Memorandum

TO: Sara P. Richards, Esq., Managing Senior Director, Government and Administration

FROM: Robert S. Derico, R.A., Director, Office of Environmental Affairs RSD

DATE: June 17, 2022

RE: *State Environmental Quality Review (SEQR) Determination for Yeshiva University's Energy Master Plan and Refunding of Existing Debt, Borough of Manhattan, New York County, New York*

Description of Proposed Action and Proposed Project. *Yeshiva* University ("YU" or the "University") has requested financing from Dormitory Authority of the State of New York ("DASNY") for its *2022 Energy Master Plan and Refunding of Existing Debt* (the "Proposed Project"). Based on a review of the attached Transaction Summary Update, dated June 14, 2022, it has been determined that the Proposed Action would involve DASNY's authorization of the issuance of fixed- and/or variable-rate, tax-exempt and/or taxable, Series 2022 bonds sold at one or more times through a negotiated offering or a private placement, in an amount not to exceed $165,000,000 in funding under DASNY's Independent Colleges and Universities Program. Yeshiva University is located in the Boroughs of the Bronx and Manhattan, Bronx and New York Counties, New York.

More specifically, the proceeds from the Series 2022 bond issue or issues would be used for the implementation of the University's Energy Master Plan and the refunding of all or a portion of DASNY's Yeshiva University 2009 and 2011A Revenue Bonds ($130.0 million).

The Energy Master Plan component of the proposed financing will be completed at the buildings and locations noted below:

Belfer Hall (2495 Amsterdam Avenue, New York, New York 10033):
Scope Description: Retrofit from a constant volume air distribution system to a variable air volume distribution, re-balance entire building, replace boiler and chiller with an absorber system, add a domestic hot water boiler to avoid running the main boiler in warm weather, modify the lab fume hoods to an Energy Recovery Ventilator ("ERV"), replace the main air handling unit with an ERV system, insulate windows, replace leaking exterior doors, upgrade the building management control system and modernize four existing elevators.

Belz Building (Furst Hall, 500 West 185th Street, New York, New York 10033):
Scope Description: Replace perimeter convection units and risers with energy efficient models. Retrofit from a constant volume air distribution system to a variable air volume distribution, replace boiler and chiller with an absorber system, replace the main air handling unit with an ERV system, insulate windows or replace with a curtainwall system, upgrade the building management control system and modernize two existing elevators.

Stanton Hall (245 Lexington Ave, New York, New York 10016):
Scope Description: Replace aging 280-ton chiller, install ERV, and upgrade the building management control system (includes 253 Lexington Avenue), and modernize three elevators.

119 E29th Street, New York, New York 10016
Scope Description: Replace hot water heating system with energy efficient units and modernize two existing elevators.

Israel Harry Beren Campus (215 Lexington Avenue, New York, New York 10016)
Scope Description: Replace central building air conditioning ("AC") unit with multi-stack system enabling after hours operation without an operating engineer, replace several individual air-cooled units servicing various spaces, upgrade building management system.

Brookdale 50 E 34 Street
Scope Description: Replace central building AC unit, upgrade building management system and modernize two existing elevators.

Institution. Yeshiva University is an independent, not-for-profit institution chartered by the State of New York and accredited by the Middle States Association of Universities. The University began in 1886 as Yeshiva Eitz Chaim on New York City's Lower East Side. Ten years later, the Rabbi Isaac Elchanan Theological Seminary was founded there, and in 1915 the two schools merged. Liberal arts studies were initiated in 1928 and university status was achieved in 1945.

Today, the University is comprised of several colleges and schools providing undergraduate, graduate, and professional education and training. The University offers undergraduate programs, including a niche dual curriculum program comprised of liberal arts courses and Jewish studies, at Yeshiva College (male), the Stern College for Women, the Sy Syms School of Business, and the Katz School of Science and Health. Freshmen traditionally take their first year of studies in Israel before returning to the United States to complete their studies. The University's graduate and professional programs are offered at Benjamin N. Cardozo School of Law (accredited by the American Bar Association), Sy Syms School of Business, Ferkauf Graduate School of Psychology (Ferkauf), Wurzweiler School of Social Work, Bernard Revel Graduate School of Jewish Studies, the Katz School of Science and Health, and the Azrieli Graduate School of Jewish Education and Administration. The University's four campuses located in the Washington Heights, Murray Hill, Greenwich Village, and Morris Park sections of New York City.

SEQR Determination. DASNY conducted this environmental review in compliance with the *State Environmental Quality Review Act ("SEQRA")*, codified at Article 8 of the New York *Environmental Conservation Law ("ECL")*, and its implementing regulations, promulgated at Part 617 of Title 6 of the *New York Codes, Rules and Regulations ("N.Y.C.R.R.")*, which collectively contain the requirements for the *State Environmental Quality Review ("SEQR")* process.

The Proposed Project consists of the *"…maintenance or repair involving no substantial changes in an existing structure or facility,"* the "*refunding of existing debt,"* and the *"purchase or sale of furnishings, equipment or supplies, including surplus government property…,"* which are classified as a Type II action, specifically designated by *6 N.Y.C.R.R. §617.5(c)(1), 6 N.Y.C.R.R. §617.5(c)(29), and 6 N.Y.C.R.R. §617.5(c)(31)* of SEQR, respectfully. Type II *"actions have been determined not to have significant impact on the environment or are otherwise precluded from environmental review under Environmental Conservation Law, article 8."*[1] Therefore, no further *SEQR* determination or procedure is required for any component of the Proposed Project identified as Type II.

[1] 6 *N.Y.C.R.R.* § 617.5(a).

SHPA Determination. The Proposed Project was also reviewed in conformance with the *New York State Historic Preservation Act of 1980 ("SHPA")*, especially the implementing regulations of section 14.09 of the *Parks, Recreation and Historic Preservation Law ("PRHPL")*, as well as with the requirements of the Memorandum of Understanding ("MOU"), dated March 18, 1998, between the DASNY and the New York State Office of Parks, Recreation and Historic Preservation ("OPRHP").

Consultation was initiated with OPRHP regarding the Proposed Project (OPRHP Project №. 22PR02847) on April 25, 2022. OPRHP, in its letter of May 9, 2022 (attached), determined *"…that no properties, including archaeological and/or historic resources, listed in or eligible for the New York State and National Registers of Historic Places will be impacted by this project."* It is the opinion of DASNY that the Proposed Project would have no impact on historical or cultural resources in or eligible for inclusion in the National and State Registers of Historic Places.

Cc: Dena T. Amodio, Esq.
Frederick W. Clark, III, Esq.
Stephen J. Kosier

Transaction Summary Update

Yeshiva University
New York, New York

June 14, 2022

Program: Independent Colleges & Universities

Purpose: New Money / Refunding

New Issue Details

One or more series of fixed and/or variable rate, tax-exempt and/or taxable bonds, in an amount not to exceed $165,000,000, with maturities not to exceed 31 years are to be sold at one or more times, through negotiated offerings and/or private placements.

- Lead Manager – Goldman Sachs & Co. LLC
- Underwriter's Counsel – Katten Muchin Rosenman LLP
- Co-Bond Counsel – Squire Patton Boggs LLP and D. Seaton and Associates, P.A., P.C.

Purpose

- Financing of various energy improvement projects to replace or renovate building systems which will improve sustainability and reduce energy spending. ($20 million).
- Refunding all or a portion of the University's Series 2009 and Series 2011A Bonds issued by DASNY ($130 million).

Security

- General obligation of the University.

Expected Rating: BBB-

Overview

Yeshiva University ("Yeshiva" or the "University") is an independent, not-for-profit institution chartered by the State of New York and accredited by the Middle States Association of Universities. The University began in 1886 as Yeshiva Eitz Chaim on New York City's Lower East Side. Ten years later, the Rabbi Isaac Elchanan Theological Seminary was founded there, and in 1915 the two schools merged. Liberal arts studies were initiated in 1928 and university status was achieved in 1945. Today, the University is comprised of several colleges and schools, as described in the attached Transaction Report, providing undergraduate, graduate, and professional education and training.

Description of the Bonds

- The Bonds are a special obligation of DASNY.
- The Loan Agreement is a general obligation of the University.
- The Bonds are payable from payments made under the Loan Agreement and all funds and accounts established under the applicable Series Resolution(s).

Approvals

- Resolution to Proceed – April 6, 2022
- PACB Approval – April 20, 2022
- TEFRA Hearing – June 8, 2022
- SEQR Filing – June 21, 2022*

*Anticipated date

This Transaction Summary Update was prepared solely to assist DASNY in its review and approval of the proposed financing described therein and must not be relied upon by any person for any other purpose. DASNY does not warrant the accuracy of the statements contained in any offering document or any other materials relating to or provided by the Institution in connection with the sale or offering of the Bonds, nor does it directly or indirectly guarantee, endorse or warrant (1) the creditworthiness or credit standing of the Institution, (2) the sufficiency of the security for the Bonds or (3) the value or investment quality of the Bonds.

The Bonds are special limited obligations of DASNY that are secured only by the amounts required to be paid by the Institution pursuant to the Loan Agreement, certain funds established under the Resolution and other property, if any, pledged by the Institution as security for the Bonds.

Transaction Report

Yeshiva University

INSTITUTION: Yeshiva University ("Yeshiva" or the "University") is an independent, not-for-profit institution chartered by the State of New York and accredited by the Middle States Association of Universities. The University began in 1886 as Yeshiva Eitz Chaim on New York City's Lower East Side. Ten years later, the Rabbi Isaac Elchanan Theological Seminary was founded there, and in 1915 the two schools merged. Liberal arts studies were initiated in 1928 and university status was achieved in 1945.

Today, the University is comprised of several colleges and schools providing undergraduate, graduate, and professional education and training. The University offers undergraduate programs, including a niche dual curriculum program comprised of liberal arts courses and Jewish studies, at Yeshiva College (male), the Stern College for Women, the Sy Syms School of Business, and the Katz School of Science and Health. Freshmen traditionally take their first year of studies in Israel before returning to the United States to complete their studies. The University's graduate and professional programs are offered at Benjamin N. Cardozo School of Law (accredited by the American Bar Association), Sy Syms School of Business, Ferkauf Graduate School of Psychology (Ferkauf), Wurzweiler School of Social Work, Bernard Revel Graduate School of Jewish Studies, the Katz School of Science and Health, and the Azrieli Graduate School of Jewish Education and Administration. The University's four campuses located in the Washington Heights, Murray Hill, Greenwich Village, and Morris Park sections of New York City.

DASNY FINANCING HISTORY: DASNY's experience with Yeshiva dates to 1994 with the issuance of the University's Series 1994 Bonds. Since then, DASNY has completed five additional financings on behalf of Yeshiva, totaling $457.5 million. As of December 31, 2021, $129.2 million remains outstanding, as shown in Table 1, below.

Table 1 -- Outstanding DASNY Debt

Series	Defeasance or Maturity	Amount Issued (000's)	Amount Outstanding (000's)
Series 1994	2001	$31,670	-
Series 1998	2009	30,000	-
Series 2001	2012	65,000	-
Series 2004	2015	100,000	-
Series 2009	2038	140,820	87,490
Series 2011A	2040	90,000	41,725
		$457,490	$129,215

Yeshiva has always met its obligations to DASNY on time and in full.

THE PROJECT: Approximately $20 million of proceeds from the proposed issuance will be used to finance the cost of projects deemed high priority under the University's energy master plan. The projects will replace or renovate building systems which are past their useful life and no longer functioning properly. The projects will reduce energy spending through operating and capital savings, create a more sustainable campus, and avoid potential future penalties for inefficient building operations. Yeshiva will modernize its heating ventilation and air conditioning (HVAC) equipment including boiler and chiller replacements, conversion from steam to electric chillers, installation of energy recovery systems, and upgrading its building management control systems. The University will modify its building envelopes, including roof insulation and window re-glazing and/or replacement, to enhance thermal efficiency. Proceeds will also be used to replace and/or modernize approximately 13 elevators with more efficient motors and computerized dispatching controls for reduced energy usage. Financing the projects is expected to be cash flow positive to the University as the annual debt service on the new money portion of the proposed issuance is estimated at approximately $1.2 million and the anticipated energy savings is approximately $1.7 million per year.

THE REFUNDING PLAN: Proceeds from the proposed issuance are also expected to refund the University's Series 2009 and Series 2011A Bonds issued by DASNY. The bonds to be refunded have a total par amount outstanding of $129,215,000.

Subject to review by tax counsel, the University may repay principal over approximately 25 years following five years of interest only payments. The proposed structure will better align the debt service payments with the useful life of the assets financed by the bonds and reduce annual debt service payments. Debt service on the Series 2009 and 2011A bonds is currently approximately $12.2 million a year. As shown in Attachment I, debt service on the refunding bonds is anticipated to be approximately $5.5 million a year during the interest only period and approximately $8.4 million a year when principal amortization begins. The refunding is estimated to provide net present value savings of approximately $6.5 million, approximately 5.0% of the bonds being refunded.

FINANCING DETAILS: The proposed issuance may be sold through one or more series of tax-exempt and/or taxable bonds. Bond proceeds will fund approximately $20 million of project costs as well as approximately $130 million to be deposited in the refunding escrows. Issuance costs, including underwriter's discount, are estimated in the range of $2 million. Completing the plan of finance is expected to require the issuance of approximately $149.1 million in par proceeds along with an estimated $3.3 million of premium proceeds. The estimated sources and uses of funds are provided in Attachment II.

Security Provisions: The proposed issuance is expected to be rated "BBB-" by Standard & Poor's. In accordance with DASNY's financing guidelines for independent institutions, the Loan Agreement shall be a general unsecured obligation of the University and the Bonds shall be limited obligations of DASNY. The financing documents may include additional security provisions based on market conditions.

Table 2 – Selected Enrollment Statistics

	Fall 2017*	Fall 2018*	Fall 2019	Fall 2020	Fall 2021
First-time Freshman Applications Received	1,860	1,751	1,825	1,520	1,516
First-time Freshman Applications Accepted	1,557	1,487	1,618	1,469	1,458
Undergraduate Acceptance Ratio	83.7%	84.9%	88.7%	96.6%	96.2%
First-time Freshman Applicants Enrolled	825	833	960	846	794
Undergraduate Matriculation Ratio	53.0%	56.0%	59.3%	57.6%	54.5%
Mean SAT Scores (Entering Freshmen)	1,222	1,255	1,328	1,285	1,281
Headcount Enrollment*					
Full-Time	5,239	5,379	4,650	4,688	4,788
Part-Time	1,076	1,099	619	633	638
Total	6,315	6,478	5,269	5,321	5,426
Full-time Equivalent Enrollment					
Undergraduate	2,714	2,680	2,692	2,598	2,558
Graduate*	3,063	3,248	2,268	2,407	2,549
Total	5,777	5,928	4,960	5,005	5,107

*Albert Einstein College of Medicine enrollment included in the Headcount and Graduate FTE Enrollment figures for Fall 2017 and Fall 2018

ENROLLMENT: As discussed in the Operations section, below, in September 2015, the University transferred operational and financial responsibility for the Albert Einstein College of Medicine (the "Medical School") to COM Affiliation, Inc., subsequently re-named Albert Einstein College of Medicine, Inc. ("AECOM"), a newly created not-for-profit tax-exempt education corporation controlled by Montefiore Medicine. Yeshiva maintained academic oversight, including granting degrees, for the Medical School until AECOM became a freestanding degree-granting institution as of March 1, 2019. Although the financials of the Medical School were no longer consolidated into Yeshiva's financials as of the date of transfer, the Medical School's enrollment was included with the University's Fall enrollment figures during the period in which Yeshiva was the degree granting institution. As seen in Table 2, above, when the Medical School enrollment was no longer included with Yeshiva's enrollment figures in Fall 2019, total headcount enrollment and graduate FTE enrollment levels were, respectively, 18.7% and 30.1% below Fall 2018 levels.

Although undergraduate enrollment has declined since the COVID-19 pandemic began, the decline has been offset by an increase in graduate enrollment. Historically, undergraduate enrollment has been stable due to its niche dual curriculum of liberal arts and Jewish studies. Over the past five years the University averaged 1,694 freshman applications with an average undergraduate acceptance ratio of 90.0% and an average undergraduate matriculation ratio of 56.1%. Undergraduate enrollment over this period averaged 2,648 students. SAT scores for incoming freshman averaged 1,274 over the past five years. First time freshman applications each of the past two years were nearly 17% below Fall 2019 applications which has led to undergraduate enrollment declining 5.0% between Fall 2019 and Fall 2021. Consistent with its overall strategy, the University is focused on increasing its graduate enrollment which increased 12.4% from Fall 2019 to Fall 2021. Yeshiva recently began offering new health science programs including occupational therapy and physician assistant programs and is evaluating new and expanding programs. Total FTE enrollment increased 3.0% between Fall 2019 and Fall 2021. The chart below illustrates FTE enrollment levels the University has experienced for the past five years, including the Medical School enrollment in Fall 2017 and Fall 2018.

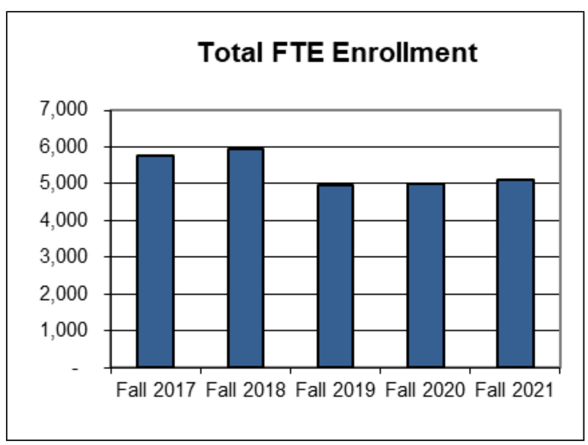


Table 3 – Selected Operating Statistics

(dollars in thousands)	**2017***	**2018**	**2019**	**2020**	**2021**
Total operating revenue	$259,998	$202,693	$204,976	$218,210	$235,578
Total operating expense	229,390	227,155	228,877	239,572	245,164
Change in net assets from operations	30,608	(24,462)	(23,901)	(21,362)	(9,586)
Total non-operating activities	(17,367)	(1,633)	(5,343)	31,487	3,078
Change in unrestricted net assets	13,241	(26,095)	(29,244)	10,125	(6,508)
Plus: Total depreciation/amortization	16,903	14,570	13,138	13,294	13,387
Plus: Total interest paid (expense)	21,634	13,804	13,493	13,399	12,976
Adjusted change in net assets	$51,778	$2,279	($2,613)	$36,818	$19,855
Cash provided by operating activities	($54,135)	($58,019)	($57,569)	($46,288)	($45,413)
Total annual debt service	$49,634	$22,461	$18,637	$19,951	$18,700
Adjusted Operating Margin (DASNY 2020 Median: 0.6%)	15.5%	-12.6%	-11.2%	-7.8%	-8.4%
Adjusted Net Income Margin (DASNY 2020 Median: 2.1%)	9.1%	-13.4%	-13.8%	6.4%	-7.0%
Debt Service to Operating Expenses (DASNY 2020 Median: 4.6%)	21.6%	9.9%	8.1%	8.3%	7.6%
Annual Debt Service Coverage (DASNY 2020 Median: 2.0:1)	1.6	0.1	0.2	0.5	0.4

*2017 total operating revenue includes a one-time gain of $61.568 million on the sale of tw o properties

OPERATIONS: Operating statistics for Yeshiva's fiscal years ending June 30, 2017 through June 30, 2021 are provided in Table 3, above. The University's 2017 total operating revenue includes a one-time gain on the sale of two properties that totaled $61.6 million. Excluding this one-time gain in 2017 would result in an adjusted operating margin of -9.3%, an adjusted net income margin of -17.6%, and an annual debt service coverage ratio of 0.4:1. Furthermore, Yeshiva's 2017 change in net assets from operations (excluding the one time gain) was -$30.9 million and deficits have declined (improved) in each of the past five years. The University's 2021 change in net assets from operations was -$9.6 million which results in an adjusted operating margin of -8.4%.

The level of Yeshiva's operating deficits over the past five years are well below the deficits the University reported while the Medical School was included in its operations. From 2008 through 2016, Yeshiva reported operating deficits totaling -$690.5 million (average of -$76.7 million/year). Although the structural imbalance in operations was developing prior to 2008, a sharp increase in the University's operating expenses without a corresponding increase in revenues flipped the operations into negative territory in 2008. In 2007, Yeshiva reported a positive change in net assets from operations of $11.0 million. In 2008, the University reported a change in net assets from operations of negative $51.6 million. Increased expenses at the time were centered around rising costs at the Medical School associated with expansion into the new Michael F. Price Center for Genetic and Translational Medicine in the Harold and Muriel Block Research Pavilion. The annual operating budget grew by $80 million in 2008. Simultaneously, revenue came under increasing pressure as net tuition revenue growth stalled, endowment losses reduced revenue from the spending rate, and federal research funding was scaled back. Yeshiva was also hampered by inadequate budgeting and financial reporting systems which hindered real-time financial management.

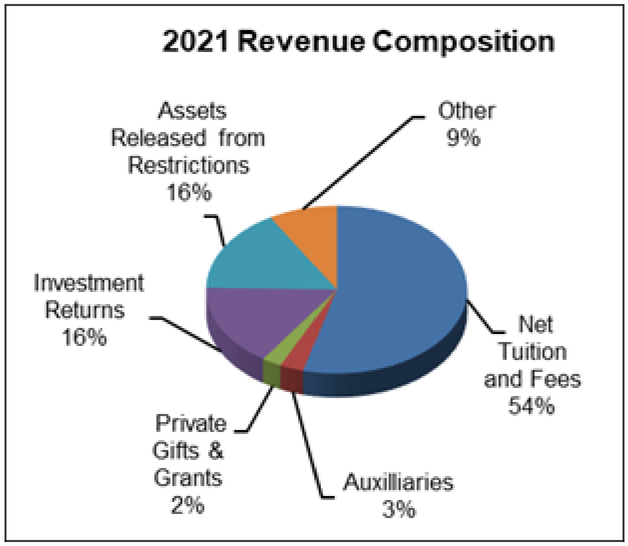
The University's operating deficits were funded in part by proceeds from the sale of non-core properties, taking on working capital debt, and the utilization of endowment funds. In, and around, 2014, the University engaged a team of financial advisors to assist with the development and implementation of short- and long-term strategies to better align Yeshiva's expenses with revenues and improve liquidity. The Board of Trustees and management formulated a long-term, comprehensive strategic business plan to transition to sustainable operations. Management upgraded the financial systems and its infrastructure to develop timely cash budget management and forecasting as well as GAAP–based budgeting, reporting, and forecasting. The Board of Trustees approved certain actions, including a strategy for monetization of selected assets, aligning its debt obligations with its long-term business plan, the implementation of a reduction in workforce, reviewing academic offerings to maintain relevance and enhance profitability, taking strategic actions related to medical research and clinical services, and other expense initiatives. Each of these continue to be key initiatives of the University.

Of the actions implemented thus far, the divestiture of the Medical School has altered the landscape of Yeshiva's operations most significantly. Annual operating budgets are approximately one-third of what they were prior to the transfer. In September 2015, Yeshiva transferred operational and financial responsibility for the Medical School to AECOM, a corporation controlled by Montefiore Medicine. AECOM is now responsible for the Medical School's current and future operations. Divesting the Medical School reduced debt levels and the scale of annual deficits. In addition to AECOM repaying or assuming certain long-term debt obligations of Yeshiva, the University received a promissory note, guaranteed by Montefiore Medicine, in which AECOM agreed to make payments to Yeshiva totaling $270 million (20 annual payments of $12.5 million followed by a final payment of $20 million). In October 2016, the University sold the note for $148 million to an unrelated third party. Also, at the time of the transfer, the University leased the occupation, management, and control of the Jack D. Weiler Hospital of Albert Einstein College of Medicine ('WHAECOM") to Montefiore in exchange for annual lease payments of $2.5 million, with annual 2% increases, through 2114 (a 99-year lease). In December 2020, the University assigned 49 years of the WHAECOM lease payments to be made directly to a third party in exchange for approximately $58 million. At the end of the assignment period, the remaining lease stream of approximately 45 years will revert to the University.

Since the divestiture of the Medical School, Yeshiva's change in net assets from operations has improved each year. Operating revenue increased from $198.4 million in 2017 (excluding the one-time gain on the sale of properties) to $235.6 million in 2021. Net tuition and fees increased from $98.3 million in 2017 to $127.5 million in 2021. Sales and service of auxiliaries declined by approximately $9.5 million in 2021 due to COVID-19 and the resulting low dormitory occupancy in the Fall 2020 and Spring 2021 semesters. Operating expense increased from $229.4 million in 2017 to $245.2 million in 2021, with the increase primarily in the instruction and research and institutional support categories to support new graduate programs. Total non-operating activities ranged from -$17.4 million in 2017 to $31.5 million in 2020.

In April 2017, Yeshiva refinanced the balance of a working capital loan resulting in a $15.975 million extinguishment of debt charge, included in net non-operating activities. This also resulted in the 2017 total annual debt service number, as presented in Table 3, being elevated relative to subsequent years. Debt service to operating expenses has improved over the past five years and was 7.6% in 2021, as compared to the 2020 DASNY median of 4.6%. Annual debt service coverage was 0.4:1 in 2021 as compared to the 2020 DASNY median of 2.0:1.

In 2021, 54% of Yeshiva's total operating revenue was from net tuition and fees, investment return and assets released from restrictions each contributed 16%, and other revenues, including auxiliaries and private gifts & grants, combined to contribute 14%. The following chart presents the University's revenue composition for fiscal year 2021.



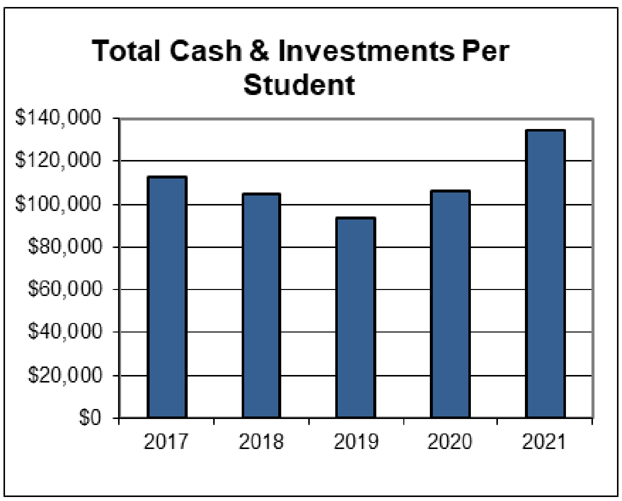
As a result of COVID-19, Yeshiva transitioned all classes to an online delivery format in March 2020 for the remainder of the academic year. For both Fall 2020 and Spring 2021 the University used a hybrid model, incorporating online and virtual learning with on-campus classes. The University was allocated approximately $12.7 million of Higher Education Emergency Relief Funds (HEERF) of which approximately $7.0 million is available to be used by Yeshiva and approximately $5.7 million must be provided to aid students. Approximately $2.5 million of HEERF funds were utilized in 2020, $3.7 million was utilized in 2021, and the remaining $6.5 million will be utilized in 2022. While Yeshiva continues to offer online and virtual learning opportunities, the University's campuses returned to more in person operations in the Fall 2021 semester. The University continues to monitor developments related to COVID-19, however, given the uncertainty of COVID-19, it is difficult to predict the potential impact on the University's operations.

Table 4 – Selected Financial Position Statistics

(dollars in thousands)	**2017**	**2018**	**2019**	**2020**	**2021**
Total Assets	$1,201,453	$1,138,121	$1,079,650	$1,036,903	$1,251,245
Total Liabilities	573,865	550,640	524,947	515,417	602,280
Net Assets					
Unrestricted	(12,125)	(38,220)	(57,404)	(47,279)	(53,787)
Temporarily Restricted	199,840	196,567	183,810	170,710	283,074
Permanently Restricted	439,873	429,134	428,297	398,055	419,678
Total Net Assets	$627,588	$587,481	$554,703	$521,486	$648,965
Long-Term Debt	$299,638	$290,802	$285,620	$279,153	$273,655
Total Cash & Investments to Operating Expenses (DASNY 2020 Median: 1.7:1)	2.8	2.7	2.4	2.2	2.7
Total Cash & Investments to Total Debt (DASNY 2020 Median: 2.6:1)	2.1	2.1	1.9	1.9	2.5
Total Cash & Investments per Student (DASNY 2020 Median: $76,798)	$112,335	$104,442	$93,428	$105,942	$134,456

BALANCE SHEET: As presented in Table 4, Yeshiva had total assets of approximately $1.25 billion in 2021. The University's investments comprised approximately $647 million of total assets. Total long-term debt decreased by $26.0 million since fiscal year end 2017 with no new debt issuance and the amortization of existing debt. Despite a decrease in long-term debt over the last five years, the University's balance sheet remains moderately leveraged. Total liabilities in 2021 were approximately $602 million. In 2021, the University's total cash & investments to debt was 2.5:1 (DASNY median 2.6:1), total cash & investments to operating expenses was 2.7:1 (DASNY median 1.7:1), and total cash & investments per student was $134,456 (DASNY median $76,798).

The following chart illustrates the University's cash and investments per student over the past five years. Figures for 2017 through 2019 include enrollment at the Medical School.

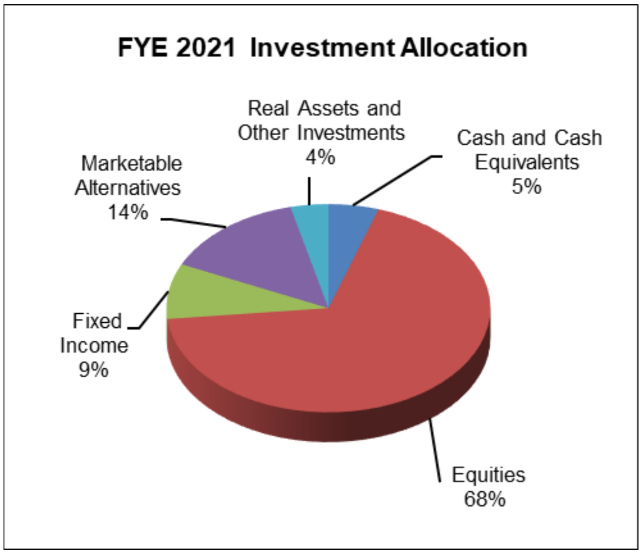


ENDOWMENT AND INVESTMENTS: The University's investment portfolio peaked in 2007 at approximately $1.7 billion. The financial market correction in the late 2000's significantly devalued the investment portfolio and led to the discovery of the Bernard Madoff Fund fraud of which the University had exposure to. This resulted in the write-off of approximately $95 million in 2008. Yeshiva's investment portfolio ranged between $950 million and $1.14 billion from 2009 until 2015. At the time of the Medical School transfer, approximately $465 million of the investment portfolio was for the benefit of AECOM. Since the divestiture, the University's fiscal year end investment values declined from $607 million in 2017 to $499 million in 2020 and increased to $647 million in 2021.

In 2009, Yeshiva engaged an independent law firm to review best practices and revise its investment management and oversight policies. The University's investment office is now managed by a chief investment officer and the University's investment management is supervised by the Investment Committee of the Board of Trustees. The Committee directs and monitors financial assets available for investment. Responsibilities include, but are not limited to, the selection and oversight of investment managers by the University and the implementation of relevant financial policies adopted by the Board. The Committee meets regularly and reports to the Board at its meetings on the Committee's activities and the investment performance of the University's assets.

The University's endowment is comprised of approximately 1,200 individual funds established for both donor-restricted endowment funds and funds designated by the Board of Trustees for endowment purposes. The University's spending policy is consistent with the University's objectives to utilize income to support mission-critical programs while preserving capital for future growth of the endowment. The spending rate policy consists of appropriating 5% of the fair value per unit, based on a twelve-quarter average value through December 31st of the previous year.

The endowment portfolio contains a mix of equities, fixed income, marketable alternatives, real assets and other investments, and cash and equivalents. The following chart presents the composition of the University's investments as of June 30, 2021.



In December 2021, the University announced plans to raise $613 million over the next five years to support the endowment, financial aid, programming, and capital initiatives. The campaign has raised more than $250 million since its quiet phase began in fiscal year 2019.

SUMMARY: Yeshiva continues to strive towards its goal of break-even operations after reporting annual operating deficits since 2008. Yeshiva has implemented initiatives to support operations and reduce operating deficits. The operating deficits over the past five years are well below historical levels. The University continues to develop and implement short- and long-term strategies to better align expenses with revenues. The new money and refunding components of the proposed financing are each anticipated to provide annual cash flow savings and better align expenses with the useful life of the assets financed. Staff recommends the Board adopt a Resolution to Proceed for one or more series of bonds in an amount not to exceed $165,000,000.

This report was prepared solely to assist DASNY in its review and approval of the proposed financing described therein and must not be relied upon by any person for any other purpose. DASNY does not warrant the accuracy of the statements contained in any offering document or any other materials relating to or provided by the Institution in connection with the sale or offering of the Bonds, nor does it directly or indirectly guarantee, endorse or warrant (1) the creditworthiness or credit standing of the Institution, (2) the sufficiency of the security for the Bonds or (3) the value or investment quality of the Bonds.

The Bonds are special limited obligations of DASNY that are secured only by the amounts required to be paid by the Institution pursuant to the Loan Agreement, certain funds established under the Resolution and other property, if any, pledged by the Institution as security for the Bonds.

KATHY HOCHUL
Governor

ERIK KULLESEID
Commissioner

May 09, 2022

Robert Derico
Director, Office of Environmental Affairs /Agency Preservation Officer
Dormitory Authority State of New York
515 Broadway
Albany, NY 12207-2964

Re: DASNY
Yeshiva University - Energy Master Plan Financing
2495 Amsterdam Ave, New York, NY10033
22PR02847
DASNY Project No. 368980

Dear Robert Derico:

Thank you for requesting the comments of the Office of Parks, Recreation and Historic Preservation (OPRHP). We have reviewed the project in accordance with the New York State Historic Preservation Act of 1980 (Section 14.09 of the New York Parks, Recreation and Historic Preservation Law). These comments are those of the OPRHP and relate only to Historic/Cultural resources. They do not include potential environmental impacts to New York State Parkland that may be involved in or near your project. Such impacts must be considered as part of the environmental review of the project pursuant to the State Environmental Quality Review Act (New York Environmental Conservation Law Article 8) and its implementing regulations (6 NYCRR Part 617).

Based upon this review, it is the opinion of OPRHP that no properties, including archaeological and/or historic resources, listed in or eligible for the New York State and National Registers of Historic Places will be impacted by this project.

If further correspondence is required regarding this project, please be sure to refer to the OPRHP Project Review (PR) number noted above.

Sincerely,

Roger Daniel Mackay

R. Daniel Mackay

Deputy Commissioner for Historic Preservation
Division for Historic Preservation