

Financial Summary 2018–2019

Over the past few years at Villanova, we have engaged in a community-wide planning process that has led to a visionary new strategic plan that will guide our University's next 10 years. As a community, we have committed to continuing to strengthen our Augustinian Catholic mission by advancing our academic enterprise, enhancing the Villanova experience for all students and creating truly transformative experiences that last a lifetime.

We are on a path to achieving these ambitious goals because of our solid financial foundation, which will be further strengthened through our new strategic plan. Villanova has always and will continue to make sound, smart investments of resources into programs and initiatives that support our mission in every aspect.

Last year, our commitment to our mission and to the broader community was affirmed with the publication of Villanova's Economic and Social Impact report, which demonstrates the University's significant contributions to and impact on Radnor Township, Delaware County and the Commonwealth of Pennsylvania. Villanova is a driving force in our neighborhood and well beyond, with approximately \$900 million in statewide economic impact supporting 6,120 jobs with \$461 million in earnings. Combined with the University's connections to the local business community, its tradition of volunteer outreach in the community, and its warm welcome to neighbors for cultural, arts and athletic activities on campus, this report shows Villanova to be a significant economic and social engine.

Villanova's strong reputation for prudent stewardship of its resources has allowed the University to take on large-scale capital projects, attract high-caliber students, faculty and staff, and provide the financial aid that opens access to a Villanova education. The credit rating agency Standard & Poor's, citing these factors, has upgraded the University's bond rating to AA-. The upgrade signals to investors that Villanova's bonds are a high-quality investment. Moody's, another independent assessor of institutions' credit worthiness, also has reaffirmed Villanova's A1 rating and upgraded its outlook from stable to positive.

This year's achievements are a testament to the value of the University's stable, responsible and sustainable fiscal practices, and allow us to look ahead to an even brighter future.

Highlights from Fiscal 2019 include the following:

- Total assets increased by \$57.4 million to a record high of \$1.78 billion.
- Land, buildings and equipment value grew by \$129.1 million to \$711.2 million, as a result of ongoing campus development projects, including The Commons residential complex, Finneran Pavilion and the Performing Arts Center.
- The University's operating income of \$42.2 million resulted in an 8.7 percent margin.

More detail about the University's financial statements and rating reports can be found at villanova.edu/finance/office.

Sincerely,



Kenneth G. Valosky '82
Executive Vice President

BALANCE SHEETS

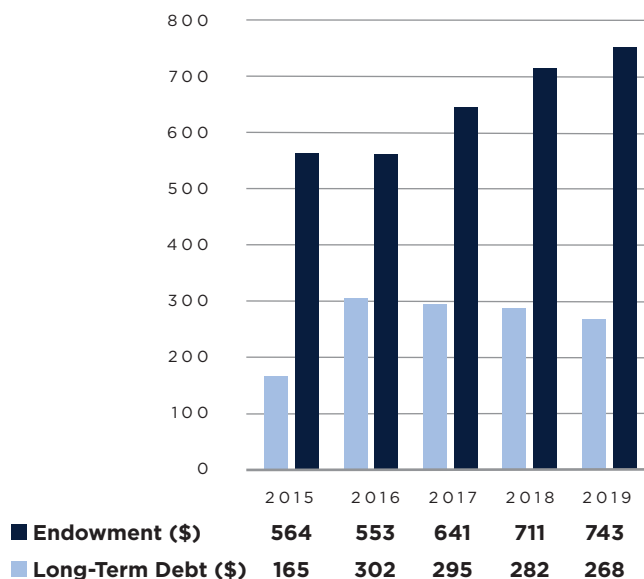
(\$ in thousands)

as of May 31

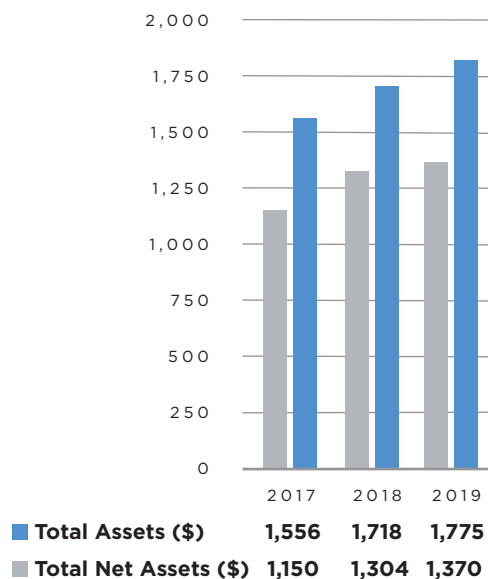
	2019	2018	2017
Assets			
Cash and Short-Term Investments	\$ 121,275	\$ 196,956	\$ 178,061
Long-Term Investments at Market	821,226	763,762	697,265
Accounts Receivable, net	103,796	126,990	119,619
Other Assets	6,736	5,840	4,491
Assets Whose Use Is Limited	2,085	31,991	95,565
Student Loans Receivable, net	9,101	10,325	10,497
Land, Buildings and Equipment, net	711,241	582,161	460,932
TOTAL ASSETS	\$1,775,460	\$1,718,025	\$1,566,430
Liabilities			
Accounts Payable and Accrued Expenses	\$ 81,664	\$ 76,108	\$ 66,993
Deposits and Deferred Revenue	31,116	32,932	23,829
Long-Term Obligations	268,124	281,614	294,532
Other Liabilities	24,794	23,100	31,318
TOTAL LIABILITIES	405,698	413,754	416,672
NET ASSETS	1,369,762	1,304,271	1,149,758
TOTAL LIABILITIES AND NET ASSETS	\$1,775,460	\$1,718,025	\$1,566,430

ENDOWMENT v.s. LONG-TERM DEBT

(\$ in millions)

**NET ASSETS**

(\$ in millions)



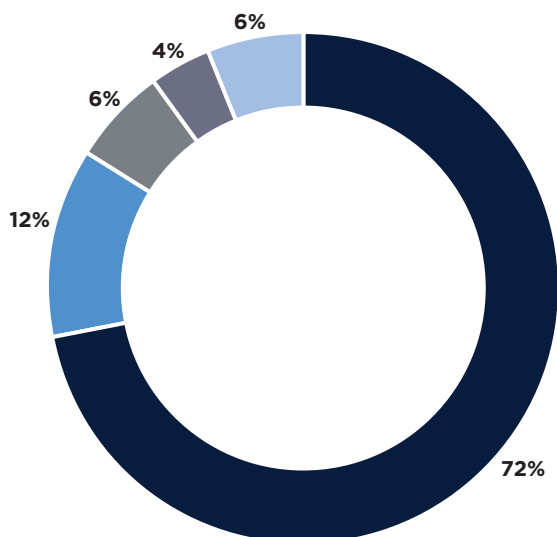
UNRESTRICTED REVENUES AND EXPENSES

(\$ in thousands)

as of May 31

	2019	2018	2017
Operating Revenues			
Student-Related Revenue:			
Student Tuition and Fees	\$452,154	\$ 433,729	\$ 411,566
Sales and Services of Auxiliary Enterprises	77,551	73,272	69,360
	\$529,705	\$507,001	\$480,926
Gifts	14,641	20,771	15,666
Private Grants	1,961	2,053	2,463
Government Grants	7,303	6,444	6,932
Endowment Resources	12,829	12,666	13,025
Investment Income	5,026	3,873	2,283
Other Sources	31,113	24,814	19,584
Net Assets Released from Restrictions	21,765	21,254	21,344
TOTAL OPERATING REVENUES	\$ 624,343	\$ 598,876	\$ 562,223

SOURCES OF OPERATING REVENUE 2019



■ Tuition and Fees	72%	\$ 452,154
■ Auxiliary Services	12%	77,551
■ Investments	6%	34,256
■ Gifts and Grants	4%	23,905
■ Other	6%	36,477
		\$624,343

as of May 31

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Operating Expenses			
Salaries and Employee Benefits	\$285,608	\$271,239	\$255,972
Financial Aid	139,708	133,454	124,456
Supplies, Services and Other	117,525	116,078	103,092
Depreciation	26,847	23,004	21,020
Interest on Indebtedness	4,221	6,205	5,489
Utilities	8,265	7,099	6,934
TOTAL OPERATING EXPENSES	\$582,174	\$557,079	\$516,963
AMOUNTS RESERVED FOR CAPITAL EXPENDITURES, DEBT PRINCIPAL PAYMENTS AND STRATEGIC INITIATIVES	\$42,169	\$41,797	\$45,260

DISTRIBUTION OF EXPENSES 2019