Rochester Institute of Technology

Consolidated Financial Statements
June 30, 2026 and 2025

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Report of Independent Auditors

To the Board of Trustees of Rochester Institute of Technology

Opinion

We have audited the accompanying consolidated financial statements of Rochester Institute of Technology and its subsidiaries (the "University"), which comprise the consolidated balance sheets as of June 30, 2026 and 2025, and the related consolidated statements of activities and of cash flows for the years then ended, including the related notes (collectively referred to as the "consolidated financial statements").

In our opinion, the accompanying consolidated financial statements present fairly, in all material respects, the financial position of the University as of June 30, 2026 and 2025, 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.

Basis for Opinion

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (US GAAS). Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Consolidated Financial Statements section of our report. We are required to be independent of the University and to meet our other 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.

Responsibilities of Management for the Consolidated Financial Statements

Management is responsible for the preparation and fair presentation of the consolidated 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 consolidated financial statements that are free from material misstatement, whether due to fraud or error.

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

Auditors' Responsibilities for the Audit of the Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' 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 US GAAS 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,

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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 consolidated financial statements.

In performing an audit in accordance with US GAAS, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the consolidated 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 consolidated 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 University'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 consolidated financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the University’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.

PricewaterhouseCoopers LLP

Victor, New York
November 2, 2026

Rochester Institute of Technology
Consolidated Balance Sheets
June 30, 2026 and 2025
(in thousands)

	2026	2025
Assets		
Cash and cash equivalents	$ 58,365	$ 67,918
Cash and cash equivalents, held with bond trustees	25,354	61,482
Accounts receivable, net	24,564	16,891
Inventories and other assets	40,803	32,363
Contributions receivable, net	59,158	60,945
Student loans receivable, net	1,740	2,772
Investments, at fair value	1,913,757	1,757,594
Property, plant and equipment, net	1,014,385	973,854
Total assets	**$ 3,138,126**	**$ 2,973,819**
Liabilities		
Accounts payable and accrued expenses	$ 79,752	$ 105,481
Deferred revenues and other liabilities	75,497	73,159
Accrued postretirement benefits	93,076	92,974
Federal Perkins Loan Program advances	3,093	4,203
Long-term debt, net	406,006	420,973
Total liabilities	657,424	696,790
Net assets		
Without donor restrictions	1,615,481	1,517,079
With donor restrictions	865,221	759,950
Total net assets	2,480,702	2,277,029
Total liabilities and net assets	**$ 3,138,126**	**$ 2,973,819**

The accompanying notes are an integral part of these Consolidated Financial Statements.

Rochester Institute of Technology
Consolidated Statements of Activities
For the fiscal year ended June 30, 2026
(With summarized financial information for the year ended June 30, 2025)
(in thousands)

	Without Donor Restrictions	With Donor Restrictions	2026 Total	2025 Total
Operating revenues and other support				
Tuition and fees (includes discounts of $417,870 and $405,107, respectively)	$ 364,317	$ -	$ 364,317	$ 373,650
Sales and services of auxiliaries	112,143	-	112,143	107,968
Grants and contracts	171,392	-	171,392	180,669
Private contributions	1,433	10,047	11,480	14,602
Investment return	60,202	30,065	90,267	90,708
Other sources	29,086	-	29,086	26,870
Net assets released from restrictions	39,720	(39,720)	-	-
Total operating revenues and other support	778,293	392	778,685	794,467
Operating expenses				
Salaries and wages	$ 381,501	$ -	$ 381,501	$ 379,899
Benefits	130,586	-	130,586	123,473
Purchased services	82,356	-	82,356	75,068
Materials and supplies	62,134	-	62,134	65,773
Depreciation	52,351	-	52,351	48,363
Interest	6,539	-	6,539	9,215
Utilities, taxes and insurance	20,881	-	20,881	16,204
Travel for scholarship, professional development and recruitment	10,622	-	10,622	11,278
Other	22,972	-	22,972	29,704
Total operating expenses	769,942	-	769,942	758,977
Net operating activities	8,351	392	8,743	35,490
Nonoperating activities				
Investment return, net	$ 85,155	$ 96,982	$ 182,137	$ 90,457
Net assets released from restrictions	6,672	(6,672)	-	-
Contributions for long-term assets	158	14,961	15,119	16,871
Grants and contracts for long-term assets	5,456	425	5,881	406
Net periodic postretirement benefit income other than service cost	4,582	-	4,582	3,578
Other postretirement benefit changes	(8,455)	-	(8,455)	1,034
Beneficiary payments and change in value of deferred giving arrangements	-	(529)	(529)	(38)
Other	(3,517)	(288)	(3,805)	(1,366)
Net nonoperating activities	90,051	104,879	194,930	110,942
Increase in net assets	98,402	105,271	203,673	146,432
Net assets at beginning of year	**1,517,079**	**759,950**	**2,277,029**	**2,130,597**
Net assets at end of year	**$ 1,615,481**	**$ 865,221**	**$ 2,480,702**	**$ 2,277,029**

The accompanying notes are an integral part of these Consolidated Financial Statements.

Rochester Institute of Technology
Consolidated Statement of Activities
For the fiscal year ended June 30, 2025
(in thousands)

			2025
	Without Donor Restrictions	With Donor Restrictions	Total
Operating revenues and other support			
Tuition and fees (includes discounts of $405,107)	$ 373,650	$ -	$ 373,650
Sales and services of auxiliaries	107,968	-	107,968
Grants and contracts	180,643	26	180,669
Private contributions	1,120	13,482	14,602
Investment return	62,883	27,825	90,708
Other sources	26,870	-	26,870
Net assets released from restrictions	35,716	(35,716)	-
Total operating revenues and other support	788,850	5,617	794,467
Operating expenses			
Salaries and wages	$ 379,899	$ -	$ 379,899
Benefits	123,473	-	123,473
Purchased services	75,068	-	75,068
Materials and supplies	65,773	-	65,773
Depreciation	48,363	-	48,363
Interest	9,215	-	9,215
Utilities, taxes and insurance	16,204	-	16,204
Travel for scholarship, professional development and recruitment	11,278	-	11,278
Other	29,704	-	29,704
Total operating expenses	758,977	-	758,977
Net operating activities	29,873	5,617	35,490
Nonoperating activities			
Investment return, net	$ 44,988	$ 45,469	$ 90,457
Net assets released from restrictions	9,083	(9,083)	-
Contributions for long-term assets	1,005	15,866	16,871
Grants and contracts for long-term assets	45	361	406
Net periodic postretirement benefit income other than service cost	3,578	-	3,578
Other postretirement benefit changes	1,034	-	1,034
Beneficiary payments and change in value of deferred giving arrangements	-	(38)	(38)
Other	(1,070)	(296)	(1,366)
Net nonoperating activities	58,663	52,279	110,942
Increase in net assets	88,536	57,896	146,432
Net assets at beginning of year	**1,428,543**	**702,054**	**2,130,597**
Net assets at end of year	**$ 1,517,079**	**$ 759,950**	**$ 2,277,029**

The accompanying notes are an integral part of these Consolidated Financial Statements

Rochester Institute of Technology
Consolidated Statements of Cash Flows
For the fiscal years ended June 30, 2026 and 2025
(in thousands)

	2026	2025
Cash flows from operating activities		
Change in net assets	**$ 203,673**	**$ 146,432**
Adjustments to reconcile change in net assets to net cash provided by operating activities		
Depreciation, amortization and accretion expense	51,038	46,907
Loss on disposal of property, plant and equipment	248	780
Realized and unrealized net gain on investments	(246,287)	(161,808)
Bad debt and credit loss expense	2,385	1,291
Contributions and government grants restricted for long-term purposes	(15,339)	(16,427)
Noncash contributions of property, plant, equipment and securities	(177)	(671)
Asset retirement obligation liquidation and adjustment	2,797	(1,303)
Changes in assets and liabilities:		
Accounts receivable	(9,524)	1,503
Inventories and other assets	(9,216)	(12,490)
Contributions receivable	1,119	(6,698)
Student loans receivable	65	596
Accounts payable and accrued expenses	(9,809)	8,731
Deferred revenues and other liabilities	(1,179)	39
Accrued postretirement benefits	102	(7,222)
Net cash (used in) operating activities	(30,104)	(340)
Cash flows from investing activities		
Purchases of investments	(436,609)	(281,372)
Proceeds from the sales and maturities of investments	526,751	370,243
Payments received on student loans	1,100	1,556
Acquisition of property, plant and equipment	(108,521)	(125,659)
Net cash (used in) investing activities	(17,279)	(35,232)
Cash flows from financing activities		
Contributions and contracts restricted for long-term purposes	11,542	11,534
Proceeds from sale of contributed securities	3,814	4,895
Payments of long-term debt	(12,544)	(12,182)
Decrease in refundable government grants for student loans	(1,110)	(1,732)
Net cash provided by financing activities	1,702	2,515
(Decrease) in cash, cash equivalents and restricted cash	**(45,681)**	**(33,057)**
Cash, cash equivalents and restricted cash - beginning of year	**129,400**	**162,457**
Cash, cash equivalents and restricted cash - end of year	**$ 83,719**	**$ 129,400**
Supplemental disclosures of cash flow information		
Interest paid (capitalized interest of $7,165 and $4,848 recorded in 2026 and 2025, respectively)	$ 16,307	$ 16,658
Contributions of marketable securities	4,155	5,363
(Decrease) increase in construction-related payables	(15,956)	13,061
See Note 3 for supplemental cash flow disclosures for leases		

The accompanying notes are an integral part of these Consolidated Financial Statements.

1. Summary of Significant Accounting Policies

a. Organization

Rochester Institute of Technology (University, RIT) is a privately endowed, co-educational university comprised of nine colleges and two degree-granting academic units. The University, which occupies approximately 1,300 acres in Rochester, New York, has approximately 21,000 full and part-time undergraduate and graduate students and 4,100 employees.

The following organizations are consolidated into the financial statements of the University:

- 5257 West Henrietta Road, LLC (Inn), doing business as the RIT Inn & Conference Center, is a not-for-profit single member limited liability company with the University as its sole member. The Inn is a dual-use 304-room full service hotel with 223 rooms available for student housing during the academic year.

- RIT Campus Club, Inc. (Campus Club) is a not-for-profit subsidiary of the University. Campus Club was established to support certain aspects of the University's dining operations.

- RIT Global Delivery Corporation (GDC) is a wholly owned not-for-profit subsidiary of the University established to develop and deliver global instruction. RIT Croatia, a subsidiary of GDC, delivers instructional services in Croatia. GDC also delivers instructional services in the United Arab Emirates where it operates RIT Dubai in conjunction with the Dubai Silicon Oasis Authority; and in Kosovo through the American University in conjunction with the Kosovo Foundation.

- RIT Venture Fund I, LLC (Fund I) is a Delaware limited liability company. It is a wholly owned subsidiary of RIT with no other owners. Fund I was formed to make investments in seed, venture and growth-stage companies that involve students, faculty, alumni and/or technologies owned or developed by the University.

b. Basis of Accounting

The University's Consolidated Financial Statements are prepared on the accrual basis of accounting in conformity with generally accepted accounting principles (GAAP) in the United States of America. All significant intercompany transactions and accounts have been eliminated.

c. Use of Estimates

The preparation of financial statements in conformity with GAAP in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and changes therein, 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 may differ from estimates.

d. Cash, Cash Equivalents and Restricted Cash

The total cash, cash equivalents and restricted cash shown in the Consolidated Statements of Cash Flows is comprised of cash and cash equivalents and cash and cash equivalents held with bond trustees on the Consolidated Balance Sheets. Cash, cash equivalents and restricted cash include cash, money market funds, commercial paper and U.S. government securities with maturities of three months or less when purchased. Cash equivalents within the University's investment portfolio are reported as investments. The University classifies restricted cash as cash and cash equivalents held with bond trustees. These funds will be used for construction of or debt service payments on certain facilities.

e. Inventories and Other Assets

The University's campus store inventory is valued at cost using the first-in, first-out (FIFO) retail method. Other inventories are stated at the lower of cost, generally on a FIFO basis, or market value.

Capitalized implementation costs and corresponding accumulated amortization for software recorded as a hosting arrangement deemed a service contract total $22,071 and $14,832 at June 30, 2026 and 2025, respectively, and are included in inventories and other assets on the Consolidated Balance Sheets. These costs are amortized over the term

of the associated hosting arrangement on a straight-line basis and included in purchased services on the Consolidated Statements of Activities.

Operating lease right-of-use (ROU) assets are included in inventories and other assets on the Consolidated Balance Sheets.

f. Contributions Receivable

Contributions to the University, either from donors or grantors, provide funding for academic programs, research, investment in facilities and student support. Contributions receivable after one year are discounted to their fair value using rates ranging from 1.3% to 5.3%, based on the fiscal year in which they are expected to be received. Amortization of discount is recorded as additional contribution revenue in accordance with donor-imposed restrictions, if any, on the contributions. An allowance for potentially uncollectible contributions receivable is provided based upon management's judgment and analysis of the creditworthiness of the donors or grantors, past collection experience and other relevant factors.

g. Investments

Investments are recorded at fair value based on quoted market prices when available. The estimated fair values for certain investments in private equity, real asset, hedge and other externally managed funds are based on valuations provided by external investment managers. These investments are generally less liquid than other investments, and the values reported by the general partner or investment manager may differ from the values that would have been reported, had a ready market for these securities existed. The valuations necessarily involve estimates, appraisals, assumptions and methods which are reviewed by the University and external investment management.

To minimize the risk of loss, externally managed hedge fund investments are diversified by strategy, manager and number of positions. The risk of any derivative exposure associated with such funds is limited to the amount invested with each manager.

The University's interest rate risk management strategy provides for maximum flexibility within its debt structure, seeks to lower its cost of capital, and manages risk on a portfolio basis. The University does not hold or issue derivative financial instruments for trading purposes; however, the Board of Trustees has authorized investments in derivatives to maintain asset class ranges, hedge non-U.S. dollar investments and currencies, and provide for defensive portfolio strategies. Derivative investments are recorded at fair value and valuation gains and losses are included on the Consolidated Statements of Activities.

Investment return included in operating revenues and other support consists of amounts appropriated by the Board of Trustees from the University's pooled endowments, as well as income on investments from working capital and a trust of which the University is a partial beneficial owner. The difference between total return and the amounts appropriated for expenditure from pooled endowments, as well as income and realized gains reinvested in accordance with donor restrictions, is reported within nonoperating activities.

h. Life Income, Gift Annuities, and Interest in Perpetual Trusts Held by Others

The University's split-interest agreements with donors consist primarily of gift annuity agreements and irrevocable charitable remainder trusts for which the University serves as trustee. Assets held in the trusts are included in investments and total $13,986 and $12,537 at June 30, 2026 and 2025, respectively. Contribution revenues are recognized when trusts (or annuity agreements) are established, after recording liabilities for the present value of the estimated future payments to be made to beneficiaries. The liabilities are adjusted annually for changes in the value of assets, accretion of the discount, and other changes in the estimates of future benefits. Discount rates are used to calculate the net present value of the obligations, and are based on market rates commensurate with the beneficiary's life expectancy. As of June 30, 2026 and 2025 liabilities associated with split interest agreements total $6,549 and $6,544, respectively.

The University is also the beneficiary of certain perpetual trusts held and administered by others. The present value of the estimated future cash receipts from the trusts is recognized in investments and as contribution revenue. The carrying value of the investments is adjusted annually for changes in fair value.

i. Property, Plant and Equipment

Land, buildings, capital improvements, equipment, capitalized software exclusive of implementation costs for hosting arrangements considered service contracts, special collections and construction-in-progress are stated at cost at the time of acquisition or fair value (if contributed). Asset retirement costs are initially recorded at fair value and are included in buildings and capital improvements.

Special collections include works of art, literary works, historical treasures and artifacts that are maintained in the University's libraries and public areas of the campus. These collections are protected and preserved for public exhibition, education, research and the furtherance of public service.

Contributed property, plant and equipment, including special collections, are recognized as revenue in the period in which the items are gifted. Property, plant and equipment acquired through federal appropriations, grants and contracts where the Federal Government retains a reversionary interest are also capitalized and depreciated. Interest on borrowings during construction is capitalized.

Depreciation is recognized using the straight-line method with useful lives of 30 to 50 years for buildings; 8 to 30 years for building improvements; 10 to 30 years for site improvements; 4 to 15 years for automobiles, furniture, fixtures and equipment; and 3 to 10 years for software exclusive of implementation costs for hosting arrangements considered service contracts. Land, special collections and construction-in-progress are not depreciated. The cost and accumulated depreciation of property, plant and equipment sold or retired have been eliminated. Costs incurred for maintenance, repairs and renewals of relatively minor items are expensed as incurred.

Finance lease ROU assets are included in equipment and software in property, plant and equipment on the Consolidated Balance Sheets.

j. Premium on Long-Term Debt

Premiums arising from the original issuance of long-term debt are amortized on the effective interest method over the life of the debt. The unamortized portion of these premiums is included in long-term debt on the Consolidated Balance Sheets.

k. Classifications of Net Assets

The University reports its net assets and changes therein according to two classifications: without donor restrictions and with donor restrictions based upon the absence or existence of donor-imposed restrictions. Revenues are reported as increases in net assets without donor restrictions unless use of the related assets is limited by donor-imposed restrictions. Expenses are reported as decreases in net assets without restrictions with the exception of investment expenses which are reported in both net asset classes.

Net Assets Without Donor Restrictions

Net assets without donor restrictions are derived from tuition, sales and services of auxiliaries, contributions, and other support that are not subject to explicit donor-imposed restrictions. Certain net assets classified as without donor restrictions for external reporting purposes are board-designated for specific purposes or uses under various internal operating and administrative arrangements of the University.

Net Assets With Donor Restrictions

Net assets with donor restrictions are derived from contributions (from donors and grantors) or income and gains on contributed assets, including the original amount of gifts which donors have given to be maintained in perpetuity, as well as net assets from endowments not yet appropriated for spending by the University that are subject to explicit donor-imposed restrictions on expenditure. Restrictions include support for specific colleges or academic programs, professorships, research, scholarships and fellowships, building construction and other purposes.

When time and purpose restrictions expire, net assets with donor restrictions are reclassified to net assets without donor restrictions. The University uses the simultaneous release option to report conditional contributions with donor restrictions that are recognized and expensed in the same reporting period as revenue without donor

restrictions. This allows the University to bypass the need to initially record these resources in net assets with donor restrictions and subsequently release them.

Classification of net assets by restriction and purpose as of June 30 are summarized as follows:

	2026		
	Without Donor Restrictions	With Donor Restrictions	Total Net Assets
Board designated net assets:			
General	$ 661,770	$ -	$ 661,770
Program support	101,022	803	101,825
Professorships	57,360	-	57,360
Scholarships	40,217	-	40,217
Facilities	21,632	-	21,632
Total board designated net assets	882,001	803	882,804
Other net assets:			
Endowment funds [1, 2]	-	800,269	800,269
Pledges for long-lived assets	-	7,555	7,555
Designated for program services	-	49,997	49,997
Annuities [1]	-	6,434	6,434
Grants and contracts	-	9	9
Loan funds [1]	-	154	154
Net investment in plant	633,733	-	633,733
Net expendable resources	99,747	-	99,747
Total other	733,480	864,418	1,597,898
Total	**$ 1,615,481**	**$ 865,221**	**$ 2,480,702**

[1] Endowment funds, annuities and loan funds include $252,097, $5,173 and $150 of net assets restricted in perpetuity, respectively, totaling $257,420

[2] Includes term endowment funds totaling $3,884

	2025		
	Without Donor Restrictions	With Donor Restrictions	Total Net Assets
Board designated net assets:			
General	$ 598,374	$ -	$ 598,374
Program support	89,892	857	90,749
Professorships	39,673	-	39,673
Scholarships	35,223	-	35,223
Facilities	18,922	-	18,922
Total board designated net assets	782,084	857	782,941
Other net assets:			
Endowment funds [1, 2]	-	692,435	692,435
Pledges for long-lived assets	-	15,134	15,134
Designated for program services	-	46,223	46,223
Annuities [1]	-	5,112	5,112
Grants and contracts	-	39	39
Loan funds [1]	-	150	150
Net investment in plant	614,446	-	614,446
Net expendable resources	120,549	-	120,549
Total other	734,995	759,093	1,494,088
Total	**$ 1,517,079**	**$ 759,950**	**$ 2,277,029**

[1] Endowment funds, annuities and loan funds include $240,305, $4,125 and $147 of net assets restricted in perpetuity, respectively, totaling $244,577

[2] Includes term endowment funds totaling $3,368

l. Operations

Revenues earned and expenses incurred during the fiscal year are classified on the University's Consolidated Statements of Activities as either operating or nonoperating activity. Operating revenues and other support and expenses consist primarily of items attributable to the University's education and training programs, sales and services of auxiliaries and research activities.

Nonoperating activities within the Consolidated Statements of Activities consist primarily of contributions from donors and grantors for long-term assets including the endowment and building construction and renovation, realized and unrealized gains and losses on investments, long-term benefit plan obligation funding changes and other activities not attributable to the current year.

m. Revenue Recognition

Exchange Transactions

The University recognizes revenue from exchange transactions when there is a transfer of promised goods or services to customers in an amount that reflects the consideration to which the entity expects to be entitled to in exchange for those goods or services. The primary sources of revenue from contracts with customers consist of tuition and fees, sales and services of auxiliaries and exchange transactions with grantors.

Tuition and Fees

Tuition and fees revenue, comprised of tuition for undergraduate and graduate students enrolled in classes and required fees, is recognized in the fiscal year in which the academic programs are delivered. The University annually publishes information regarding tuition and fees and payment schedules. Students who are awarded financial aid receive information about any applicable discounts. The University obtains a signed agreement from students outlining each party's rights and obligations in which they acknowledge their financial responsibilities and understanding of University policies related to the assessment of tuition and fees. Since the student provides consideration in exchange for instruction, the contract has commercial substance and based on experience, the University expects to receive the payments due under the contract. Revenue from tuition and fees is evaluated for uncollectable consideration based upon management's judgment, past collection experience, and other relevant factors.

The performance obligation corresponding to tuition and fees is the delivery of instruction and it is satisfied over the stated period of the contract, which is the academic term. The time period between when revenue is recognized and when payment is due is not significant. Tuition revenue reflects reductions attributable to discounts in the form of scholarship awards and credits and refunds which are considered a reduction of the transaction price at the time revenue for the corresponding contract is recognized.

Sales and Services of Auxiliaries

Revenue from sales and services of auxiliaries consists primarily of revenue received from student housing and dining contracts. Contracts are created when students make their housing and dining elections for the academic semester, which contain the terms of the contracts and each party's rights and obligations regarding the goods or services to be transferred. Housing revenue includes rental income for undergraduate and graduate students who reside in University-owned dormitories and apartments and Inn revenue for events, student housing, and hotel guests. Dining revenue primarily includes meal plans, dining dollars and food and beverage purchases in University-operated facilities by students, employees, and visitors. Revenue from meal plans is included in deferred revenue until used or the end of the academic term, whichever comes sooner. Revenue from dining dollars is included in deferred revenue until spent. Students are permitted to carry forward $1 of unspent dining dollars from one academic year to the next and deferred revenue in excess of the carry-forward amount is recognized. When the student is no longer enrolled at the University all remaining deferred dining revenue is recognized. Since the student provides consideration in exchange for housing and dining during the academic term, the contracts have commercial substance and based on experience, the University expects to receive the payments due under the contracts. Revenue from sales and service of auxiliaries is evaluated for uncollectable consideration based upon management's judgment, past collection experience, and other relevant factors.

The performance obligation associated with housing and dining contracts is satisfied over a period of time as the student simultaneously receives and consumes the benefits performed by the University. The time period between when revenue is recognized on these fixed price contracts and when payment is due is not significant. Revenue from the Inn is earned over the time period of the guests' stay and event revenue is recognized at a point in time when the event takes place. Payment is due at the time of service. The performance for individual food and beverage transactions at University-operated establishments is satisfied at a point in time and revenue is recognized based on the amount of consideration received at the time of purchase, including applicable discounts.

Contracts with Grantors

Revenue from contracts with grantors consists primarily of goods or services which provide direct benefit and have commercial value to the resource provider, including proprietary rights, patents, copyrights, or advance and exclusive knowledge of research outcomes. Payment terms vary by grantor; however, the time period between when revenue is recognized and when payment is due is not significant. Contracts entered into with grantors typically contain a single performance obligation (i.e. proprietary rights to research outcomes) and revenue is recognized over the life of the contract based on when expenses are incurred. When contracts contain milestone requirements, revenue is recognized upon the completion of

those milestones and acceptance by the grantor. Revenue is measured as the amount of consideration the University expects to receive in exchange for goods, services, or proprietary rights. Contracts are evaluated for uncollectable consideration based upon management's judgment, analysis of the creditworthiness of the grantors, past collection experience and other relevant factors.

Contributions

The University recognizes revenue from donors' and grantors' contributions, including unconditional promises to give, in the period received. Unconditional promises to give are recorded as revenue with donor restrictions and released to net assets without donor restrictions as restrictions are met or qualifying expenses are incurred.

The University receives contributions for which promises to give are conditional upon incurring certain qualifying allowable expenses, matching requirements under the grant program and other conditions that depend on future events. The University recognizes such revenue in the period the conditions are met.

n. Income Taxes

The University and its consolidated U.S. subsidiaries, excluding Fund I, are tax-exempt under Section 501(c)(3) of the Internal Revenue Code and are generally exempt from federal and state income taxes on income related to their exempt purposes. However, the University is subject to federal and state income taxes on unrelated business income (UBI), as defined under the Internal Revenue Code. Fund I, a limited liability company in which the University is the investor member, is treated as a disregarded entity for federal income tax purposes.

The University evaluates its tax positions in accordance with ASC 740, "Income Taxes," which prescribes a recognition threshold and measurement requirements for tax positions taken or expected to be taken in a tax return. This includes consideration of its tax-exempt status and the classification of income as related or unrelated to its exempt purpose. The University has concluded that it is more likely than not that all tax positions taken would be sustained upon examination. Accordingly, no provision for income taxes has been recorded in the consolidated financial statements.

The One Big Beautiful Bill Act, enacted on July 4, 2025, introduced changes to federal tax law, including the endowment excise tax. Management has assessed the impact and determined there is no material effect on the University's financial statements or tax position.

o. Accounting Pronouncements

FASB issues Accounting Standards Updates (ASUs) that are applicable to and have an impact on the Consolidated Financial Statements. The University evaluates and implements pronouncements by the effective fiscal year end date or prior, if early adoption is permitted and deemed appropriate. There were no changes made to the Consolidated Financial Statements and accompanying notes related to the implementation of new accounting pronouncements.

p. Risks and Uncertainties

The University's investments are exposed to various risks, such as interest rate, market and credit. Due to the level of risk associated with certain investments and uncertainty related to changes in the value of investments, it is at least possible that changes in risks in the near term would materially affect the amounts reported in the consolidated financial statements. The values of certain investments have and will fluctuate in response to changing market conditions and therefore, the amount of gains or losses that will be recognized in subsequent periods, if any, cannot be determined.

q. Related Parties

In the normal course of its activities, the University engages in transactions with related parties that do not materially impact its financial position. These related parties may include affiliates, trusts, investment holdings, University officers, trustees, their family members, and certain associated entities.

2. Accounts Receivable

The University's accounts receivable consists of the following components: grants and contracts represent externally funded awards from federal, state and private sources; student accounts comprised of amounts billed to students for tuition and auxiliary charges; and other accounts receivable contain various outstanding amounts derived from University operations. Accounts receivable are presented net of an allowance for credit losses, which is an estimate of amounts that may not be collectible. The University separates accounts receivable into risk pools based on their aging. In determining the amount of the allowance as of the balance sheet date, the University develops a loss rate for each risk pool. This loss rate is based on historical collection experience, adjusted for management's expectations about current and future economic conditions as appropriate.

Accounts receivable as of June 30 are summarized as follows:

	2026	2025
Grants and contracts:		
Federal and state sources	$ 1,874	$ 3,830
Private sources	927	839
Total grants and contracts	2,801	4,669
Student accounts	13,183	11,046
Other	13,494	5,372
Total student accounts and other	26,677	16,418
Total accounts receivable	29,478	21,087
Less: allowance for expected credit losses	(4,914)	(4,196)
Accounts receivable, net	**$ 24,564**	**$ 16,891**

Receivables as of June 30, 2026 are expected to be collected by June 30, 2027.

3. Leases

The University's lease portfolio primarily consists of real estate and equipment leases with varying lengths and payments. The University determines if an arrangement is a lease at inception and the terms are evaluated to determine if there is an identified asset and the contract conveys the right to control the use of the asset in exchange for consideration. Finance and operating lease ROU assets and lease obligations are recognized based on the present value of the future minimum lease payments over the lease term at commencement date.

The lease ROU assets and obligations are calculated including options to extend or terminate the lease when it is reasonably certain that the University will exercise those options. The University uses the implicit rate noted within the contract. If the implicit rate is not readily available, the University has made an accounting policy election to use either the incremental borrowing rate or the risk-free discount rate for the calculation of the ROU asset, subject to adjustments, and the lease liability based on the class of underlying assets identified in a lease rather than at the entity level. The University elected to use the incremental borrowing rate on the real estate class of assets and the risk-free rate on the equipment class of assets. The University uses the federal treasury rate similar to the term of the lease contract as the risk-free rate and the federal treasury rate plus one hundred basis points to serve as the incremental borrowing rate. Rates are identified at commencement date to determine the present value of future payments. ROU assets include any lease payment made and exclude incentives and any initial direct costs incurred. Operating lease expense for minimum payments is recognized on a straight-line basis over the lease term.

The University has elected the short-term lease exception under Topic 842, and as such, all leases with an initial term of 12 months or less are not recorded on the Consolidated Balance Sheets and lease expense is recognized on a straight-line basis over the term within purchased services on the Consolidated Statements of Activities.

Operating leases as of June 30 are summarized as follows:

	Consolidated Balance Sheets	**2026**	**2025**
Right-of-use assets	Inventories and other assets	$ 5,147	$ 5,924
Operating lease obligation	Deferred revenues and other liabilities	(5,147)	(5,924)
	Consolidated Statements of Activities	**2026**	**2025**
Operating lease costs	Purchased Services	$ 945	$ 1,161

Supplemental cash flow information related to operating leases for the years ended June 30 are as follows:

		2026	**2025**
Operating cash outflows	Cash paid for amounts included in measurement of lease liabilities	$ 945	$ 1,161
ROU assets obtained in exchange for lease liabilities		$ -	$ 369
Termination of ROU assets and lease liabilities[1]		-	3,246

[1] The University purchased a building previously leased under an operating lease agreement. As a result, the related ROU asset and liability were derecognized.

The following table presents the weighted-average lease terms and discount rates for operating leases for the years ended June 30:

	2026	**2025**
Weighted average remaining lease term (yrs)	9	9
Weighted average discount rate - Operating Leases	3.06%	3.09%

The following table includes the future maturities of operating lease payments for periods subsequent to June 30, 2026.

	2026
2027	$ 901
2028	885
2029	737
2030	582
2031	484
Thereafter	2,189
Undiscounted cash flows	5,778
Less: discount	(631)
Lease obligations, net	**$ 5,147**

4. Contributions Receivable

Contributions receivable consists of the following unconditional promises to give, less related allowances for uncollectible receivables and discounts for present value on long-term pledges at June 30:

	2026		
	Grantors	**Donors**	**Total**
Unconditional promises expected to be collected in:			
Less than one year	$ 27,903	$ 10,962	$ 38,865
One year to five years	-	22,226	22,226
Over five years	-	943	943
Contributions receivable	27,903	34,131	62,034
Less: allowance and discount	-	(2,876)	(2,876)
Contributions receivable, net	**$ 27,903**	**$ 31,255**	**$ 59,158**

	2025		
	Grantors	**Donors**	**Total**
Unconditional promises expected to be collected in:			
Less than one year	$ 33,620	$ 9,848	$ 43,468
One year to five years	-	18,964	18,964
Over five years	-	1,071	1,071
Contributions receivable	33,620	29,883	63,503
Less: allowance and discount	-	(2,558)	(2,558)
Contributions receivable, net	**$ 33,620**	**$ 27,325**	**$ 60,945**

Due to uncertainties regarding realizability and valuation, bequest intentions and other conditional promises are only recognized as assets if and when the specified conditions are met. The University has received conditional promises to give from grantors that depend upon the occurrence of the following future events at June 30:

	2026	**2025**
Cost share and qualifying allowable expenses	$ 7,936	$ 11,137
Cost share only	9,818	1,903
Qualifying allowable expenses or specified outcomes	77,255	83,779
Conditional contributions	**$ 95,009**	**$ 96,819**

As of June 30, 2026 and 2025, the University has conditional promises to give, aside from bequest intentions, totaling $118 and $8, respectively.

Contributions to acquire property, plant and equipment are recorded as net assets with donor restrictions and are released from restrictions at the time the asset is placed in service. As a result, $7,555 and $15,134 of assets contributed to acquire property, plant and equipment are recorded as net assets with donor restrictions as of June 30, 2026 and 2025, respectively.

5. Student Loans Receivable and Credit Disclosures

On September 30, 2017, the Federal Perkins Loan Program (Program) expired when it was not extended by the U.S. Congress. Students did not receive new loans after that date unless the student had received a disbursement before October 1, 2017 for the 2017-2018 award year. The University has chosen to service existing Perkins Loans through a third-party administrator as permitted by federal regulations.

The University's student loans receivable represents the amounts due from current and former students under the Program. Loans disbursed under the Program are assigned to the Federal Government in certain non-repayment situations. Student loans receivable are presented net of an allowance for credit losses, which is an estimate of amounts that may not be collectible. The University separates student loans receivable into risk pools based on their aging. In determining the amount of the allowance as of the balance sheet date, the University develops a loss rate for each risk pool. This loss rate is based on historical collection experience, adjusted for management's expectations about current and future economic conditions as appropriate.

At June 30, student loans included on the Consolidated Balance Sheets consist of the following:

	2026	2025
Federal Perkins Loan Program	$ 1,946	$ 3,111
Less: allowance for expected credit losses	(206)	(339)
Student loans receivable, net	**$ 1,740**	**$ 2,772**

The student loans receivable aging analysis at June 30 is as follows:

	2026	2025
Current	$ 1,699	$ 2,715
1-60 days past due	90	153
61-90 days past due	21	19
>91 days past due	136	224
Total student loan receivables	**$ 1,946**	**$ 3,111**

Program advances of $3,093 and $4,203 at June 30, 2026 and 2025, respectively, are classified as liabilities on the Consolidated Balance Sheets. The U.S. Department of Education (ED) provided direction and the University remitted the federal portion of cash on hand from June 30, 2025 and 2024 of $1,287 and $1,896, in fiscal year 2026 and 2025, respectively. The June 30, 2026 federal share of Perkins Loans collected during 2026 will be remitted to the Federal Government when ED provides their calculated amount and instructions. Cash on hand representing funds collected amounted to $1,275 and $1,809 at June 30, 2026 and 2025, respectively, which includes the federal share and is included in cash and cash equivalents on the Consolidated Balance Sheets.

6. Investments

Total investments for the fiscal years ended June 30 are as follows:

	2026		2025	
	Cost	Fair Value	Cost	Fair Value
Cash and short-term investments	$ 32,804	$ 32,804	$ 91	$ 91
Domestic fixed income	334,105	328,530	297,453	295,257
Global fixed income	46,826	47,053	43,199	43,624
Domestic equity securities	104,932	317,845	114,167	296,118
Global equity securities	124,786	262,198	137,648	249,261
Hedge funds	135,975	268,523	129,702	276,514
Private equity	319,565	573,974	321,284	490,243
Real assets	74,371	82,830	91,945	106,486
Total investments	**$ 1,173,364**	**$ 1,913,757**	**$ 1,135,489**	**$ 1,757,594**

Assets and liabilities measured and reported at fair value are classified and disclosed within one of the following categories:

Level 1
Quoted prices (unadjusted) in active markets for identical assets as of the measurement date. An active market is one in which transactions occur with sufficient frequency and volume to provide pricing information on an ongoing basis. Market price data is generally obtained from exchange or dealer markets. Investments within Level 1 may include active listed equities and exchange traded funds, option contracts traded in active markets, and certain U.S. government investments and money market securities.

Level 2
Pricing inputs other than Level 1 that are observable, either directly or indirectly, such as quoted prices for similar assets; quoted prices in markets that are not active; or other inputs that are observable or can be corroborated by observable market data for substantially the same term of the assets. Inputs are obtained from various sources including market participants, dealers and brokers. Investments within Level 2 may include investment-grade corporate bonds, less liquid listed equities, option contracts, certain mortgage products, bank loans, and U.S. government investments.

Level 3
Pricing inputs are unobservable and include situations where there is little, if any, market activity for the investment. Investments within Level 3 primarily consist of the University's ownership in closely held private companies and the cash surrender value of insurance contracts.

Net Asset Value
The University is permitted, as a practical expedient under GAAP, to estimate the fair value of an investment at the measurement date using the reported net asset value (NAV) without further adjustment unless the University expects to sell the investment at a value other than NAV or if the NAV is not calculated in accordance with GAAP. The University's investments in commingled funds, hedge funds, private equity limited partnerships and real asset limited partnerships are recorded at fair value based on the most recent NAV reported by the investment manager. The NAV of these investments is determined by the investment manager, and is based on appraisal or other estimates that require varying degrees of judgment. If no public market exists for the investment securities, the fair value is determined by the investment manager, taking into consideration, among other things, the cost of the securities, prices of recent significant placements of securities of the same issuer, and subsequent developments concerning the companies to which the securities relate. The University has performed due diligence around these investments to ensure that NAV is an appropriate measure of fair value as of June 30 and has concluded that these valuations are a reasonable estimate of fair value as of June 30, 2026 and 2025, but are subject to uncertainty and, therefore, may differ from the value that would have been used had an active market for all of the investments existed.

Inputs are used in applying the various valuation techniques and broadly refer to the assumptions that market participants use to make valuation decisions, including assumptions about risk. Inputs may include price information, volatility statistics, specific and broad credit data, liquidity statistics, and other factors. A financial instrument's level within the fair value hierarchy is based on the lowest level of any input that is significant to the fair value measurement. Furthermore, the fair value hierarchy does not correspond to a financial instrument's relative liquidity in the market or to its level of risk.

Following is a summary of the University's investments carried at fair value as of June 30, 2026:

	Level 1	Level 2	Level 3	Net Asset Value	Total
Cash and short-term investments	$ 32,804	$ -	$ -	$ -	$ 32,804
Domestic fixed income	235,003	93,315	212	-	328,530
Global fixed income	28,470	14,951	-	3,632	47,053
Domestic equity securities	59,581	-	-	258,264	317,845
Global equity securities	13,986	-	-	248,212	262,198
Hedge funds	-	-	-	268,523	268,523
Private equity	-	-	-	573,974	573,974
Real assets	-	-	-	82,830	82,830
Total investments at fair value	**$ 369,844**	**$ 108,266**	**$ 212**	**$ 1,435,435**	**$ 1,913,757**

Following is a summary of the University's investments carried at fair value as of June 30, 2025:

	Level 1	Level 2	Level 3	Net Asset Value	Total
Cash and short-term investments	$ 91	$ -	$ -	$ -	$ 91
Domestic fixed income	184,763	110,289	205	-	295,257
Global fixed income	27,582	12,908	-	3,134	43,624
Domestic equity securities	70,686	-	-	225,432	296,118
Global equity securities	12,537	-	-	236,724	249,261
Hedge funds	-	-	-	276,514	276,514
Private equity	-	-	-	490,243	490,243
Real assets	15,853	-	-	90,633	106,486
Total investments at fair value	**$ 311,512**	**$ 123,197**	**$ 205**	**$ 1,322,680**	**$ 1,757,594**

The following table provides additional information about the University's investments which are recorded at NAV as of June 30, 2026:

Asset Class	Fair Value	Unfunded Commitments	Redemption Frequency (if currently eligible)	Redemption Notice Period
Global fixed income	$ 3,632	$ -	Monthly	1 to 15 days
Domestic equity securities	258,264	-	Monthly	1 to 15 days
Global equity securities	248,212	-	Monthly	1 to 30 days
Hedge funds	268,523	-	Monthly, Quarterly, Semi-Annually, and Annually[1]	14 to 90 days
Private equity	573,974	149,522	NA[2]	NA[2]
Real assets	82,830	20,605	NA[2]	NA[2]
Total	**$ 1,435,435**	**$ 170,127**		

[1] May be subject to lock up provisions and/or redemption gates lasting up to 3 years.

[2] The University does not have redemption rights in these investments; the remaining lives are between 1 and 10 years.

The following table provides additional information about the University's investments which are recorded at NAV as of June 30, 2025:

Asset Class	Fair Value	Unfunded Commitments	Redemption Frequency (if currently eligible)	Redemption Notice Period
Global fixed income	$ 3,134	$ -	Monthly	1 to 15 days
Domestic equity securities	225,432	-	Monthly	1 to 15 days
Global equity securities	236,724	-	Monthly	1 to 30 days
Hedge funds	276,514	-	Monthly, Quarterly, Semi-Annually, and Annually[1]	14 to 90 days
Private equity	490,243	151,450	NA[2]	NA[2]
Real assets	90,633	21,311	NA[2]	NA[2]
Total	**$ 1,322,680**	**$ 172,761**		

[1] May be subject to lock up provisions and/or redemption gates lasting up to 3 years.

[2] The University does not have redemption rights in these investments; the remaining lives are between 1 and 10 years.

Total Investment Return

Following is a summary of the total investment return and its classification on the Consolidated Statements of Activities for the years ended June 30:

	2026	2025
Total investment return		
Interest and dividends	$ 38,298	$ 35,661
Realized and unrealized gain on investments, net of investment management fees and other expenses	234,106	145,504
Total investment return	**$ 272,404**	**$ 181,165**
Consolidated Statements of Activities classification		
Allocated for operating activities per spending policy	$ 74,761	$ 70,737
Interest and dividends	15,506	19,971
Total operating investment return	90,267	90,708
Nonoperating investment return	182,137	90,457
Total investment return	**$ 272,404**	**$ 181,165**

7. Endowment

The University's endowment includes both donor-restricted endowment funds and funds designated by the Board of Trustees to function as endowments (board-designated). As required by GAAP, 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 New York Prudent Management of Institutional Funds Act (NYPMIFA) governs the management and investment of funds held by not-for-profit corporations and other institutions. Absent donor stipulations to the contrary, the statutory guidelines contained in NYPMIFA relate to the prudent management, investment and expenditure of donor-restricted endowment funds without regard to the original value of the gifts. However, NYPMIFA contains specific factors that must be considered prior to making investment decisions or appropriating funds for expenditure.

The Board of Trustees' interpretation of its fiduciary responsibilities for donor-restricted endowment funds under New York State's Not-for-Profit Corporation Law, including NYPMIFA, is to preserve intergenerational equity to the extent possible by prudently managing, investing, and spending from the endowment funds. This principle holds that future endowment beneficiaries should receive at least the same level of economic support that the current generation receives. As a result of this interpretation, the University classifies as net assets with donor restrictions the unappropriated portion of: a) the original value of gifts donated to a true endowment fund; b) the original value of subsequent gifts to a true endowment fund; and, c) accumulations to a true endowment fund made in accordance with the direction of the applicable donor gift instrument at the time the accumulation is added to the fund. Also included in net assets with donor restrictions is accumulated appreciation on donor-restricted endowment funds which are available for expenditure in a manner consistent with the donor's intent and deficiencies associated with funds where the value of the fund has fallen below the original value of the gift.

The Board of Trustees determines the appropriate amount to withdraw from endowment and similar funds on an annual basis to provide support for operations with prudent concern for the long-term growth in the underlying assets, as well as the specific factors detailed in NYPMIFA.

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 and alternative investments to achieve its long-term objectives within prudent risk constraints.
The University currently accounts for endowment activity in two investment pools: Pool I and Pool II. Pool I is comprised of contributions, both donor-restricted and board-designated, made to the University for a variety of purposes, as well as contributions transferred from Pool II; Pool II is comprised of contributions made to the National Technical Institute for the Deaf (NTID). Each pool has a separate investment and spending policy.

Pool I – The University has a policy of appropriating for distribution each year 5% of its endowment fund's average fair value over the prior 20 quarters through March of the preceding fiscal year in which the distribution is planned. The total spending distribution should be at least equal to 3.50% but not greater than 5.25% of the beginning of year portfolio market value. The distribution excludes those funds with deficiencies due to unfavorable market fluctuations. During periods when investment return exceeds the distribution, such excess return is added to these investments. Likewise, when investment return is less than the distribution, such deficit is funded by accumulated return. In establishing the distribution policy, the University considered the long-term expected return on its endowment. New gifts to existing funds participate in the spending policy in the quarter that begins subsequent to the date of the gift. New funds participate in the spending policy in the quarter that begins one year subsequent to the date of the gift. Accordingly, over the long term, the University expects the current spending policy to allow its endowment to grow at a rate exceeding expected inflation, 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.

Pool II – The University established Pool II for NTID during 1989 in accordance with the federal program established by Public Law 99-371 (August 4, 1986) to support NTID. Pool II assets are invested in a manner intended to produce price and yield results that are at least equal to a blended benchmark of 70% of the S&P 500 Index and 30% of the Barclays Capital Aggregate Bond Index, assuming a moderate level of investment risk. The program stipulates that the investment of annual additions to Pool II is restricted to IRC 501(f) investment organizations. The federal guidelines authorize a spending distribution from Pool II of not more than 50% of current year's investment income (interest and dividends only). After a period of 10 years, the University can elect to invest the funds consistent with the University's overall long-term investment strategy (Pool I).

At June 30, 2026, the endowment net asset composition by type of fund consists of the following:

	Without Donor Restrictions	With Donor Restrictions	Total
Donor-restricted funds	$ -	$ 800,269	$ 800,269
Board-designated funds	882,001	803	882,804
Total funds	**$ 882,001**	**$ 801,072**	**$ 1,683,073**

Following are changes in endowment net assets for the year ended June 30, 2026:

	Without Donor Restrictions	With Donor Restrictions	Total
Endowment net assets, June 30, 2025	$ 782,084	$ 693,292	$ 1,475,376
Investment return	142,815	125,257	268,072
Contributions	-	12,529	12,529
Amounts appropriated for expenditure	(44,728)	(29,972)	(74,700)
Other changes:			
Transfers to create board-designated endowment funds	1,796	-	1,796
Endowment net asset reclassification	34	(34)	-
Endowment net assets, June 30, 2026	**$ 882,001**	**$ 801,072**	**$ 1,683,073**

At June 30, 2025, the endowment net asset composition by type of fund consists of the following:

	Without Donor Restrictions	With Donor Restrictions	Total
Donor-restricted funds	$ -	$ 692,435	$ 692,435
Board-designated funds	782,084	857	782,941
Total funds	**$ 782,084**	**$ 693,292**	**$ 1,475,376**

Following are changes in endowment net assets for the year ended June 30, 2025:

	Without Donor Restrictions	With Donor Restrictions	Total
Endowment net assets, June 30, 2024	$ 741,755	$ 642,763	$ 1,384,518
Investment return	80,776	71,918	152,694
Contributions	-	6,350	6,350
Amounts appropriated for expenditure	(42,913)	(27,736)	(70,649)
Other changes:			
Transfers to create board-designated endowment funds	535	1,928	2,463
Endowment net asset reclassification	1,931	(1,931)	-
Endowment net assets, June 30, 2025	**$ 782,084**	**$ 693,292**	**$ 1,475,376**

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 the NYPMIFA requires the University to retain as a fund of perpetual duration. Deficiencies of this

nature are reported in net assets with donor restrictions. It is the University's policy to exclude these funds from the spending distribution until the fund's fair value is equal to or greater than the perpetual value. Subsequent gains that restore the fair value of the assets of such endowment funds to the required level are classified as an increase in net assets with donor restrictions. There are no deficiencies of this nature as of June 30, 2026 and 2025.

8. Liquidity and Available Resources

The University's financial assets and resources available to meet cash needs for general expenditures within one year of the date of the Consolidated Balance Sheets are as follows:

	2026	2025
Cash and cash equivalents	$ 58,365	$ 67,918
Accounts receivable, net	24,564	16,891
Non-endowment contributions receivable, net	35,300	41,485
Student loans receivable, net	247	449
Investments:		
Working capital investments	267,513	290,063
Appropriated for spending in the following year	78,766	74,831
Financial assets available within one year	**$ 464,755**	**$ 491,637**

As part of the University's liquidity management strategy, its financial assets are structured to be available as expenditures, liabilities and other obligations come due. The University allocates cash in excess of daily requirements to short-term investments. When determining the availability of resources to meet cash requirements within one year, the University considers general expenditures to be those related to its mission-related activities, as well as the delivery of services undertaken to support its day-to-day operations. In addition to these available financial assets, a significant portion of the University's annual expenditures are funded by current year operating revenues and other support including tuition and fees, sales and services of auxiliaries and grants and contracts. Endowment funds appropriated for spending and contributions receivable, subject to donor-restrictions where applicable, are considered available for general liquidity purposes.

Additionally, the University maintains board-designated funds of $882,804 and $782,941 as of June 30, 2026 and 2025, respectively. Although the University does not intend to spend from this endowment, other than amounts appropriated for expenditure as part of its annual appropriation process, amounts from its board-designated funds could be made available for liquidity needs, if necessary. However, both the board-designated and donor-restricted endowments include investments subject to lock-up provisions and redemption gates. These provisions may limit the liquidity of the investments and restrict the amount of financial assets available for general expenditures within one year of the balance sheet date, based on specified timeframes. (Refer to Note 6 for disclosures about investments).

9. Property, Plant and Equipment

Property, plant and equipment, less related depreciation on certain asset categories at June 30, is as follows:

	2026	2025
Buildings and capital improvements	$ 1,578,488	$ 1,417,843
Equipment and software	184,686	174,491
Less: accumulated depreciation	(839,101)	(792,568)
Depreciable property, plant and equipment, net	924,073	799,766
Land	11,854	11,939
Special collections	14,496	14,477
Construction-in-progress	63,962	147,672
Property, plant and equipment, net	**$ 1,014,385**	**$ 973,854**

Total depreciation expense for 2026 and 2025 was $52,351 and $48,363, respectively.

10. Asset Retirement Obligations

The University accounts for asset retirement obligations, primarily asbestos-related removal costs, in accordance with asset retirement and environmental obligations guidance. The University accrues for asset retirement obligations in the period incurred if sufficient information is available to reasonably estimate the fair value of the obligation. Over time, the liability is accreted to its settlement value. Upon settlement of the liability, the University will recognize a gain or loss for any difference between the settlement amount and liability recorded.

The University reassesses its asset retirement obligations annually, adjusting both the liability, included in deferred revenues and other liabilities, and the associated asset retirement costs, included in property, plant and equipment, on the Consolidated Balance Sheets.

The following schedule reflects changes in asset retirement obligations for the year ended June 30:

	2026	2025
Beginning balance	$ 28,989	$ 29,521
Change in estimate	3,943	718
Abatement liability settled	(760)	(2,208)
Accretion expenses	1,109	958
Ending balance	**$ 33,281**	**$ 28,989**

11. Deferred Revenue

Deferred revenue from customer contracts represents amounts collected from, or invoiced to, customers in advance of revenue recognition. The deferred revenue balance will increase or decrease based on the timing of invoices and recognition of revenue. The University has elected the practical expedient under Topic 606 to forego disclosing information about remaining performance obligations that have original expected durations of one year or less.

Significant changes in deferred revenue liability balances during the years ended June 30 are as follows:

2026					
	Balance at June 30, 2025	Revenue Recognized	Consideration Received in Advance of Performance	Refunds and Other Adjustments	Balance at June 30, 2026
Student related revenues	$ 22,176	$ (21,809)	$ 20,120	$ (42)	$ 20,445
Tuition prepayment program	3,408	(2,018)	1,241	124	2,755
Other	2,238	(5,924)	5,876	2	2,192

2025					
	Balance at June 30, 2024	Revenue Recognized	Consideration Received in Advance of Performance	Refunds and Other Adjustments	Balance at June 30, 2025
Student related revenues	$ 22,394	$ (22,191)	$ 21,852	$ 121	$ 22,176
Tuition prepayment program	3,097	(1,804)	1,925	190	3,408
Other	2,728	(4,814)	4,512	(188)	2,238

Student related revenues consist of tuition, sales and services of auxiliaries, advance deposits, and student credit balances and represent payments received in advance of the period when services will be rendered and performance obligations met. These deferred revenue balances will be recognized as revenue over the academic terms beginning and ending in the following fiscal year as services are rendered.

Tuition prepayments will be recognized as revenue over the respective academic terms when performance obligations are met beginning July 1, 2026 through June 30, 2030. Anticipated recognition of revenue for the fiscal years ended June 30 are as follows:

2027	$ 1,415
2028	824
2029	289
2030	227
	$ 2,755

Other deferred revenue consists of general customer contracts with performance obligations that will be met and revenue recognized during the fiscal year ended June 30, 2027.

12. Benefit Plans

a. Retirement Benefit Plan

The Rochester Institute of Technology Retirement Savings Plan (Plan) is a defined contribution plan subject to the provisions of the Employee Retirement Income Security Act of 1974 (ERISA) and IRC Section 403(b). The Plan is available to all employees who meet certain eligibility requirements. Plan contributions are invested in one or more of the funding vehicles made available to participants under the Plan. Contributions may be allocated to annuity contracts offered by Teachers Insurance Annuity Association (TIAA) and/or custodial accounts which are invested in regulated investment companies (mutual funds) offered by Fidelity Investments (Fidelity). In addition, employees may choose to invest in a self-directed brokerage account through which they can access additional mutual fund options. TIAA and Fidelity are

recordkeepers of the Plan. It is the University's policy to currently fund defined contribution pension costs as they are incurred. Total retirement contribution expense for 2026 and 2025 is $26,076 and $25,518, respectively.

b. Postemployment Benefits

The accrued postemployment benefits of the University are $279 and $244 at June 30, 2026 and 2025, respectively.

c. Postretirement Benefits

The University sponsors a defined benefit medical plan that covers substantially all employees.

Eligibility

Employees hired prior to January 1, 1995 are eligible for retiree medical benefits if they are at least 50 years old, with at least 10 years of service (5 years if hired prior to July 1, 1990) and age plus service total at least 70 at retirement. Employees hired on or after January 1, 1995 are eligible for retiree medical benefits if they are at least 55 years old, with at least 10 years of service, and age plus service totals at least 70 at retirement.

Employees hired prior to January 1, 2019 who were at least 45 years of age or had at least 10 years of full-time service or 15 years of eligible part-time service as of January 1, 2019 are grandfathered into the pre-January 1, 2019 retirement eligibility conditions. For employees who are not grandfathered or are hired on or after January 1, 2019, retirement eligibility is at least age 62 with 15 years of full-time service (20 years of eligible part-time service).

Delivery of Medical Benefits

Pre-Medicare retirees:

Retirees contribute towards the cost of coverage based on the plan option selected and salary at retirement but are required to pay a larger contribution than active employees.

Medicare-eligible retirees:

Retirees and spouses receive an annual health reimbursement account (HRA) allocation from the University to obtain healthcare coverage via a private healthcare exchange.

HRA allocations vary based on the retiree classifications described above, with earlier hire dates receiving a greater HRA allocation. Coverage from the healthcare exchange includes reimbursement for drug claims in the catastrophic tier under Medicare Part D.

The postretirement medical plan's obligations and applicable discount rates as of June 30 are as follows:

	2026	2025
Change in projected benefit obligation		
Postretirement benefit obligation at beginning of year	$ 92,974	$ 100,196
Service cost	1,925	2,210
Interest cost	5,160	5,670
Participants' contributions	808	678
Actuarial gain	(1,286)	(10,282)
Benefits paid	(6,505)	(5,498)
Postretirement benefit obligation at end of year	**$ 93,076**	**$ 92,974**

	2026	2025
Amounts recognized in net assets without donor restrictions consist of:		
Net prior service credit	$ (23,688)	$ (30,668)
Net gain	(34,685)	(36,160)
Accumulated income in net assets without donor restrictions	**$ (58,373)**	**$ (66,828)**

Discount rates

	2026	2025
Net periodic benefit cost	5.73%	5.84%
Year-end benefit obligation	6.10%	5.73%

The net actuarial gain for the fiscal year ending June 30, 2026 is primarily the result of updates to the discount rate and HRA-related assumptions partially offset by updates to pre-65 per capita costs and medical trend assumptions. The net actuarial gain for the fiscal year ending June 30, 2025 is primarily the result of fewer than expected retirements in the current year and an update to the medical coverage election rates assumption partially offset by updates to the discount rate and per capita costs.

The components of net periodic postretirement benefit income are as follows at June 30:

	2026	2025
Operating activities:		
Service cost	$ 1,925	$ 2,210
Nonoperating activities:		
Interest cost	5,160	5,670
Amortization of unrecognized prior service benefit	(6,980)	(6,980)
Amortization of net gains	(2,762)	(2,268)
Total nonoperating activities	(4,582)	(3,578)
Net periodic postretirement benefit income	**$ (2,657)**	**$ (1,368)**

Postretirement benefit changes of $(8,455) and $1,034 for the fiscal years ending June 30, 2026 and 2025, respectively, are included in nonoperating activities in the Consolidated Statements of Activities. These amounts consist of the amortization of prior service credit and the recognition of net actuarial and experience gains and losses.

Amortization of prior service costs or credits which result from changes to plan provisions and amortization of actuarial net gains or losses which result from experience different from assumed and from changes in assumptions (excluding asset gains and losses not yet reflected in market-related value) are included as components of Net Periodic Postretirement Benefit Cost/(Income) for a year. The amortization of actuarial net gain or loss is the net gain or loss divided by the average remaining service period to full eligibility for participating employees expected to receive benefits under the postretirement medical plan.

The postretirement medical plan's health care cost trend rate assumptions are as follows at June 30:

	2026	2025
Initial rate	7.50%	6.75%
Ultimate rate	5.0%	5.0%
Fiscal year of ultimate rate	2036	2032

Benefit Payments
At June 30, the University's aggregated future estimated postretirement benefit payments, which reflect future services, are as follows:

Fiscal Year(s)	Employer Payments
2027	$ 6,382
2028	6,778
2029	7,150
2030	7,505
2031	7,806
2032-2036	40,546

d. Self-insurance Plans
The University is self-insured for medical, prescription drug and dental benefits. Based on estimates provided by its actuaries, the University's obligation for health care claims incurred but not reported is $4,140 and $2,859 as of June 30, 2026 and 2025, respectively. The University is also self-insured for workers compensation and has established a liability for asserted and unasserted claims totaling $3,516 and $3,584 as of June 30, 2026 and 2025, respectively. These amounts are included in accounts payable and accrued expenses on the Consolidated Balance Sheets.

13. Long-Term Debt

The University has entered into various agreements for the purpose of financing construction, renovation and improvement of its facilities and equipment. Long-term debt outstanding for these purposes, net of applicable unamortized premium and debt issuance costs as of June 30, is as follows:

Issue	Interest Rate(s)[1]	Type of Rate	Maturity	2026	2025
Tax-exempt revenue bonds:					
Dormitory Authority of the State of New York (DASNY)					
Series 2019A	4.00% - 5.00%	Fixed	7/1/49	$ 119,635	$ 119,635
Series 2020A	5.00%	Fixed	7/1/40	33,655	36,225
Series 2022A	5.00%	Fixed	7/1/42	109,155	109,155
Taxable revenue bonds:					
Dormitory Authority of the State of New York (DASNY)					
Series 2019B	2.50% - 3.44%	Fixed	7/1/42	114,940	124,685
Other debt	3.18% - 4.13%	Variable	Various	326	555
Total long-term debt, principal				377,711	390,255
Bond premium, net				30,390	32,936
Unamortized debt issuance costs, net				(2,095)	(2,218)
Total long-term debt, net				**$ 406,006**	**$ 420,973**

[1] Represents interest rates on debt outstanding as of June 30, 2026

The required principal payments for long-term debt for each of the years in the five-year period ending June 30, 2031 and thereafter are presented below. The schedule has been prepared based on the contractual maturities of the debt outstanding at June 30:

2027	$	13,047
2028		13,258
2029		16,465
2030		18,051
2031		19,675
Thereafter		297,215
	$	**377,711**

Deposits with bond trustees consist of debt service funds and the unexpended proceeds of certain debt totaling $25,354 and $61,565, and are included in cash and cash equivalents held with bond trustees and investments on the Consolidated Balance Sheets as of June 30, 2026 and 2025, respectively.

Tax-Exempt Revenue Bonds

The University's tax-exempt bonds are issued through DASNY, a New York State agency that serves as a conduit issuer of tax-exempt debt. Proceeds from tax-exempt revenue bonds outstanding as of June 30, 2026 were used for the purposes described below:

DASNY 2019A Series

Unsecured revenue bonds were issued to refinance the University's taxable bank loan and to finance the construction of the Student Hall for Exploration and Development, the Performing Arts Center and an expansion of athletic facilities.

DASNY 2020A Series

Unsecured revenue bonds were issued to forward refund a portion of the DASNY 2010 Series bonds which had been issued for the construction of a new academic building, a green data center, the expansion of athletic facilities, various other campus-wide improvements and the advance refunding of DASNY 2002A Series bonds.

DASNY 2022A Series

Unsecured revenue bonds were issued to finance the construction of the RIT Research Building and the Thomas Fearey Judson Jr. Stadium, renovations to residence halls and improvements to other campus buildings.

Taxable Revenue Bonds

The University's taxable bonds are issued through DASNY. Proceeds from taxable revenue bonds outstanding as of June 30, 2026 were used for the purposes described below:

DASNY 2019B Series

Unsecured taxable revenue bonds were issued to advance refund a portion of the DASNY 2012 Series bonds which had been issued to advance refund a portion of DASNY 2002B Series bonds and a portion of DASNY 2008A Series bonds, and to finance the construction of a new athletic and multi-purpose facility, renovations and improvements to academic facilities, replacement of electrical infrastructure, and the acquisition of University Commons Project II on-campus residential housing.

Other Debt

Other debt consists of amounts associated with agreements the University has entered into for finance leases of equipment.

14. Student Aid

For the fiscal years ending June 30, aid provided to students is summarized as follows:

	2026		
	Institutional Support[1]	Sponsored Support[2]	Total
Financial aid and merit-based scholarships	$ 391,141	$ 26,729	$ 417,870
Student salaries and wages	26,990	13,965	40,955
Total student aid	**$ 418,131**	**$ 40,694**	**$ 458,825**

	2025		
	Institutional Support[1]	Sponsored Support[2]	Total
Financial aid and merit-based scholarships	$ 379,356	$ 25,751	$ 405,107
Student salaries and wages	26,879	14,443	41,322
Total student aid	**$ 406,235**	**$ 40,194**	**$ 446,429**

[1] Institutional support includes student aid from operating resources without donor restrictions.

[2] Sponsored support includes student aid provided through donor-restricted funds, University-designated resources, and external sources such as federal, state or private grants and contributions.

15. Grants and Contracts Revenue

For the fiscal years ending June 30, revenue sources from grants and contracts are as follows:

2026	Contributions	Exchange Transactions	Total
Operating activities:			
Federal [1]	$ 142,038	$ 8,602	$ 150,640
State	15,415	1,338	16,753
Private	1,804	2,195	3,999
Total operating grants and contracts revenue	**$ 159,257**	**$ 12,135**	**$ 171,392**
Nonoperating activities:			
Federal	$ 425	$ -	$ 425
State	5,238	218	5,456
Total nonoperating grants and contracts revenue	**$ 5,663**	**$ 218**	**$ 5,881**

2025	Contributions	Exchange Transactions	Total
Operating activities:			
Federal [1, 2]	$ 150,960	$ 8,573	$ 159,533
State	16,257	230	16,487
Private	2,285	2,364	4,649
Total operating grants and contracts revenue	**$ 169,502**	**$ 11,167**	**$ 180,669**
Nonoperating activities:			
Federal	$ 361	$ -	$ 361
State	45	-	45
Total nonoperating grants and contracts revenue	**$ 406**	**$ -**	**$ 406**

[1] Contributions include appropriation for NTID

[2] Contributions include Consolidated Appropriations Act 2021, Division M, Coronavirus Response and Relief Supplemental Appropriations American Rescue Plan Act (ARPA) awarded to NTID totaling $274

Due to the University's concentration of grants and contracts revenue from the Federal Government, it is at least reasonably possible that delays or cancellations in funding may occur in the near term and that such changes could materially affect operations.

16. National Technical Institute for the Deaf

Under an agreement with the U.S. Department of Education (ED), the University established NTID in 1968 to provide post-secondary education and technical training for deaf and hard of hearing persons. NTID is the world's first and largest technical college of its kind with approximately 1,135 students from the United States and other countries. The Federal Government provides funding through an appropriation, currently covering approximately 80% of NTID's total operating costs, as well as matching funds for NTID's Federal Endowment Fund. Funding is applied for annually and is subject to the Federal Government's continued support of the program.

Operating Revenues
The federal appropriation partially covers direct operating expenses and reimbursement to the University for tuition, fees, room and board and indirect costs for NTID students using RIT facilities. Appropriation revenues are included in grants and contracts on the Consolidated Statements of Activities and total $91,578 and $92,240 at June 30, 2026 and 2025, respectively. The remaining operating expenses are funded by tuition and fees collected from NTID students and other revenues.

NTID receives funds in its annual appropriation from ED to support a regional partnership with the Alabama Institute for the Deaf and Blind (AIDB). The NTID Southeast Regional STEM Center was established to expand the geographic reach of activities and services supported by NTID consistent with its mission and strategic plan. The grants and contracts amounts on the Consolidated Statements of Activities include $7,172 and $7,872 at June 30, 2026 and 2025, respectively, appropriated for the AIDB regional partnership.

Nonoperating Activities
The federal appropriation may also be used to match qualifying contributions received from donors for NTID's Federal Endowment Fund. The amounts included in with donor restricted nonoperating government grants and contracts for long-term assets on the Consolidated Statements of Activities are federal matching funds totaling $425 and $361 at June 30, 2026 and 2025, respectively.

17. Expenses by Functional and Natural Classification

Certain natural expenses attributable to more than one functional expense category are distributed using reasonable cost allocation methods. Depreciation, interest and plant operation and maintenance expenses are allocated to the functional categories on a square footage basis.

Expenses by functional and natural classification for the fiscal years ending June 30 are as follows:

	2026				
	Instruction & Academic Support	Student & Auxiliary Services	Research & Public Support	General Admin & Operations [1]	Total
Compensation and benefits	$ 321,865	$ 90,399	$ 59,132	$ 40,691	$ 512,087
Purchased services and other	66,041	76,766	35,721	20,437	198,965
Depreciation, amortization and interest	23,999	20,639	7,737	6,515	58,890
Total operating expense	$ 411,905	$ 187,804	$ 102,590	$ 67,643	$ 769,942
Net periodic benefit income other than service	(3,091)	(832)	(101)	(558)	(4,582)
Total expense	$ 408,814	$ 186,972	$ 102,489	$ 67,085	$ 765,360

[1] Includes fundraising expenses of $12,764

	2025				
	Instruction & Academic Support	Student & Auxiliary Services	Research & Public Support	General Admin & Operations [1]	Total
Compensation and benefits	$ 315,118	$ 86,719	$ 60,804	$ 40,731	$ 503,372
Purchased services and other	63,889	75,202	46,148	12,788	198,027
Depreciation, amortization and interest	23,351	20,419	7,829	5,979	57,578
Total operating expense	$ 402,358	$ 182,340	$ 114,781	$ 59,498	$ 758,977
Net periodic benefit income other than service	(2,416)	(647)	(87)	(428)	(3,578)
Total expense	$ 399,942	$ 181,693	$ 114,694	$ 59,070	$ 755,399

[1] Includes fundraising expenses of $13,553

18. Commitments and Contingencies

The University is involved in legal actions arising in the normal course of activities and is subject to periodic audits and inquiries by various regulatory agencies. Although the ultimate outcome of such matters is not determinable at this time, management, after taking into consideration advice of legal counsel, believes that the resolution of pending matters will not have a materially adverse effect, individually or in the aggregate, upon the Consolidated Financial Statements.

The University is committed under several construction contracts amounting to approximately $19,672 and $56,615 at June 30, 2026 and 2025, respectively. These contracts relate to the renovation and construction of various on-campus facilities including projects totaling $2,487 funded by private donors and $1,364 funded by federal and state grants.

19. Subsequent Events

Subsequent events have been evaluated through November 2, 2026, the date the Consolidated Financial Statements were issued.