

**OAKWOOD UNIVERSITY
CONSOLIDATED FINANCIAL STATEMENTS**

**FOR THE YEARS ENDED
JUNE 30, 2021, 2020, 2019, 2018, and 2017**

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ACCOUNTANTS' COMPILATION REPORT

To the Board of Trustees of
Oakwood University

Management is responsible for the accompanying financial statements of Oakwood University (a nonprofit organization), which comprise the statements of financial position as of June 30, 2021, 2020, 2019, 2018, and 2017, and the related statements of activities and cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America. We have performed a compilation engagement in accordance with Statements on Standards for Accounting and Review Services promulgated by the Accounting and Review Services Committee of the AICPA. We did not audit or review the financial statements nor were we required to perform any procedures to verify the accuracy or completeness of the information provided by management. We do not express an opinion, a conclusion, nor provide any assurance on these financial statements.

Although we have previously audited the financial statements of the Organization for the fiscal years presented in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States, no further testing has been completed and there has not been a change to our previous opinions. The attached financial statements do not represent the aforementioned financial statements previously audited and we do not issue an opinion on those statements in this report.

Management has elected to omit substantially all the disclosures required by accounting principles generally accepted in the United States of America. If the omitted disclosures were included in the financial statements, they might influence the user's conclusions about the Organization's financial position, changes in net assets, and cash flows. Accordingly, these financial statements are not designed for those who are not informed about such matters.

DiPiazza LaRocca Heeter & Co., LLC

DiPiazza LaRocca Heeter & Co., LLC

Birmingham, Alabama

June 3, 2022

OAKWOOD UNIVERSITY
Consolidated Statements of Financial Position
As of June 30, 2021, 2020, 2019, 2018, and 2017

	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>
ASSETS					
Cash and cash equivalents	\$ 11,453,138	\$ 15,457,914	\$ 16,959,667	\$ 20,226,680	\$ 20,852,722
Certificates of deposit	105,278	104,941	103,359	102,593	102,225
Contribution receivable, net	336,560	549,399	652,500	1,732,595	852,297
Accounts receivable, net	11,087,365	9,127,374	8,716,720	6,399,413	6,877,934
Notes receivable, net	907,705	907,705	902,304	892,060	893,985
Investments at fair value	30,267,430	24,035,644	23,444,474	21,035,583	18,814,816
Investments in real estate, net of accumulated depreciation and valuation allowance of \$240,250 in 2021, 2020, 2019, 2018, and 2017	1,681,963	1,681,963	1,681,963	1,681,963	1,681,963
Land, buildings and equipment, net	58,990,086	52,164,348	48,624,754	47,367,680	47,311,114
Deposits	284,640	284,641	286,164	286,592	293,986
Prepaid expenses and other assets	108,910	94,342	102,976	11,611	45,882
Total assets	<u>\$ 115,223,075</u>	<u>\$ 104,408,271</u>	<u>\$ 101,474,881</u>	<u>\$ 99,736,770</u>	<u>\$ 97,726,924</u>
LIABILITIES AND NET ASSETS					
Liabilities:					
Accounts payable and accrued liabilities	\$ 7,335,248	\$ 8,188,496	\$ 6,652,927	\$ 5,488,518	\$ 5,451,670
Deposits held for others	902,580	861,998	846,744	772,856	753,300
Bonds and notes payable	12,572,757	9,173,831	8,316,721	9,340,611	9,965,555
Advances from federal government for student loans	857,270	930,388	924,987	914,743	914,743
Total liabilities	21,667,855	19,154,713	16,741,379	16,516,728	17,085,268
Net assets:					
Without donor imposed restrictions	57,782,924	54,631,472	55,874,697	56,314,818	55,675,978
With donor imposed restrictions	35,772,296	30,622,086	28,858,805	26,905,224	24,965,678
Total net assets	<u>93,555,220</u>	<u>85,253,558</u>	<u>84,733,502</u>	<u>83,220,042</u>	<u>80,641,656</u>
Total liabilities and net assets	<u>\$ 115,223,075</u>	<u>\$ 104,408,271</u>	<u>\$ 101,474,881</u>	<u>\$ 99,736,770</u>	<u>\$ 97,726,924</u>

OAKWOOD UNIVERSITY
Consolidated Statement of Activities and Changes in Net Assets
For the Year Ended June 31, 2021

	Year ended June 30, 2021		
	Without donor- imposed Restrictions	With donor- imposed Restrictions	Total
REVENUES AND OTHER SUPPORT			
Tuition and fees	\$ 26,736,415	\$ -	\$ 26,736,415
Less institutional awards	8,507,024	-	8,507,024
Net student tuition and fees	18,229,391	-	18,229,391
Contributions, private gifts, grants and contracts	18,070,338	8,383,532	26,453,870
Interest, dividend and other investment income	419,655	301,285	720,940
Other sources	1,484,457	444,163	1,928,620
Sales and service:			
Educational activities	238,859	-	238,859
Auxiliary enterprises	6,276,190	3,098	6,279,288
Independent operations	2,213,097	-	2,213,097
Net realized and unrealized gains on investments	1,059,658	4,468,406	5,528,064
Net unrealized gain on interest rate swap	62,560	-	62,560
Net assets released from restrictions	8,449,963	(8,449,963)	-
Total revenues and other support	56,504,168	5,150,521	61,654,689
EXPENDITURES			
Educational and general:			
Instructional	11,111,471	-	11,111,471
Research	352,256	-	352,256
Public service	147,985	-	147,985
Academic support	4,436,483	-	4,436,483
Student services	4,301,329	-	4,301,329
Institutional support	11,700,926	-	11,700,926
Operation and maintenance of physical plant	3,607,024	-	3,607,024
Scholarships	5,123,638	-	5,123,638
Depreciation and amortization expense	4,487,987	-	4,487,987
Auxiliary enterprises	4,830,178	-	4,830,178
Independent operations	2,938,201	-	2,938,201
Interest expense	315,549	-	315,549
Total expenditures	53,353,027	-	53,353,027
Change in net assets	3,151,141	5,150,521	8,301,662
Net assets - beginning of year	54,631,472	30,622,086	85,253,558
Conforming transfers	311	(311)	-
Net assets - end of year	\$ 57,782,924	\$ 35,772,296	\$ 93,555,220

OAKWOOD UNIVERSITY
Consolidated Statement of Activities and Changes in Net Assets
For the Year Ended June 31, 2020

	Year ended June 30, 2020		
	Without donor- imposed Restrictions	With donor- imposed Restrictions	Total
REVENUES AND OTHER SUPPORT			
Tuition and fees	\$ 29,367,469	\$ -	\$ 29,367,469
Less institutional awards	7,367,675	-	7,367,675
Net student tuition and fees	<u>21,999,794</u>	<u>-</u>	<u>21,999,794</u>
Contributions, private gifts, grants and contracts	16,067,514	8,859,539	24,927,053
Interest, dividend and other investment income	415,342	285,543	700,885
Other sources	1,470,279	1,062,353	2,532,632
Sales and service:		-	
Educational activities	342,249	-	342,249
Auxiliary enterprises	7,066,531	-	7,066,531
Independent operations	961,522	-	961,522
Net realized and unrealized gains on investments	31,750	(120,988)	(89,238)
Net unrealized gain on interest rate swap	(78,134)	-	(78,134)
Net assets released from restrictions	8,128,835	(8,128,835)	-
Total revenues and other support	<u>56,405,682</u>	<u>1,957,612</u>	<u>58,363,294</u>
EXPENDITURES			
Educational and general:			
Instructional	12,574,417	-	12,574,417
Research	535,510	-	535,510
Public service	149,271	-	149,271
Academic support	3,927,896	-	3,927,896
Student services	5,565,380	-	5,565,380
Institutional support	11,483,380	-	11,483,380
Operation and maintenance of physical plant	3,828,579	-	3,828,579
Scholarships	7,819,661	-	7,819,661
Depreciation and amortization expense	4,069,499	-	4,069,499
Auxiliary enterprises	5,548,331	-	5,548,331
Independent operations	2,033,866	-	2,033,866
Interest expense	307,448	-	307,448
Total expenditures	<u>57,843,238</u>	<u>-</u>	<u>57,843,238</u>
Change in net assets	(1,437,556)	1,957,612	520,056
Net assets - beginning of year	55,874,697	28,858,805	84,733,502
Conforming transfers	194,331	(194,331)	-
Net assets - end of year	<u>\$ 54,631,472</u>	<u>\$ 30,622,086</u>	<u>\$ 85,253,558</u>

OAKWOOD UNIVERSITY
Consolidated Statement of Activities and Changes in Net Assets
For the Year Ended June 31, 2019

	Year ended June 30, 2019		
	Without donor- imposed Restrictions	With donor- imposed Restrictions	Total
REVENUES AND OTHER SUPPORT			
Tuition and fees	\$ 30,313,934	\$ -	\$ 30,313,934
Less institutional awards	6,997,395	-	6,997,395
Net student tuition and fees	<u>23,316,539</u>	<u>-</u>	<u>23,316,539</u>
Contributions, private gifts, grants and contracts	8,463,396	12,370,705	20,834,101
Interest, dividend and other investment income	606,494	286,369	892,863
Other sources	1,677,859	431,782	2,109,641
Sales and service:			
Educational activities	312,015	-	312,015
Auxiliary enterprises	8,777,956	(787)	8,777,169
Independent operations	689,005	-	689,005
Net realized and unrealized gains on investments	35,235	215,654	250,889
Net unrealized loss on interest rate swap	(102,662)	-	(102,662)
Net assets released from restrictions	<u>11,723,107</u>	<u>(11,723,107)</u>	<u>-</u>
Total revenues and other support	55,498,944	1,580,616	57,079,560
EXPENDITURES			
Educational and general:			
Instructional	11,789,090	-	11,789,090
Research	723,744	-	723,744
Public service	148,201	-	148,201
Academic support	4,213,967	-	4,213,967
Student services	5,089,194	-	5,089,194
Institutional support	12,161,990	-	12,161,990
Operation and maintenance of physical plant	4,135,022	-	4,135,022
Scholarships	6,546,376	-	6,546,376
Depreciation and amortization expense	3,868,023	-	3,868,023
Auxiliary enterprises	5,474,247	-	5,474,247
Independent operations	1,100,356	-	1,100,356
Interest expense	315,890	-	315,890
Total expenditures	55,566,100	-	55,566,100
Change in net assets	(67,156)	1,580,616	1,513,460
Net assets - beginning of year	56,314,818	26,905,224	83,220,042
Conforming transfers	(372,965)	372,965	-
Net assets - end of year	\$ <u>55,874,697</u>	\$ <u>28,858,805</u>	\$ <u>84,733,502</u>

OAKWOOD UNIVERSITY
Consolidated Statement of Activities and Changes in Net Assets
For the Year Ended June 31, 2018

	Year ended June 30, 2018		
	Without donor- imposed Restrictions	With donor- imposed Restrictions	Total
REVENUES AND OTHER SUPPORT			
Tuition and fees	\$ 27,062,598	\$ -	\$ 27,062,598
Less institutional awards	6,375,422	-	6,375,422
Net student tuition and fees	<u>20,687,176</u>	<u>-</u>	<u>20,687,176</u>
Contributions, private gifts, grants and contracts	8,554,936	14,902,096	23,457,032
Interest, dividend and other investment income	437,310	222,284	659,594
Other sources	1,560,586	328,935	1,889,521
Sales and service:			
Educational activities	285,963	-	285,963
Auxiliary enterprises	8,831,061	3,900	8,834,961
Independent operations	716,061	-	716,061
Net realized and unrealized gains on investments	289,090	422,538	711,628
Net unrealized loss on interest rate swap	122,732	-	122,732
Net assets released from restrictions	13,940,207	(13,940,207)	-
Total revenues and other support	<u>55,425,122</u>	<u>1,939,546</u>	<u>57,364,668</u>
EXPENDITURES			
Educational and general:			
Instructional	11,885,409	-	11,885,409
Research	777,696	-	777,696
Public service	133,812	-	133,812
Academic support	4,395,952	-	4,395,952
Student services	4,834,087	-	4,834,087
Institutional support	12,197,768	-	12,197,768
Operation and maintenance of physical plant	3,351,599	-	3,351,599
Scholarships	5,767,384	-	5,767,384
Depreciation and amortization expense	3,830,281	-	3,830,281
Auxiliary enterprises	5,807,710	-	5,807,710
Swap derivative	520,000	-	520,000
Independent operations	939,438	-	939,438
Interest expense	345,146	-	345,146
Total expenditures	<u>54,786,282</u>	<u>-</u>	<u>54,786,282</u>
Change in net assets	638,840	1,939,546	2,578,386
Net assets - beginning of year	<u>55,675,978</u>	<u>24,965,678</u>	<u>80,641,656</u>
Net assets - end of year	<u>\$ 56,314,818</u>	<u>\$ 26,905,224</u>	<u>\$ 83,220,042</u>

OAKWOOD UNIVERSITY
Consolidated Statement of Activities and Changes in Net Assets
For the Year Ended June 31, 2017

	Year ended June 30, 2017		
	Without donor- imposed Restrictions	With donor- imposed Restrictions	Total
REVENUES AND OTHER SUPPORT			
Tuition and fees	\$ 27,624,893	\$ -	\$ 27,624,893
Less institutional awards	7,177,379	-	7,177,379
Net student tuition and fees	<u>20,447,514</u>	<u>-</u>	<u>20,447,514</u>
Contributions, private gifts, grants and contracts	8,564,477	11,636,505	20,200,982
Interest, dividend and other investment income	302,988	137,193	440,181
Other sources	2,392,504	382,286	2,774,790
Sales and service:			
Educational activities	277,066	1,650	278,716
Auxiliary enterprises	9,055,854	4,790	9,060,644
Independent operations	671,124	-	671,124
Net realized and unrealized gains on investments	198,676	1,430,672	1,629,348
Net unrealized loss on interest rate swap	202,898	-	202,898
Net gain on sale of asset	15,000	-	15,000
Net assets released from restrictions	11,180,760	(11,180,760)	-
Total revenues and other support	<u>53,308,861</u>	<u>2,412,336</u>	<u>55,721,197</u>
EXPENDITURES			
Educational and general:			
Instructional	11,210,666	-	11,210,666
Research	861,463	-	861,463
Public service	113,013	-	113,013
Academic support	3,524,702	-	3,524,702
Student services	4,202,011	-	4,202,011
Institutional support	11,941,430	-	11,941,430
Operation and maintenance of physical plant	3,529,813	-	3,529,813
Scholarships	5,283,916	-	5,283,916
Depreciation and amortization expense	3,694,235	-	3,694,235
Auxiliary enterprises	5,757,976	-	5,757,976
Independent operations	741,753	-	741,753
Interest expense	394,121	-	394,121
Total expenditures	<u>51,255,099</u>	<u>-</u>	<u>51,255,099</u>
Change in net assets	2,053,762	2,412,336	4,466,098
Net assets - beginning of year	<u>53,622,216</u>	<u>22,553,342</u>	<u>76,175,558</u>
Net assets - end of year	<u>\$ 55,675,978</u>	<u>\$ 24,965,678</u>	<u>\$ 80,641,656</u>

OAKWOOD UNIVERSITY
Consolidated Statement of Cash Flows
For the Years Ended June 31, 2021, 2020, 2019, 2018, and 2017

	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>
CASH FLOWS FROM OPERATING ACTIVITIES:					
Change in net assets	\$ 8,301,662	\$ 520,056	\$ 1,513,460	\$ 2,578,386	\$ 4,466,098
Adjustments to reconcile change in net assets to net cash provided by operating activities:					
Depreciation and amortization	4,487,987	4,069,499	3,868,023	3,830,281	3,694,235
Change in allowance for uncollectible contributions receivable	-	-	(377,661)	(111,736)	266,328
Change in allowance for uncollectible accounts receivable	204,465	97,802	-	20,856	14,027
Change in unamortized discount on contributions receivable	-	-	5,095	(71,154)	(209,543)
Net realized and unrealized (gains) losses on investments	(5,528,064)	89,238	(250,889)	(711,996)	(1,629,348)
Unrealized (gain) loss on interest rate swap	(62,560)	78,134	102,662	(122,732)	(202,898)
Contributions restricted for long-term investment	(699,563)	(533,087)	(1,252,092)	(1,128,578)	(117,494)
Changes in operating assets and liabilities:					
Contributions receivable, net	212,839	103,101	1,075,000	(830,000)	50,000
Accounts receivable	(2,164,456)	(508,456)	(1,939,646)	590,258	195,921
Deposits	(336)	(59)	428	7,394	(24,566)
Prepaid expenses and other assets	(14,568)	8,634	(91,365)	34,270	38,589
Accounts payable and accrued liabilities	(853,194)	1,536,168	1,164,758	36,848	190,676
Deposits held for others	40,582	15,254	73,127	19,555	38,726
Government advances for student loans	(73,118)	5,401	10,244	-	-
Net cash provided by operating activities	<u>3,851,676</u>	<u>5,481,685</u>	<u>3,901,144</u>	<u>4,141,652</u>	<u>6,770,751</u>
CASH FLOWS FROM INVESTING ACTIVITIES:					
Purchases of investments	(641,168)	(758,542)	(2,260,670)	(1,386,406)	(815,029)
Purchases of land, buildings and equipment	(11,313,725)	(7,609,093)	(5,125,096)	(3,886,847)	(2,032,301)
Gain on disposal of fixed assets	-	-	-	-	(15,000)
Purchase of certificates of deposit	-	-	-	-	(300)
Payments on notes receivable	-	(5,401)	(10,244)	1,925	-
Net cash used in investing activities	<u>(11,954,893)</u>	<u>(8,373,036)</u>	<u>(7,396,010)</u>	<u>(5,271,328)</u>	<u>(2,862,630)</u>

OAKWOOD UNIVERSITY
Consolidated Statement of Cash Flows - Continued
For the Years Ended June 31, 2021, 2020, 2019, 2018, and 2017

	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>
CASH FLOWS FROM FINANCING ACTIVITIES:					
Contributions restricted for investment in endowment	208,408	15,336	38,740	32,900	109,119
Contributions restricted for investment in plant	491,155	517,751	1,213,352	1,095,678	8,375
	<u>699,563</u>	<u>533,087</u>	<u>1,252,092</u>	<u>1,128,578</u>	<u>117,494</u>
Other financing activities:					
Proceeds from bonds and notes payable	5,000,000	2,000,000	-	450,000	-
Payments on notes and bonds payable	(1,601,074)	(1,142,890)	(1,023,890)	(1,074,944)	(893,334)
Change in annuity obligations	(48)	(599)	(349)	-	(544)
Total other financing activities	<u>3,398,878</u>	<u>856,511</u>	<u>(1,024,239)</u>	<u>(624,944)</u>	<u>(893,878)</u>
Net cash provided by (used in) financing activities	<u>4,098,441</u>	<u>1,389,598</u>	<u>227,853</u>	<u>503,634</u>	<u>(776,384)</u>
Net increase (decrease) in cash and cash equivalents	(4,004,776)	(1,501,753)	(3,267,013)	(626,042)	3,131,737
Cash and cash equivalents at beginning of year	<u>15,457,914</u>	<u>16,959,667</u>	<u>20,226,680</u>	<u>20,852,722</u>	<u>17,720,985</u>
Cash and cash equivalents at end of year	<u>\$ 11,453,138</u>	<u>\$ 15,457,914</u>	<u>\$ 16,959,667</u>	<u>\$ 20,226,680</u>	<u>\$ 20,852,722</u>
Other information:					
Cash paid for interest	<u>\$ 315,549</u>	<u>\$ 394,121</u>	<u>\$ 315,890</u>	<u>\$ 354,146</u>	<u>\$ 394,121</u>