentration of Credit Risk

The University maintains its cash accounts in commercial banks located in Pennsylvania. Accounts are insured by the Federal Deposit Insurance Corporation. From time to time, the bank balances will exceed this coverage.

18. Contingencies

The University participates in a Private College Consortium (the "Consortium"), a cooperative effort between educational institutions to purchase medical services for their collective group. The Consortium uses "cost plus funding", a fully insured product under Highmark Blue Cross Blue Shield ("Highmark"). Under this arrangement, the Consortium pays a predetermined premium based on Highmark's underwriting projections. At the close of each contract period, Highmark calculates an amount by which the Consortium has either overfunded or underfunded the trust fund created in connection with the arrangement. This calculation takes into consideration the premiums paid by the group, claims paid during the contract period, claims paid but not incurred during the contract period, claims incurred but not paid during the contract period and a reserve deposit. The Consortium limits its claims exposure through the purchase of stop loss insurance, which pays 100% of the sum of all actual claim payments for covered health benefits made to a covered individual in a policy year that exceed $275,000, with an unlimited lifetime maximum. The University's share of the Consortium's trust fund surplus was approximately $1,149,000 and $1,377,000 at June 30, 2014 and 2013, respectively. The University's premium payments to the Consortium amounted to approximately $4,055,000 in 2014 and $4,279,000 in 2013. Although there is a potential refund due if the University elects to terminate participation in the Consortium, management has concluded that it would not be appropriate to record this potential refund in the financial statements due to the uncertainties surrounding its realization.

The University participates in the University and College Insurance Consortium ("UCIC"). UCIC is a self-insurance group providing workers' compensation coverage to member educational institutions. As part of the agreement with UCIC, the University is contingently liable for possible additional workers compensation premiums. As of June 30, 2014, management does not expect any significant contingencies.

The University owns property constructed prior to the passage of the Clean Air Act that contain encapsulated asbestos material. Current law requires that this asbestos be removed in an environmentally safe manner prior to demolition or renovation of the property. The University has not recognized the asset retirement obligation for asbestos removal in its financial statements because it currently has no plans to demolish or renovate this property and as such, cannot reasonably estimate the fair value of the obligation. If plans change with respect to the use of the property and sufficient information becomes available to estimate the liability it will be recognized at that time.

19. Related Party Transactions

In connection with certain facilities renovations and construction, the University entered into multiple construction related contracts with a company who has an officer that is also a member of the University's Board of Trustees. Amounts due to this related party were $309,328 and $1,745,107 at June 30, 2014 and 2013, respectively.

20. Expenses

Expenses by natural classification for the year ended June 30, 2014 and 2013 were:

	2014	2013
Compensation:		
Salaries and wages	$ 26,518,610	$ 25,579,988
Student wages	949,726	913,656
Benefits	10,276,079	10,192,481
Other	6,538,823	6,176,581
Depreciation	3,811,802	3,487,146
Other, auxiliary	2,979,669	2,841,087
Conference, travel and meals	2,546,502	2,309,111
Professional and contracted services	2,332,567	1,885,282
Utilities	1,689,029	1,519,938
Supplies and software	1,532,255	1,442,596
Interest	1,398,847	827,886
Equipment, repairs and maintenance	585,564	726,321
Total	$ 61,159,473	$ 57,902,073