

**UNITED STATES  
SECURITIES AND EXCHANGE COMMISSION**  
Washington, D.C. 20549

**FORM 10-Q**

(Mark One)

**QUARTERLY REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES AND EXCHANGE ACT OF 1934**

For the quarterly period ended March 31, 2025

or

**TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES AND EXCHANGE ACT OF 1934**

For the transition period from

to

Commission File Number: 001-34211

**GRAND CANYON EDUCATION, INC.**

(Exact name of registrant as specified in its charter)

Delaware  
(State or other jurisdiction of  
Incorporation or organization)

20-3356009  
(I.R.S. Employer  
Identification No.)

2600 W. Camelback Road  
Phoenix, Arizona 85017  
(Address, including zip code, of principal executive offices)

(602) 247-4400  
(Registrant's telephone number, including area code)

Securities registered pursuant to Section 12(b) of the Act:

Title of each class	Trading Symbol(s)	Name of each exchange on which registered
Common Stock	LOPE	Nasdaq Global Select Market

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. Yes  No

Indicate by check mark whether the registrant has submitted electronically every Interactive Data File required to be submitted pursuant to Rule 405 of Regulation S-T (§232.405 of this chapter) during the preceding 12 months (or for such shorter period that the registrant was required to submit such files). Yes  No

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, a smaller reporting company, or an emerging growth company. See definitions of "large accelerated filer," "accelerated filer," "smaller reporting company" and "emerging growth company" in Rule 12b-2 of the Exchange Act.:

Large Accelerated Filer   
Non-accelerated Filer

Accelerated Filer   
Smaller Reporting Company   
Emerging Growth Company

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act.

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act). Yes  No

The total number of shares of common stock outstanding as of May 2, 2025, was 28,374,509.

**GRAND CANYON EDUCATION, INC.**  
**FORM 10-Q**  
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**PART I – FINANCIAL INFORMATION****Item 1. Financial Statements****GRAND CANYON EDUCATION, INC.  
Consolidated Income Statements  
(Unaudited)**

<b>(In thousands, except per share data)</b>	<b>Three Months Ended</b>	
	<b>March 31,</b>	
	<b>2025</b>	<b>2024</b>
<b>Service revenue</b>	<b>\$ 289,310</b>	<b>\$ 274,675</b>
<b>Costs and expenses:</b>		
Technology and academic services	41,664	39,125
Counseling services and support	86,822	82,884
Marketing and communication	60,330	55,353
General and administrative	10,366	10,730
Amortization of intangible assets	2,105	2,105
<b>Total costs and expenses</b>	<b>201,287</b>	<b>190,197</b>
<b>Operating income</b>	<b>88,023</b>	<b>84,478</b>
Interest expense	—	(2)
Investment interest and other	3,381	3,729
<b>Income before income taxes</b>	<b>91,404</b>	<b>88,205</b>
Income tax expense	19,786	20,195
<b>Net income</b>	<b>\$ 71,618</b>	<b>\$ 68,010</b>
<b>Earnings per share:</b>		
<b>Basic income per share</b>	<b>\$ 2.53</b>	<b>\$ 2.31</b>
<b>Diluted income per share</b>	<b>\$ 2.52</b>	<b>\$ 2.29</b>
<b>Basic weighted average shares outstanding</b>	<b>28,277</b>	<b>29,459</b>
<b>Diluted weighted average shares outstanding</b>	<b>28,469</b>	<b>29,639</b>

*The accompanying notes are an integral part of these consolidated financial statements.*

**GRAND CANYON EDUCATION, INC.**  
**Consolidated Balance Sheets**

(In thousands, except par value)	March 31, 2025 (Unaudited)	December 31, 2024
<b>ASSETS:</b>		
<b>Current assets</b>		
Cash and cash equivalents	\$ 144,509	\$ 324,623
Investments	160,144	—
Accounts receivable, net	115,696	82,948
Income tax receivable	—	490
Other current assets	16,087	11,915
<b>Total current assets</b>	<b>436,436</b>	<b>419,976</b>
Property and equipment, net	177,758	176,823
Right-of-use assets	96,059	99,541
Amortizable intangible assets, net	157,857	159,962
Goodwill	160,766	160,766
Other assets	2,572	1,357
<b>Total assets</b>	<b>\$ 1,031,448</b>	<b>\$ 1,018,425</b>
<b>LIABILITIES AND STOCKHOLDERS' EQUITY:</b>		
<b>Current liabilities</b>		
Accounts payable	\$ 24,077	\$ 26,721
Accrued compensation and benefits	23,251	33,183
Accrued liabilities	34,573	29,620
Income taxes payable	24,076	8,559
Deferred revenue	9,081	—
Current portion of lease liability	13,146	12,883
<b>Total current liabilities</b>	<b>128,204</b>	<b>110,966</b>
Deferred income taxes, noncurrent	28,974	26,527
Other long-term liability	1,398	1,444
Lease liability, less current portion	92,168	95,635
<b>Total liabilities</b>	<b>250,744</b>	<b>234,572</b>
Commitments and contingencies		
<b>Stockholders' equity</b>		
Preferred stock, \$0.01 par value, 10,000 shares authorized; 0 shares issued and outstanding at March 31, 2025 and December 31, 2024	—	—
Common stock, \$0.01 par value, 100,000 shares authorized; 54,176 and 54,090 shares issued and 28,496 and 28,858 shares outstanding at March 31, 2025 and December 31, 2024, respectively	542	541
Treasury stock, at cost, 25,680 and 25,232 shares of common stock at March 31, 2025 and December 31, 2024, respectively	(2,102,760)	(2,024,370)
Additional paid-in capital	340,365	336,736
Accumulated other comprehensive loss	(7)	—
Retained earnings	2,542,564	2,470,946
<b>Total stockholders' equity</b>	<b>780,704</b>	<b>783,853</b>
<b>Total liabilities and stockholders' equity</b>	<b>\$ 1,031,448</b>	<b>\$ 1,018,425</b>

*The accompanying notes are an integral part of these consolidated financial statements.*

**GRAND CANYON EDUCATION, INC.**  
**Consolidated Statements of Comprehensive Income**  
**(Unaudited)**

(In thousands)	Three Months Ended March 31,	
	2025	2024
<b>Net income</b>	\$ 71,618	\$ 68,010
<b>Other comprehensive income, net of tax:</b>		
Unrealized losses on available-for-sale securities, net of taxes of \$1 and \$18 for the three months ended March 31, 2025 and 2024, respectively	(7)	(56)
<b>Comprehensive income</b>	\$ 71,611	\$ 67,954

*The accompanying notes are an integral part of these consolidated financial statements.*

**GRAND CANYON EDUCATION, INC.**  
**Consolidated Statement of Stockholders' Equity**  
(In thousands)  
(Unaudited)

	<u>Three Months Ended March 31, 2025</u>							<b>Total</b>
	<u>Common Stock</u>		<u>Treasury Stock</u>		<u>Additional Paid-in Capital</u>	<u>Accumulated Other Comprehensive Loss</u>	<u>Retained Earnings</u>	
	<u>Shares</u>	<u>Par Value</u>	<u>Shares</u>	<u>Cost</u>				
Balance at December 31, 2024	54,090	\$ 541	25,232	\$ (2,024,370)	\$ 336,736	\$ —	\$ 2,470,946	\$ 783,853
Comprehensive income	—	—	—	—	—	(7)	71,618	71,611
Common stock purchased for treasury	—	—	395	(68,927)	—	—	—	(68,927)
Restricted shares forfeited	—	—	—	—	—	—	—	—
Share-based compensation	86	1	53	(9,463)	3,629	—	—	(5,833)
Balance at March 31, 2025	<u>54,176</u>	<u>\$ 542</u>	<u>25,680</u>	<u>\$ (2,102,760)</u>	<u>\$ 340,365</u>	<u>\$ (7)</u>	<u>\$ 2,542,564</u>	<u>\$ 780,704</u>
	<u>Three Months Ended March 31, 2024</u>							
	<u>Common Stock</u>		<u>Treasury Stock</u>		<u>Additional Paid-in Capital</u>	<u>Accumulated Other Comprehensive Loss</u>	<u>Retained Earnings</u>	<u>Total</u>
	<u>Shares</u>	<u>Par Value</u>	<u>Shares</u>	<u>Cost</u>				
	Balance at December 31, 2023	53,970	\$ 540	24,017	\$ (1,849,693)	\$ 322,512	\$ (57)	\$ 2,244,712
Comprehensive income	—	—	—	—	—	(56)	68,010	67,954
Common stock purchased for treasury	—	—	172	(22,558)	—	—	—	(22,558)
Restricted shares forfeited	—	—	4	—	—	—	—	—
Share-based compensation	117	1	55	(7,446)	3,482	—	—	(3,963)
Balance at March 31, 2024	<u>54,087</u>	<u>\$ 541</u>	<u>24,248</u>	<u>\$ (1,879,697)</u>	<u>\$ 325,994</u>	<u>\$ (113)</u>	<u>\$ 2,312,722</u>	<u>\$ 759,447</u>

*The accompanying notes are an integral part of these consolidated financial statements.*

**GRAND CANYON EDUCATION, INC.**  
**Consolidated Statements of Cash Flows**  
(Unaudited)

(In thousands)	Three Months Ended	
	March 31,	
	2025	2024
<b>Cash flows provided by operating activities:</b>		
Net income	\$ 71,618	\$ 68,010
Adjustments to reconcile net income to net cash provided by operating activities:		
Share-based compensation	3,630	3,483
Depreciation and amortization	7,451	6,653
Amortization of intangible assets	2,105	2,105
Deferred income taxes	2,446	1,724
Other, including fixed asset disposals	(207)	(208)
Changes in assets and liabilities:		
Accounts receivable from university partners	(32,748)	(32,899)
Other assets	(4,449)	(3,757)
Right-of-use assets and lease liabilities	278	335
Accounts payable	(2,023)	11,970
Accrued liabilities	(5,558)	(51)
Income taxes receivable/payable	16,007	17,328
Deferred revenue	9,081	10,270
<b>Net cash provided by operating activities</b>	<b>67,631</b>	<b>84,963</b>
<b>Cash flows used in investing activities:</b>		
Capital expenditures	(8,948)	(8,979)
Additions of amortizable content	(20)	(72)
Purchase of equity investment	(1,000)	—
Purchases of investments	(159,920)	(19,381)
Proceeds from sale or maturity of investments	—	23,172
<b>Net cash used in investing activities</b>	<b>(169,888)</b>	<b>(5,260)</b>
<b>Cash flows used in financing activities:</b>		
Repurchase of common shares and shares withheld in lieu of income taxes	(77,857)	(29,970)
<b>Net cash used in financing activities</b>	<b>(77,857)</b>	<b>(29,970)</b>
<b>Net (decrease) increase in cash and cash equivalents and restricted cash</b>	<b>(180,114)</b>	<b>49,733</b>
<b>Cash and cash equivalents and restricted cash, beginning of period</b>	<b>324,623</b>	<b>146,475</b>
<b>Cash and cash equivalents and restricted cash, end of period</b>	<b>\$ 144,509</b>	<b>\$ 196,208</b>
<b>Supplemental disclosure of cash flow information</b>		
Cash paid for interest	\$ —	\$ 2
Cash paid for income taxes	\$ 333	\$ 295
<b>Supplemental disclosure of non-cash investing and financing activities</b>		
Purchases of property and equipment included in accounts payable	\$ 444	\$ 2,091
ROU Asset and Liability recognition	\$ —	\$ 25,500
Excise tax on treasury stock repurchases	\$ 533	\$ 34

*The accompanying notes are an integral part of these consolidated financial statements.*

**Grand Canyon Education, Inc.**  
**Notes to Consolidated Financial Statements**  
**(In thousands, except per share data)**

**1. Nature of Business**

Grand Canyon Education, Inc. (together with its subsidiaries, the “Company” or “GCE”) is a publicly traded education services company dedicated to serving colleges and universities. GCE has developed significant technological solutions, infrastructure and operational processes to provide services to these institutions on a large scale. GCE’s most significant university partner is Grand Canyon University (“GCU”), an Arizona non-profit corporation, a comprehensive regionally accredited university that offers graduate and undergraduate degree programs, emphases and certificates across ten colleges both online, on ground at its campus in Phoenix, Arizona and at nine off-campus classroom and laboratory sites.

We also provide education services to numerous university partners across the United States. In the healthcare field, we work in partnership with a number of top universities and healthcare networks, offering healthcare-related academic programs at off-campus classroom and laboratory sites located near healthcare providers and developing high-quality, career-ready graduates who enter the workforce ready to meet the demands of the healthcare industry. In addition, we have provided certain services to a university partner to assist them in expanding their online graduate programs. As of March 31, 2025, GCE provides education services to 22 university partners across the United States.

**2. Summary of Significant Accounting Policies**

***Principles of Consolidation***

The consolidated financial statements include the accounts of the Company and its wholly owned subsidiaries. Intercompany transactions have been eliminated in consolidation.

***Unaudited Interim Financial Information***

The accompanying unaudited interim consolidated financial statements of the Company have been prepared in accordance with U.S. generally accepted accounting principles (“GAAP”) and pursuant to the rules and regulations of the United States Securities and Exchange Commission and the instructions to Form 10-Q and Article 10, consistent in all material respects with those applied in its financial statements included in its Annual Report on Form 10-K for the fiscal year ended December 31, 2024. They do not include all of the information and footnotes required by GAAP for complete financial statements. Such interim financial information is unaudited but reflects all adjustments that in the opinion of management are necessary for the fair presentation of the interim periods presented. Interim results are not necessarily indicative of results for a full year. These consolidated financial statements should be read in conjunction with the Company’s audited financial statements and footnotes included in its Annual Report on Form 10-K for the fiscal year ended December 31, 2024 from which the December 31, 2024 balance sheet information was derived.

***Investments***

As of December 31, 2024 the Company had no investments. As of March 31, 2025, the Company considered its investments in corporate bonds, agency bonds, treasury bills and commercial paper as available-for-sale securities based on the Company’s intent for the respective securities. Available-for-sale securities are carried at fair value, determined using Level 1 and Level 2 of the hierarchy of valuation inputs, with the use of inputs other than quoted prices that are observable for the assets. Unrealized investment gains and losses, net of tax, are reported as a separate component of other comprehensive income. Unrealized losses considered to be other-than-temporary are recognized currently in earnings. Amortization of premiums, accretion of discounts, interest and dividend income and realized gains and losses are included in interest and other income.

***Arrangements with GCU***

On July 1, 2018, the Company consummated an Asset Purchase Agreement (the “Asset Purchase Agreement”) with GCU. In conjunction with the Asset Purchase Agreement, the Company and GCU entered into a long-term master services agreement pursuant to which the Company provides identified technology and academic services, counseling services and support, marketing and communication services, and several back-office services to GCU in return for 60% of GCU’s tuition and fee revenue. Except for identified liabilities assumed by GCU, GCE retained responsibility for all liabilities of the business arising from pre-closing operations.



**Grand Canyon Education, Inc.**  
**Notes to Consolidated Financial Statements**  
**(In thousands, except per share data)**

***Internally Developed Software***

The Company capitalizes certain costs related to internal-use software, primarily consisting of direct labor associated with creating the software. Software development projects generally include three stages: the preliminary project stage (all costs are expensed as incurred), the application development stage (certain costs are capitalized and certain costs are expensed as incurred) and the post-implementation or operation stage (all costs are expensed as incurred). Costs capitalized in the application development stage include costs of design, coding, integration, and testing of the software developed. Capitalization of costs requires judgment in determining when a project has reached the application development stage and the period over which we expect to benefit from the use of that software. Once the software is placed in service, these costs are amortized straight-line over the estimated useful life of the software, which is generally three years. These assets are a component of our property and equipment, net in our consolidated balance sheets.

***Capitalized Content Development***

The Company capitalizes certain costs to fulfill a contract related to the development and digital creation of content on a course-by-course basis for each university partner, many times in conjunction with faculty and subject matter experts. The Company is responsible for the conversion of instructional materials to an on-line format, including outlines, quizzes, lectures, and articles in accordance with the educational guidelines provided to us by our university partners, prior to the respective course commencing. We also capitalize the creation of learning objects which are digital assets such as online demonstrations, simulations, and case studies used to obtain learning objectives.

Costs that are capitalized include payroll and payroll-related costs for employees who are directly associated and spend time producing content and payments to faculty and subject matter experts involved in the process. The Company starts capitalizing content costs when it begins to develop or to convert a particular course, resources have been assigned and a timeline has been set. The content asset is placed in service when all work is complete, and the curriculum could be used for instruction. Capitalized content development assets are included in other assets in our consolidated balance sheets. The Company has concluded that the most appropriate method to amortize the deferred content assets is on a straight-line basis over the estimated life of the course, which is generally four years which corresponds with course's review and major revision cycle. As of March 31, 2025 and December 31, 2024, \$596 and \$658, respectively, net of amortization, of deferred content assets are included in other assets, long-term in the Company's consolidated balance sheets and amortization is included in technical and academic services where the costs originated.

***Long-Lived Assets***

The Company evaluates the recoverability of its long-lived assets for impairment, other than goodwill, whenever events or changes in circumstances indicate that the carrying amount of an asset may not be recoverable. Recoverability of assets to be held and used is measured by a comparison of the carrying amount of an asset to undiscounted future net cash flows expected to be generated by the assets. If such assets are considered to be impaired, the impairment to be recognized is measured by the amount by which the carrying amount of the assets exceeds the fair value of the assets.

***Leases***

The Company determines if an arrangement is a lease at inception and evaluates the lease agreement to determine whether the lease is a finance or operating lease. Right-of-use ("ROU") assets and lease liabilities are recognized at commencement date based on the present value of lease payments over the lease term. The Company uses its incremental borrowing rate based on the information available at the commencement to determine the present value of lease payments over the lease term. At lease inception, the Company determines the lease term by assuming no exercises of renewal options, due to the Company's constantly changing geographical needs for its university partners. Leases with an initial term of 12 months or less are not recorded in the consolidated balance sheets and are recognized as lease expense on a straight-line basis over the lease term. The Company has lease agreements with lease and non-lease

**Grand Canyon Education, Inc.**  
**Notes to Consolidated Financial Statements**  
**(In thousands, except per share data)**

components, and the non-lease components are accounted for separately and not included in our ROU assets and lease liabilities. Leases primarily consist of off-campus classroom and laboratory site locations and office space.

***Goodwill and Amortizable Intangible Assets***

Goodwill represents the excess of the purchase price of an acquired business over the amount assigned to the tangible and intangible assets acquired and liabilities assumed. Goodwill is assessed at least annually for impairment during the fourth quarter, or more frequently if circumstances indicate potential impairment. Goodwill is allocated to our reporting unit at the education services segment, which is the same as the entity as a whole (entity level reporting unit). The Company has concluded there is one operating segment and one reporting unit for goodwill impairment consideration. The Financial Accounting Standards Board has issued guidance that permits an entity to first assess qualitative factors to determine whether it is necessary to perform the quantitative goodwill impairment test. The Company reviews goodwill at least annually or more frequently if an event occurs or circumstances change that would more likely than not reduce the fair value of the reporting unit below its carrying amount.

Finite-lived intangible assets that are acquired in a business combination are recorded at fair value on their acquisition dates and are amortized using a method that reflects the pattern in which the economic benefits of the intangible assets are consumed or on a straight-line basis over the estimated useful life of the intangible asset if the pattern of economic benefit cannot be reliability determined. Finite-lived intangible assets consist of university partner relationships and trade names. The Company reviews its finite-lived intangible assets for impairment whenever events or changes in circumstances indicate that the carrying amount of an intangible asset may not be recoverable. There were no indicators that the carrying amount of the finite-lived intangible assets were impaired as of March 31, 2025. Recoverability of assets to be held and used is measured by a comparison of the carrying amount of an asset to undiscounted future net cash flows expected to be generated by the assets. If such intangible assets are not recoverable, a potential impairment loss is recognized to the extent the carrying amounts of the assets exceeds the fair value of the assets.

***Share-Based Compensation***

The Company measures and recognizes compensation expense for share-based payment awards made to employees and directors. The fair value of the Company's restricted stock awards is based on the market price of its common stock on the date of grant. Stock-based compensation expense related to restricted stock grants is expensed over the vesting period using the straight-line method for Company employees and the Company's board of directors. The Company recognizes forfeitures as they occur.

***Fair Value of Financial Instruments***

The carrying value of cash and cash equivalents, accounts receivable, accounts payable, accrued compensation and benefits and accrued liabilities expenses approximate their fair value based on the liquidity or the short-term maturities of these instruments.

The fair value of investments was determined using Level 1 and Level 2 of the hierarchy of valuation inputs, with the use of inputs other than quoted prices that are observable for the assets. The unit of account used for valuation is the individual underlying security. The basis for fair value measurements for each level is described below, with Level 1 having the highest priority.

- Level 1 – inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities.
- Level 2 – inputs are quoted prices for similar instruments in active markets; quoted prices for identical or similar instruments in non-active markets; and model-derived valuations whose inputs are observable or whose significant valuation drivers are observable.
- Level 3 – unobservable inputs that are not corroborated by market data.

Investments are comprised of corporate bonds, commercial paper and agency bonds.

**Grand Canyon Education, Inc.**  
**Notes to Consolidated Financial Statements**  
**(In thousands, except per share data)**

***Revenue Recognition***

The Company generates all of its revenue through services agreements with its university partners (“Services Agreements”), pursuant to which the Company provides integrated technology and academic services, marketing and communication services, and back-office services to its university partners in return for a percentage of tuition and fee revenue.

The Services Agreements have initial terms ranging from 7-15 years, subject to renewal options, although certain agreements may give the university partners the right to terminate early if certain conditions are met. The Services Agreements have a single performance obligation, as the promises to provide the identified services are not distinct within the context of these agreements. The single performance obligation is delivered as our partners receive and consume benefits, which occurs ratably over a series of distinct service periods (daily or semester). Service revenue is recognized over time using the output method of measuring progress towards complete satisfaction of the single performance obligation. The output method provides a faithful depiction of the performance toward complete satisfaction of the performance obligation and can be tied to the time elapsed which is consumed evenly over the service period and is a direct measurement of the value provided to our partners. The service fees received from our partners over the term of the agreement are variable in nature in that they are dependent upon the number of students attending the university partner’s program and revenues generated from those students during the service period. Due to the variable nature of the consideration over the life of the service arrangement, the Company considered forming an expectation of the variable consideration to be received over the service life of this one performance obligation. However, since the performance obligation represents a series of distinct services, the Company recognizes the variable consideration that becomes known and billable because these fees relate to the distinct service period in which the fees are earned. The Company meets the criteria in the standard and exercises the practical expedient to not disclose the aggregate amount of the transaction price allocated to the single performance obligation that is unsatisfied as of the end of the reporting period. The Company does not disclose the value of unsatisfied performance obligations because the directly allocable variable consideration is allocated entirely to a wholly unsatisfied promise to transfer a service that forms part of a single performance obligation. The service fees are calculated and settled per the terms of the Services Agreements and result in a settlement duration of less than one year for all partners. There are no refunds or return rights under the Services Agreements.

The Company’s receivables represent unconditional rights to consideration from our Services Agreements with our university partners. Accounts receivable, net is stated at net realizable value and contains billed and unbilled revenue. The Company utilizes the allowance method to provide for doubtful accounts based on its evaluation of the expected credit losses. There have been no amounts written off and no reserves established as of March 31, 2025 given historical collection experience and an evaluation of reasonable and supportable forecasts of economic conditions and other pertinent factors affecting the Company’s customers such as known credit risk or industry trends. The Company will continue to review and revise its allowance methodology based on its collection experience with its partners.

For our partners with unbilled revenue, revenue recognition occurs in advance of billings. Billings for some university partners do not occur until after the service period has commenced and final enrollment information is available. Given that the Fall semester ends on December 31 of each year, unbilled revenue is low at year end (whereas a semester is ongoing at the end of each other fiscal quarter, and unbilled revenue is thus higher at the end of our first three quarters). Our unbilled revenue of \$3,880 and \$115 as of March 31, 2025 and December 31, 2024, respectively, are included in accounts receivable in our consolidated balance sheets. Deferred revenue represents the excess of amounts received as compared to amounts recognized in revenue on our consolidated statements of income as of the end of the reporting period, and such amounts are reflected as a current liability on our consolidated balance sheets. We generally receive payments for our services billed within 30 days of invoice. These payments are recorded as deferred revenue until the services are delivered and revenue is recognized.

***Allowance for Credit Losses***

The Company records its accounts receivable at the net amount expected to be collected. Our accounts receivable are derived through education services provided to university partners. The Company maintains an allowance

**Grand Canyon Education, Inc.**  
**Notes to Consolidated Financial Statements**  
**(In thousands, except per share data)**

for credit losses resulting from our university partners not making payments. The Company determines the adequacy of the allowance by periodically evaluating each university partners balance, considering their financial condition and credit history, and considering current and forecasted economic conditions. Bad debt expense is recorded as a technology and academic services expense in the consolidated income statements. The Company monitors the impact of other factors on expected credit losses.

***Technology and Academic Services***

Technology and academic services consist primarily of costs related to ongoing maintenance of educational infrastructure, including online course delivery and management, student records, assessment, customer relations management and other internal administrative systems. This also includes costs to provide support for content development, faculty training, development and other faculty support, technology support, rent and occupancy costs for university partners' off-campus classroom and laboratory sites, and assistance with state compliance. This expense category includes salaries, benefits and share-based compensation, information technology costs, amortization of content development costs and other costs associated with these support services. This category also includes an allocation of depreciation, amortization, and occupancy costs attributable to the provision of certain services, primarily at the Company's Phoenix, Arizona and Indianapolis, Indiana locations.

***Counseling Services and Support***

Counseling services and support consist primarily of costs including team-based counseling and other support to prospective and current students as well as financial aid processing. This expense category includes salaries, benefits and share-based compensation, and other costs such as dues, fees and subscriptions and travel costs. This category also includes an allocation of depreciation, amortization, lease expense, and occupancy costs attributable to the provision of certain services, primarily at the Company's Phoenix, Arizona and Indianapolis, Indiana locations.

***Marketing and Communication***

Marketing and communication include lead acquisition, digital communication strategies, brand identity advertising, media planning and strategy, video, data science and analysis, marketing to potential students and other promotional and communication services. This expense category includes salaries, benefits and share-based compensation for marketing and communication personnel, brand advertising, marketing leads and other promotional and communication expenses. This category also includes an allocation of depreciation, amortization, lease expense, and occupancy costs attributable to the provision of certain services, primarily at the Company's Phoenix, Arizona and Indianapolis, Indiana locations. Advertising costs are expensed as incurred.

***General and Administrative***

General and administrative expenses include salaries, benefits and share-based compensation of employees engaged in corporate management, finance, human resources, compliance, and other corporate functions. This category also includes an allocation of depreciation, amortization, lease expense, and occupancy costs attributable to the provision of these services, primarily at the Company's Phoenix, Arizona and Indianapolis, Indiana locations.

***Commitments and Contingencies***

The Company accrues for contingent obligations when it is probable that a liability has been incurred and the amount is reasonably estimable. When the Company becomes aware of a claim or potential claim, the likelihood of any loss exposure is assessed. If it is probable that a loss will result and the amount of the loss is estimable, the Company records a liability for the estimated loss. If the loss is not probable or the amount of the potential loss is not estimable, the Company will disclose the claim if the likelihood of a potential loss is reasonably possible and the amount of the potential loss could be material. Estimates that are particularly sensitive to future changes include tax, legal, and other regulatory matters, which are subject to change as events evolve, and as additional information becomes available during the administrative and litigation process. The Company expenses legal fees as incurred.

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***Concentration of Credit Risk***

The Company believes the credit risk related to cash equivalents and investments is limited due to its adherence to an investment policy that requires investments to have a minimum BBB rating, depending on the type of security, by at least one major rating agency at the time of purchase. All of the Company's cash equivalents and investments as of March 31, 2025 and December 31, 2024 consist of investments rated BBB or higher by at least one rating agency. Additionally, the Company utilizes at least one financial institution to conduct initial and ongoing credit analysis on its investment portfolio to monitor and lower the potential impact of market risk associated with its cash equivalents and investment portfolio. Financial instruments that potentially subject the Company to concentration of credit risk consist principally of cash balances, which are primarily invested in money market funds or on deposit at high credit quality financial institutions in the U.S. Accounts at each institution are insured by the Federal Deposit Insurance Corporation ("FDIC") up to \$250,000. At March 31, 2025 and December 31, 2024, the Company had \$143,509 and \$323,124, respectively, in excess of the FDIC insured limit. The Company is also subject to credit risk for its accounts receivable balance. Our dependence on our most significant university partner, GCU, with 90.4% and 89.7% of total service revenue for the three-month periods ended March 31, 2025 and 2024, respectively, subjects us to the risk that declines in our customer's operations would result in a sustained reduction in service revenue for the Company.

***Use of Estimates***

The preparation of consolidated financial statements in conformity with GAAP requires management to make estimates and assumptions that affect the reported amounts in the consolidated financial statements and accompanying notes. Actual results could differ from those estimates.

***Segment Information***

The Company operates as a single education services company using a core infrastructure that serves the curriculum and educational delivery needs of its university partners. The Company's Chief Executive Officer (the "Chief Operating Decision Maker" or "CODM") manages the Company's operations as a whole and no expense or operating income information is generated or evaluated on any component level other than consolidated net income.

The education services segment generates revenue through Service Agreements with its university partners, pursuant to which the Company provides integrated technology and academic services, marketing and communication services, and back-office services to its university partners in return for a percentage of tuition and fee revenue.

The accounting policies of the education services segment are the same as those described in the summary of significant accounting policies. The measure of segment assets is reported on the consolidated balance sheet as total consolidated assets. The CODM uses consolidated net income to monitor budget versus actual results, which is used to evaluate headcount and compensation decisions.

***Recent Accounting Pronouncements***

In December 2023, the FASB issued ASU No. 2023-09, "Income Taxes (Topic 740): Improvements to Income Tax Disclosures." This ASU includes amendments requiring enhanced income tax disclosures, primarily related to standardization and disaggregation of rate reconciliation categories and income taxes paid by jurisdiction. The guidance is effective for fiscal years beginning after December 15, 2024, with early adoption permitted, and should be applied either prospectively or retrospectively. The Company does not expect the adoption of this guidance to have a material impact on the Company's financial condition, results of operations or statements of cash flows.

In November 2024, the FASB issued ASU 2024-03, "Income Statement - Reporting Comprehensive Income - Expense Disaggregation Disclosures (Subtopic 220-40): Disaggregation of Income Statement Expenses." ASU No. 2024-03 does not change or remove existing expense disclosure requirements but requires disaggregated disclosures about certain expense categories and captions, including but not limited to, purchases of inventory, employee compensation, depreciation, amortization and selling expenses. ASU No. 2024-03 will become effective for us in fiscal year 2027 and in the first quarter of fiscal year 2028 for interim reporting. Retrospective application is permitted. The Company does not

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expect the adoption of this guidance to have a material impact on the Company's financial condition, results of operations or cash flows.

The Company has determined that no other recent accounting pronouncements apply to its operations or could otherwise have a material impact on its consolidated financial statements.

**3. Investments**

As of March 31, 2025 the Company had investments of \$160,144 classified as available-for-sale securities. The Company had no investments at December 31, 2024 as it sold all its investments in the third quarter of 2024 and the proceeds were invested in cash and cash equivalents.

	As of March 31, 2025			Estimated Fair Value
	Adjusted Cost	Gross Unrealized Gains	Gross Unrealized (Losses)	
Corporate bonds	\$ 119,861	\$ 102	\$ (106)	\$ 119,857
Commercial paper	10,986	—	(3)	10,983
Treasury bills	14,306	1	—	14,307
Agency bonds	14,999	8	(10)	14,997
<b>Total investments</b>	<b>\$ 160,152</b>	<b>\$ 111</b>	<b>\$ (119)</b>	<b>\$ 160,144</b>

For the three months ended March 31, 2025 and 2024, the net unrealized losses were \$7 and \$56, respectively, net of taxes. Available-for-sale debt securities are carried at fair value on the consolidated balance sheets. The Company estimates the lifetime expected credit losses for all available-for sale debt securities in an unrealized loss position. If our assessment indicates that an expected credit loss exists, we determine the portion of the unrealized loss attributable to credit deterioration and record a reserve for the expected credit loss in the allowance for credit losses in technology and academic services in our consolidated income statements.

Available-for-sale securities maturing as of December 31:	
2025	\$ 29,062
2026	59,403
2027	53,753
2028	17,926
	<u>\$ 160,144</u>

**4. Net Income Per Common Share**

Basic earnings per common share is calculated by dividing net income available to common stockholders by the weighted average number of common shares outstanding for the period. Diluted earnings per common share reflects the assumed conversion of all potentially dilutive securities, consisting of restricted stock awards, for which the estimated fair value exceeds the exercise price, less shares which could have been purchased with the related proceeds, unless anti-dilutive. For employee equity awards, repurchased shares are also included for any unearned compensation adjusted for tax. The table below reflects the calculation of the weighted average number of common shares outstanding, on an as if converted basis, used in computing basic and diluted earnings per common share.

	Three Months Ended March 31,	
	2025	2024
Denominator:		
Basic weighted average shares outstanding	28,277	29,459
Effect of dilutive stock options and restricted stock	192	180
Diluted weighted average shares outstanding	<u>28,469</u>	<u>29,639</u>

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Diluted weighted average shares outstanding excludes the incremental effect of unvested restricted stock in accordance with the treasury stock method. For the three-month periods ended March 31, 2025 and 2024, approximately 60 and 78, respectively, of the Company's restricted stock awards outstanding were excluded from the calculation of diluted earnings per share as their inclusion would have been anti-dilutive. These restricted stock awards could be dilutive in the future.

**5. Property and Equipment**

Property and equipment consist of the following:

	<u>March 31,</u> <u>2025</u>	<u>December 31,</u> <u>2024</u>
Land	\$ 5,098	\$ 5,098
Land improvements	2,242	2,242
Buildings	51,399	51,399
Buildings and leasehold improvements	38,515	37,424
Computer equipment	142,160	141,160
Furniture, fixtures and equipment	29,856	29,715
Internally developed software	106,129	98,605
Construction in progress	4,772	6,393
	<u>380,171</u>	<u>372,036</u>
Less accumulated depreciation and amortization	(202,413)	(195,213)
Property and equipment, net	<u>\$ 177,758</u>	<u>\$ 176,823</u>

**6. Amortizable Intangible Assets**

Identified intangible assets of \$210,280 consisted primarily of university partner relationships that were valued at \$210,000, which arose in connection with the acquisition of Orbis Education in January 2019.

Amortizable intangible assets consist of the following as of:

	<u>March 31, 2025</u>			
	<u>Estimated Average Useful Life (in years)</u>	<u>Gross Carrying Amount</u>	<u>Accumulated Amortization</u>	<u>Net Carrying Amount</u>
University partner relationships	25	\$ 210,000	\$ (52,143)	\$ 157,857
Trade names	1	280	(280)	—
Total amortizable intangible assets, net		<u>\$ 210,280</u>	<u>\$ (52,423)</u>	<u>\$ 157,857</u>

Amortization expense for university partner relationships and trade names for the years ending December 31:

2025	\$ 6,314
2026	8,419
2027	8,419
2028	8,419
2029	8,419
Thereafter	117,867
	<u>\$ 157,857</u>

**7. Leases**

The Company has operating leases for off-campus classroom and laboratory sites, office space, office equipment, and optical fiber communication lines. These leases have remaining lease terms that range from three months to 10 years and one month. At lease inception, we determine the lease term by assuming no exercises of renewal

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options due to the Company's constantly changing geographical needs for its university partners. Leases with an initial term of 12 months or less are not recorded in the consolidated balance sheets and we recognize lease expense for these leases on a straight-line basis over the lease term. The Company had operating lease costs of \$4,339 and \$3,877 for the three-month periods ended March 31, 2025 and 2024, respectively.

As of March 31, 2025, the Company had \$17,029 of non-cancelable operating lease commitments for four off-campus classroom and laboratory sites that had not yet commenced. The Company's weighted-average remaining lease term relating to its operating leases is 7.44 years, with a weighted-average discount rate of 4.24%. The cash paid for operating lease liabilities was \$4,053 and \$3,541 for the three months ended March 31, 2025 and 2024, respectively. As of March 31, 2025, the Company had no financing leases.

Future payment obligations with respect to the Company's operating leases, which were existing at March 31, 2025, by year and in the aggregate, are as follows:

Year Ending December 31,	Amount
2025	\$ 12,902
2026	17,093
2027	16,575
2028	16,414
2029	16,556
Thereafter	44,477
Total lease payments	\$ 124,017
Less interest	18,703
Present value of lease liabilities	\$ 105,314

## 8. Commitments and Contingencies

### *Legal Matters*

From time to time, the Company is a party to various lawsuits, claims, and other legal proceedings that arise in the ordinary course of business, some of which are covered by insurance. When the Company is aware of a claim or potential claim, it assesses the likelihood of any loss or exposure. If it is probable that a loss will result and the amount of the loss can be reasonably estimated, the Company records a liability for the loss. If the loss is not probable or the amount of the loss cannot be reasonably estimated, the Company discloses the nature of the specific claim if the likelihood of a potential loss is reasonably possible, and the amount involved could be material. With respect to the majority of pending litigation matters, the Company's ultimate legal and financial responsibility, if any, cannot be estimated with certainty and, in most cases, any potential losses related to those matters are not considered probable.

Upon resolution of any pending legal matters, the Company may incur charges in excess of presently established reserves. Management does not believe that any such charges would, individually or in the aggregate, have a material adverse effect on the Company's financial condition, results of operations or cash flows.

### *Pending Litigation Matters*

*False Claims Act Matter.* In May 2020, the Company was served with a *qui tam* lawsuit that had been filed against us in 2019 in the U.S. District Court for the District of Massachusetts by a former employee on behalf of the federal government. All proceedings in the lawsuit had been under seal until February 2020, when the U.S. government decided to not intervene in the lawsuit, and the complaint was then unsealed by the court. The suit, *United States ex rel Mackillop v. Grand Canyon Education, Inc.*, alleges that we violated the False Claims Act by improperly compensating certain of our enrollment counselors in violation of the Title IV law governing compensation of such employees (the "incentive compensation rule"), and as a result, improperly received Title IV program funds. In response to a second amended complaint filed in September 2020, we filed a motion to dismiss and a motion to transfer the matter to the U.S. District Court for the District of Arizona. In December 2020, the court granted our motion to dismiss as to one of three counts and granted the motion to transfer but only upon conclusion of pretrial proceedings. In September 2021, we filed



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a motion for summary judgment which the Massachusetts court denied in September 2022. Subsequently, the matter was transferred to the Arizona court and trial was scheduled for late April 2024. In the interim, we filed a motion for reconsideration of the summary judgment ruling in September 2023; that motion remains pending. Prior to trial commencing, we and the relator reached an agreement to stay trial while the parties attempt to finalize the terms upon which the litigation could be concluded. Having been unsuccessful in reaching terms with the relevant parties, which would have avoided litigation, the Court has rescheduled the trial for October 2025. For any future settlement to be affected, all parties to the litigation will need to agree on acceptable terms, both monetary and non-monetary. In this regard, because this matter involves claims under the False Claims Act, any such terms would also need to be approved by the applicable U.S. government agencies.

We believe that the compensation practices at issue in the complaint, which were developed with the guidance of outside regulatory counsel specifically to comply with Title IV and its regulations and relevant case law interpreting the incentive compensation rule, do not violate applicable law. The Company intends to defend itself vigorously in this legal proceeding. The outcome of this legal proceeding is uncertain at this point. At present, the Company cannot reasonably estimate a range of loss for this action based on the information available to the Company. Accordingly, the Company has not accrued any liability associated with this action.

*Matters Related to GCU Graduate Program Disclosures and Related Matters.* The Company is a party to several matters alleging that, in the performance of its marketing services provided on behalf of GCU, it made false or misleading representations regarding the time to complete and the costs associated with and/or accreditation issues related to certain GCU graduate programs, and (in the case of the FTC matter noted below) also made false or misleading representations regarding GCU's non-profit status and made telemarketing calls to phone numbers on do not call lists. These matters include:

- Smith and Wang v. Grand Canyon Education, Inc. This putative class action was filed in June 2024 in the United States District Court for the District of Arizona and asserts claims under the federal RICO statute as well as various claims for violations of state law consumer protection statutes. On September 20, 2024, the plaintiffs amended their complaint, and on November 4, 2024, the Company moved to dismiss the case. The motion to dismiss is pending with the court. There is currently no trial date scheduled in this matter.
- Federal Trade Commission v. Grand Canyon Education, Inc., et al. This suit was filed in late December 2023 in United States District Court for the District of Arizona and asserts claims under the FTC Act and Telemarketing Sales Rule. In February 2024, GCE filed a partial motion to dismiss, which was denied in August 2024. Discovery in this matter has commenced and is ongoing, with fact and expert discovery scheduled to conclude in May 2025 and October 2025 respectively. There is currently no trial date scheduled in this matter.
- Ogdon v. Grand Canyon Education, Inc., et al. This putative class action was filed in May 2020 in federal district court in California and later transferred to United States District Court for the District of Arizona and asserts claims for violations of California's False Advertising Law, Unfair Competition Law, Consumer Legal Remedies Act; Unjust Enrichment; and purported violations of the federal RICO statute, including a conspiracy claim. The defendants include the Company along with our chief executive officer, chief operating officer and chief financial officer. On May 27, 2022, after significant motions practice, the Company filed an amended motion to dismiss and a motion to strike certain allegations in Plaintiff's amended complaint. On August 8, 2023, the court presiding over the dispute entered two orders: (1) an order granting in part the Company's motion to dismiss as to Ogdon's RICO claim from the case and to dismiss the individual Defendants; and (2) an order granting in part the Company's motion to strike scandalous and impertinent allegations in Ogdon's complaint about our business. Shortly thereafter on August 22, 2023, Plaintiff moved the court to reconsider its dismissal of the RICO claim. Though discovery had commenced, and the Company substantially completed its discovery obligations on the state-law claims, discovery was stayed on March 18, 2024, pending mediation and the disposition of Ogdon's motion for reconsideration. On March 29, 2024, the

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court issued an order reinstating Plaintiff’s RICO claim. On September 26, 2024, the court lifted the stay on discovery, and discovery resumed, with class certification briefing to conclude in September 2025. There is currently no trial date scheduled in this matter.

- Valerio, et al. v. Grand Canyon Education, Inc., et al. This suit was filed on December 24, 2024, in Maricopa County, Arizona Superior Court on behalf of nearly 300 plaintiffs. The plaintiffs assert various claims, including claims for violations of state law consumer protection statutes. The Company’s response to the complaint is due on May 12, 2025. There is currently no trial date scheduled in this matter.

We believe that the Company’s representations made in marketing materials or by our employees regarding GCU’s non-profit status and doctoral program requirements were at all times accurate and not false or misleading, and thus did not violate applicable law. In addition, to the extent the representations we made or actions we took that are at issue in these proceedings were done or taken after July 1, 2018 at the direction of GCU and/or based on written instructions, or advertising or web materials, provided to us for use by GCU, GCU has agreed to indemnify us in part under the terms of the Master Services Agreement for our losses and expenses arising from these matters. With regard to the FTC’s claims under the Telemarketing Sales Rule, we only make telemarketing calls to individuals who have demonstrated interest in speaking to us about educational opportunities at GCU, which are permitted by the rule. The Company intends to defend itself vigorously in each of these legal proceedings. The outcome of these legal proceedings is uncertain at this point. At present, the Company cannot estimate a range of loss for these actions based on the information available to the Company. Accordingly, the Company has not accrued any liability associated with these actions.

**9. Share-Based Compensation**

*Incentive Plan*

The Company makes equity incentive grants pursuant to our 2017 Equity Incentive Plan (the “2017 Plan”) under which a maximum of 3,000 shares may be granted. As of March 31, 2025, 875 shares were available for grants under the 2017 Plan.

*Restricted Stock*

During the three months ended March 31, 2025, the Company granted 86 shares of common stock with a service vesting condition to certain of its executives, officers and employees. The restricted shares have voting rights and vest in five annual installments of 20%, with the first installment vesting in March of the calendar year following the date of grant (the “first vesting date”) and subsequent installments vesting on each of the four anniversaries of the first vesting date. Upon vesting, shares will be withheld in lieu of taxes equivalent to the minimum statutory tax withholding required to be paid when the restricted stock vests. During the three months ended March 31, 2025, the Company withheld 53 shares of common stock in lieu of taxes at a cost of \$9,463 on the restricted stock vesting dates.

A summary of the activity related to restricted stock granted under the 2017 Plan since December 31, 2024 is as follows:

	Total Shares	Weighted Average Grant Date Fair Value per Share
<b>Outstanding as of December 31, 2024</b>	403	\$ 104.54
Granted	86	\$ 172.75
Vested	(136)	\$ 97.24
Forfeited, canceled or expired	—	\$ —
<b>Outstanding as of March 31, 2025</b>	<u>353</u>	<u>\$ 124.10</u>

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**Share-based Compensation Expense**

The table below outlines share-based compensation expense for the three months ended March 31, 2025 and 2024 related to restricted stock granted:

	2025	2024
Technology and academic services	\$ 731	\$ 605
Counseling services and support	1,930	1,826
Marketing and communication	65	54
General and administrative	904	998
<b>Share-based compensation expense included in operating expenses</b>	<b>\$ 3,630</b>	<b>\$ 3,483</b>
Tax effect of share-based compensation	(908)	(871)
<b>Share-based compensation expense, net of tax</b>	<b>\$ 2,722</b>	<b>\$ 2,612</b>

**10. Treasury Stock**

The Board of Directors has authorized share repurchases of up to \$2,245,000 since the initiation of the Company's stock repurchase program. The expiration date on the current repurchase authorization is March 1, 2026. Repurchases occur at the Company's discretion. Repurchases may be made in the open market or in privately negotiated transactions, pursuant to the applicable SEC rules. The amount and timing of future share repurchases, if any, will be made as market and business conditions warrant.

During the three months ended March 31, 2025 the Company repurchased 395 shares of common stock, at an aggregate cost of \$68,394. As of March 31, 2025, there remained \$231,255 available under its current share repurchase authorization. Shares repurchased in lieu of taxes are not included in the repurchase plan totals as they were approved in conjunction with the restricted share awards. Excise taxes of \$533 are not included in the repurchase plan totals but are included in the total cost of net share repurchases in the consolidated statement of stockholders' equity.

## **Item 2. Management’s Discussion and Analysis of Financial Condition and Results of Operations**

*The following discussion and analysis of our financial condition and results of operations should be read in conjunction with the financial statements and related notes that appear elsewhere in this report.*

### **Forward-Looking Statements**

This Quarterly Report on Form 10-Q, including Item 2, *Management’s Discussion and Analysis of Financial Condition and Results of Operations*, contains certain “forward-looking statements” within the meaning of Section 27A of Securities Act of 1933, as amended, and Section 21E of the Securities Exchange Act of 1934, as amended (the “Exchange Act”). These forward-looking statements include, without limitation, statements regarding: proposed new programs; statements as to whether regulatory developments or other matters may or may not have a material adverse effect on our financial position, results of operations, or liquidity; statements concerning projections, predictions, expectations, estimates, or forecasts as to our business, financial and operational results, and future economic performance; and statements of management’s goals and objectives and other similar expressions concerning matters that are not historical facts. Words such as “may,” “should,” “could,” “would,” “predicts,” “potential,” “continue,” “expects,” “anticipates,” “future,” “intends,” “plans,” “believes,” “estimates” and similar expressions, the negative of these expressions, as well as statements in future tense, identify forward-looking statements. You can also identify forward-looking statements by discussions of strategy, plans or intentions of management.

Forward-looking statements should not be read as a guarantee of future performance or results and will not necessarily be accurate indications of the times at, or by, which such performance or results will be achieved. Forward-looking statements are based on information available at the time those statements are made or management’s good faith belief as of that time with respect to future events and are subject to risks and uncertainties that could cause actual performance or results to differ materially from those expressed in or suggested by the forward-looking statements. Important factors that could cause our actual performance or results to differ materially from those expressed in or suggested by the forward-looking statements, include, but are not limited to:

- legal and regulatory actions taken against us related to our services business, or against our university partners that impact their businesses and that directly or indirectly reduce the service revenue we can earn under our master services agreements;
- the occurrence of any event, change or other circumstance that could give rise to the termination of any of the key university partner agreements;
- our ability to properly manage risks and challenges associated with strategic initiatives, including potential acquisitions or divestitures of, or investments in, new businesses, acquisitions of new properties and new university partners, and expansion of services provided to our existing university partners;
- our failure to comply with the extensive regulatory framework applicable to us either directly as a third-party service provider or indirectly through our university partners, including Title IV of the Higher Education Act and the regulations thereunder, state laws and regulatory requirements, and accrediting commission requirements, and the results of related legal and regulatory actions that arise from such failures;
- the harm to our business, results of operations, and financial condition, and harm to our university partners resulting from epidemics, pandemics, or public health crises;
- the harm to our business and our ability to retract and retain students resulting from capacity constraints, system disruptions, or security breaches in our online computer networks and phone systems;
- the ability of our university partners’ students to obtain federal Title IV funds, state financial aid, and private financing;
- potential damage to our reputation or other adverse effects as a result of negative publicity in the media, in the industry or in connection with governmental reports or investigations or otherwise, affecting us or other companies in the education services sector;
- risks associated with changes in applicable federal and state laws and regulations and accrediting commission standards, including pending rulemaking by the United States Department of Education applicable to us directly or indirectly through our university partners;

- competition from other education service companies in our geographic region and market sector, including competition for students, qualified executives and other personnel;
- our expected tax payments and tax rate;
- our ability to hire and train new employees, and develop and train existing employees;
- the pace of growth of our university partners' enrollment and its effect on the pace of our own growth;
- fluctuations in our revenues due to seasonality;
- our ability, on behalf of our university partners, convert prospective students to enrolled students and to retain active students to graduation;
- our success in updating and expanding the content of existing programs and developing new programs in a cost-effective manner or on a timely basis for our university partners;
- risks associated with the competitive environment for marketing the programs of our university partners;
- failure on our part to keep up with advances in technology that could enhance the experience for our university partners' students;
- our ability to manage future growth effectively;
- the impact of any natural disasters or public health emergencies; and
- general adverse economic conditions or other developments that affect the job prospects of our university partners' students.

Additional factors that could cause actual results to differ from those discussed in the forward-looking statements include, but are not limited to, those described in this "Management's Discussion and Analysis of Financial Condition and Results of Operations" and in "Risk Factors" in Part I, Item 1A of our Annual Report on Form 10-K (the "2024 Form 10-K") filed with the Securities and Exchange Commission ("SEC") for the fiscal year ended December 31, 2024, as updated in our subsequent reports filed with the SEC, including any updates found in Part II, Item 1A of this Quarterly Report on Form 10-Q or our other reports on Form 10-Q. Forward-looking statements speak only as of the date the statements are made. You should not put undue reliance on any forward-looking statements. We assume no obligation to update forward-looking statements to reflect actual results, changes in assumptions, or changes in other factors affecting forward-looking information, except to the extent required by applicable securities laws. If we do update one or more forward-looking statements, no inference should be drawn that we will make additional updates with respect to those or other forward-looking statements.

### **Executive Overview**

Grand Canyon Education, Inc. (together with its subsidiaries, the "Company" or "GCE") is a publicly traded education services company dedicated to serving colleges and universities. GCE has developed significant technological solutions, infrastructure and operational processes to provide services to these institutions on a large scale. GCE's most significant university partner is Grand Canyon University ("GCU"), a comprehensive regionally accredited university that offers graduate and undergraduate degree programs, emphases and certificates across ten colleges both online and on ground at its campus in Phoenix, Arizona, and at nine off-campus classroom and laboratory sites.

We also provide education services to numerous university partners across the United States. In the healthcare field, we work in partnership with a number of top universities and healthcare networks, offering healthcare-related academic programs at off-campus classroom and laboratory sites located near healthcare providers and developing high-quality, career-ready graduates who enter the workforce ready to meet the demands of the healthcare industry. In addition, we have provided certain services to a university partner to assist them in expanding their online graduate programs. As of March 31, 2025, GCE provides education services to 22 university partners across the United States.

We plan to continue to add additional university partners and to introduce additional programs with both our existing partners and with new partners. We may engage with both new and existing university partners to offer healthcare programs, online only or hybrid programs, or, as is the case for our most significant partner, GCU, both

healthcare and other programs. We do disclose significant information for GCU, such as enrollments, due to its size in comparison to our other university partners.

### Critical Accounting Policies and Use of Estimates

Our critical accounting policies are disclosed in the 2024 Form 10-K for the fiscal year ended December 31, 2024. During the three months ended March 31, 2025, there were no significant changes in our critical accounting policies.

### Results of Operations

The following table sets forth certain income statement data as a percentage of revenue for each of the periods indicated. Amortization of intangible assets has been excluded from the table below:

	Three Months Ended March 31,	
	2025	2024
Costs and expenses		
Technology and academic services	14.4 %	14.2 %
Counseling services and support	30.0	30.2
Marketing and communication	20.9	20.2
General and administrative	3.6	3.9

### Three Months Ended March 31, 2025 Compared to Three Months Ended March 31, 2024

*Service revenue.* Our service revenue for the three months ended March 31, 2025 was \$289.3 million, an increase of \$14.6 million, or 5.3%, as compared to service revenue of \$274.7 million for the three months ended March 31, 2024. The increase year over year in service revenue was primarily due to an increase in partner enrollments of 5.8% to 127,779 at March 31, 2025 as compared to 120,788 at March 31, 2024. GCU enrollments increased to 123,773 at March 31, 2025, an increase of 5.8% over enrollments at March 31, 2024. University partner enrollments at our off-campus classroom and laboratory sites were 5,027, an increase of 12.1% over enrollments at March 31, 2024, which includes 1,021 and 650 GCU students at March 31, 2025 and 2024, respectively. Excluding sites closing in 2024 to new enrollments, total enrollments at our off-campus classroom and laboratory sites increased 16.5% between years. Revenue per student decreased slightly between years primarily due to the additional day for leap year in 2024 which added additional service revenue of \$1.5 million as compared to the current year and contract modifications for some of our university partners in which the revenue share percentage was reduced in exchange for us no longer reimbursing the partner for certain faculty costs both of which had the effect of reducing revenue per student partially offset by the service revenue per student for accelerated Bachelor of Science in Nursing (“ABS/N”) students at off-campus classroom and laboratory sites generating a significantly higher revenue per student than we earn under our agreement with GCU, as these agreements generally provide us with a higher revenue share percentage, the partners have higher tuition rates than GCU and the majority of our partners’ students take more credits on average per semester.

Although partner enrollments at our off-campus classroom and laboratory sites returned to year over year growth in 2024, some existing partners continue to experience reduced incoming cohort sizes which has slowed the growth. We believe the growth in the number of ABS/N students continues to be negatively impacted by the strong job market as these students have historically been individuals with already completed bachelor’s degrees choosing to re-career into one of these health professions. To address this challenge, we have been working with our university partners to adjust their programs to allow students with the required education experience but without a completed bachelor’s degree to enter their programs. The majority of those partners that have made the adjustment to admit students without a completed bachelor’s degree had new enrollment growth on a year over year basis in the Spring 2025 semester.

We opened six sites in the year ended December 31, 2024 and opened one site in the three months ended March 31, 2025 increasing the total number of these sites to 46 at March 31, 2025, which has also positively impacted the enrollment growth. Enrollments for GCU ground students were 22,330 at March 31, 2025 down from 22,965 at March 31, 2024 due to a small decline in traditional ground students year over year and the continued decline in professional studies students (working adults attending the university’s traditional campus at night), partially offset by an increase in

ABSN students between years. GCU online enrollments were 101,443 at March 31, 2025, up from 93,987 at December 31, 2024, an increase of 7.9% between years.

*Technology and academic services.* Our technology and academic services expenses for the three months ended March 31, 2025 were \$41.7 million, an increase of \$2.6 million, or 6.5%, as compared to technology and academic services expenses of \$39.1 million for the three months ended March 31, 2024. This increase was primarily due to increases in other technology and academic costs and in occupancy and depreciation of \$2.0 million and \$0.7 million, respectively, partially offset by a decrease in employee compensation and related expenses, including share-based compensation, of \$0.1 million. The increases in other technology and academic costs and occupancy and depreciation were primarily due to the costs associated with the increased number of off-campus classroom and laboratory sites to support our 22 university partners and their increased enrollment growth as well as an increase in curriculum cost reimbursement to our university partners. The decrease in employee compensation and related expenses is primarily due to decreased faculty reimbursements due to changes in our agreements with certain university partners whereby we no longer reimburse these partners for their faculty costs, partially offset by increased headcount to support our 22 university partners and their increased enrollment growth, tenure-based salary adjustments, a significant year over year increase in benefit costs and the increased number of off-campus classroom and laboratory sites year over year. Our technology and academic services expenses as a percentage of revenue increased by 0.2% to 14.4% for the three months ended March 31, 2025, from 14.2% for the three months ended March 31, 2024. This increase was primarily due to the growing curriculum cost reimbursement partially offset by decreased faculty reimbursements between years. We anticipate that technology and academic services expenses as a percentage of revenue will increase in the future as we open more off-site classroom and laboratory sites and the growing curriculum cost reimbursements.

*Counseling services and support.* Our counseling services and support expenses for the three months ended March 31, 2025 were \$86.8 million, an increase of \$3.9 million, or 4.8%, as compared to counseling services and support expenses of \$82.9 million for the three months ended March 31, 2024. This increase was primarily attributable to increases in employee compensation and related expenses including share-based compensation and benefits, and in occupancy and depreciation costs of \$4.5 million, \$0.4 million, respectively, partially offset by decreases in other counseling services and support expenses of \$1.0 million. The increases in employee compensation including share-based compensation and benefits were primarily due to increased headcount to support our university partners, and their planned increases in enrollment, tenure-based salary adjustments, a significant year over year increase in benefit costs and the increased number of off-campus classroom and laboratory sites open year over year. The increase in occupancy and depreciation is primarily related to higher depreciation expense associated with our continued enhancements to technology infrastructure and internal-use software development. The decrease in other counseling services and support expenses is primarily the result of lower travel costs for our 22 university partners. Our counseling services and support expenses as a percentage of revenue decreased 0.2% to 30.0% for the three months ended March 31, 2025, from 30.2% for the three months ended March 31, 2024 primarily due to our ability to leverage our counseling services and support expenses across an increasing revenue base. We anticipate that counseling services and support expense will increase in the future as we continue to invest to meet our partners' needs although we might continue to have a decline in these costs as a percentage of revenue.

*Marketing and communication.* Our marketing and communication expenses for the three months ended March 31, 2025 were \$60.3 million, an increase of \$4.9 million, or 9.0%, as compared to marketing and communication expenses of \$55.4 million for the three months ended March 31, 2024. This increase was primarily attributable to the increased cost to market our university partners' programs and to the marketing of new university partners and new locations which resulted in increased advertising of \$4.5 million and increased employee compensation, including share-based compensation and benefits of \$0.4 million. Our marketing and communication expenses as a percentage of revenue increased by 0.7% to 20.9% for the three months ended March 31, 2025, from 20.2% for the three months ended March 31, 2024, primarily due to our enrollment growth goals at our university partners' programs and increased advertising to achieve those goals and a timing difference between years and our planned spend. We anticipate that marketing and communication expenses will increase in the future as we continue to invest to meet our partners' needs although we anticipate a decline in these costs as a percentage of revenue in the second half of 2025.

*General and administrative.* Our general and administrative expenses for the three months ended March 31, 2025 were \$10.4 million, a decrease of \$0.3 million, or 3.4%, as compared to general and administrative expenses of \$10.7 million for the three months ended March 31, 2024. This decrease was primarily attributable to a decrease in professional fees, including legal costs of \$0.4 million, partially offset by an increase in employee compensation,

including share-based compensation and benefits of \$0.1 million. The decreases in professional fees were due to lower spend on non-litigation services. Our general and administrative expenses as a percentage of revenue decreased by 0.3% to 3.6% for the three months ended March 31, 2025, from 3.9% for the three months ended March 31, 2024 primarily due to our ability to leverage our general and administrative expenses across an increasing revenue base. We anticipate that general and administrative expenses will increase in the future and these costs as a percentage of revenue might increase if legal costs rise faster than our revenue growth rate.

*Amortization of intangible assets.* Amortization of intangible assets for the three months ended March 31, 2025 and 2024 were \$2.1 million for both periods. As a result of the Orbis Education acquisition in 2019, certain identifiable intangible assets were created (primarily customer relationships) that will be amortized over their expected lives.

*Investment interest and other.* Investment interest and other for the three months ended March 31, 2025 was \$3.4 million, a decrease of \$0.3 million, as compared to \$3.7 million for the three months ended March 31, 2024 due to lower returns on our investment balances.

*Income tax expense.* Income tax expense for the three months ended March 31, 2025 was \$19.8 million, a decrease of \$0.4 million, or 2.0%, as compared to income tax expense of \$20.2 million for the three months ended March 31, 2024. Our effective tax rate was 21.6% during the three months ended March 31, 2025 compared to 22.9% during the three months ended March 31, 2024. The effective tax rate decreased year over year primarily due to an increase in excess tax benefits of \$2.7 million as compared to \$1.5 million in the three months ended March 31, 2025 and 2024, respectively, partially offset by higher state income taxes. The inclusion of excess tax benefits and deficiencies as a component of our income tax expense increases the volatility within our provision for income taxes as the amount of excess tax benefits or deficiencies from share-based compensation awards are dependent on our stock price at the date the restricted stock awards vest. Our restricted stock awards vest in March each year so any benefit or expense will primarily impact the first quarter each year.

*Net income.* Our net income for the three months ended March 31, 2025 was \$71.6 million, an increase of \$3.6 million, or 5.3% as compared to \$68.0 million for the three months ended March 31, 2024, due to the factors discussed above.

### Seasonality

Our net revenue and operating results normally fluctuate as a result of seasonal variations in our business, principally due to changes in our university partners' enrollment. Our partners' enrollment varies as a result of new enrollments, graduations, and student attrition. Revenues in the Summer months (May through August) are lower primarily due to the majority of GCU's traditional ground university students not attending courses during the Summer months, which affects our results for our second and third fiscal quarters. Since a significant amount of our costs are fixed, the lower revenue resulting from the decreased Summer enrollment has historically contributed to lower operating margins during those periods. Partially offsetting this Summer effect has been the sequential quarterly increase in enrollments that has occurred as a result of the traditional Fall school start. This increase in enrollments also has occurred in the first quarter, corresponding to calendar year matriculation. Thus, we experience higher net revenue in the fourth quarter due to its overlap with the semester encompassing the traditional Fall school start and in the first quarter due to its overlap with the first semester of the calendar year. A portion of our expenses do not vary proportionately with these fluctuations in service revenue, resulting in higher operating income in the first and fourth quarters relative to other quarters. We expect quarterly fluctuation in operating results to continue as a result of these seasonal patterns.

### Liquidity and Capital Resources

(In thousands)	As of March 31, As of December 31,	
	2025	2024
Cash, cash equivalents and investments	\$ 304,653	\$ 324,623

#### Overview

Our liquidity position, as measured by cash and cash equivalents and investments decreased by \$20.0 million between December 31, 2024 and March 31, 2025, which was largely attributable to share repurchases, changes in our investment balance and capital expenditures exceeding our cash provided by operations during the three months ended March 31, 2025.



Based on our current level of operations and anticipated growth, we believe that our cash flow from operations and other sources of liquidity, including cash and cash equivalents and investments, will provide adequate funds for ongoing operations, planned capital expenditures, and working capital requirements for at least the next 24 months.

#### ***Cash Flows from Operating Activities***

<b>(In thousands)</b>	<b>Three Months Ended March 31,</b>	
	<b>2025</b>	<b>2024</b>
Net cash provided by operating activities	\$ 67,631	\$ 84,963

The decrease in cash generated from operating activities between the three months ended March 31, 2024 and the three months ended March 31, 2025 was primarily due to changes in working capital balances, primarily accounts payable and accrued liabilities, partially offset by increased income. Accounts payable increased between December 31, 2023 and March 31, 2024 by \$12.0 million compared to the decrease of \$2.0 million between December 31, 2024 and March 31, 2025 due to the timing of vendor payments. Accrued liabilities decreased by \$5.5 million between December 31, 2024 and March 31, 2025 whereas it was flat between December 31, 2023 and March 31, 2024 due to timing differences between the last pay period at the end of each fiscal quarter. We define working capital as the assets and liabilities, other than cash, generated through the Company's primary operating activities. Changes in these balances are included in the changes in assets and liabilities presented in the consolidated statement of cash flows.

#### ***Cash Flows from Investing Activities***

<b>(In thousands)</b>	<b>Three Months Ended March 31,</b>	
	<b>2025</b>	<b>2024</b>
Net cash used in investing activities	\$ (169,888)	\$ (5,260)

Investing activities consumed \$169.9 million of cash in the three months ended March 31, 2025 compared to \$5.3 million in the three months ended March 31, 2024.

Cash used in investing activities includes net investment activity. In the three months ended March 31, 2024, proceeds from the sale of investments, net of purchases of available-for-sale securities were \$3.8 million. In the three months ended March 31, 2025, the purchase of available-for-sale securities, net of proceeds from the sale of investments were \$159.9 million.

In the first three months of 2025 and 2024 cash used in investing activities also included capital expenditures totaling \$8.9 million and \$9.0 million, respectively. Capital expenditures for both periods primarily consisted of leasehold improvements and equipment for new off-campus classroom and laboratory sites, as well as purchases of computer equipment, internal use software projects and furniture and equipment to support our increasing employee headcount. The Company incurs upfront expenses and capital expenditures prior to an off-campus classroom and laboratory site being opened. The Company intends to continue to spend approximately \$30.0 million to \$40.0 million per year for capital expenditures.

#### ***Cash Flows from Financing Activities***

<b>(In thousands)</b>	<b>Three Months Ended March 31,</b>	
	<b>2025</b>	<b>2024</b>
Net cash used in financing activities	\$ (77,857)	\$ (29,970)

Financing activities consumed \$77.9 million of cash in the three months ended March 31, 2025 compared to \$30.0 million in the three months ended March 31, 2024.

During the three months ended March 31, 2025 and 2024, \$68.4 million and \$22.6 million, respectively was used to purchase treasury stock in accordance with GCE's share repurchase program. In 2025 and 2024, \$9.5 million and \$7.4 million, respectively, of cash was utilized to purchase common shares withheld in lieu of income taxes resulting from the vesting of restricted share awards. The Company intends to continue using a significant portion of its cash flows from operations to repurchase its shares.

#### ***Share Repurchase Program***

The Board of Directors has authorized share repurchases of up to \$2,245.0 million since the initiation of the Company's stock repurchase program. The expiration date on the current repurchase authorization by our Board of

Directors is March 1, 2026. Repurchases occur at the Company's discretion and the Company may modify, suspend or discontinue the repurchase authorization at any time.

Under our share repurchase authorization, we may purchase shares in the open market or in privately negotiated transactions, pursuant to the applicable SEC rules. The amount and timing of future share repurchases, if any, will be made as market and business conditions warrant.

We repurchased 395,426 shares of common stock in the three months ended March 31, 2025. At March 31, 2025, there remains \$231.3 million available under our share repurchase authorization.

#### ***Off-Balance Sheet Arrangements***

We do not have any off-balance sheet arrangements that have had or are reasonably likely to have a material current or future effect on our financial condition, changes in financial condition, revenues or expenses, results of operations, liquidity, capital expenditures, or capital resources.

#### **Item 3. Quantitative and Qualitative Disclosures About Market Risk**

*Market risk.* As of March 31, 2025, we have no derivative financial instruments or derivative commodity instruments. We invest cash in excess of current operating requirements in money market instruments and commercial paper at multiple financial institutions.

*Interest rate risk.* We manage interest rate risk by investing excess funds in cash equivalents, BBB or higher rated corporate bonds, commercial paper, agency bonds, treasury bills, municipal securities, asset backed securities, municipal bonds, and collateralized mortgage obligations bearing variable interest rates, which are tied to various market indices or individual bond coupon rates. Our future investment income may fall short of expectations due to changes in interest rates or we may suffer losses in principal if we are forced to sell securities before their maturity date that have declined in market value due to changes in interest rates. At March 31, 2025, a 10% increase or decrease in interest rates would not have a material impact on our future earnings, fair values, or cash flows.

#### **Item 4. Controls and Procedures**

##### ***Evaluation of Disclosure Controls and Procedures***

We carried out an evaluation, under the supervision and with the participation of our management, including our Chief Executive Officer and the Chief Financial Officer, of the effectiveness of the design and operation of our disclosure controls and procedures, as defined in Rules 13a-15(e) and 15d-15(e) under the Exchange Act. Based upon that evaluation, our Chief Executive Officer and Chief Financial Officer concluded that our disclosure controls and procedures are effective, as of March 31, 2025, in ensuring that material information relating to us required to be disclosed by us in reports that we file or submit under the Exchange Act is recorded, processed, summarized and reported within the time periods specified in the SEC rules and forms. Disclosure controls and procedures include, without limitation, controls and procedures designed to ensure that information required to be disclosed by an issuer in reports it files or submits under the Exchange Act is accumulated and communicated to management, including its principal executive officer or officers and principal financial officer or officers, or persons performing similar functions, as appropriate to allow timely decisions regarding required disclosure.

##### ***Changes in Internal Control over Financial Reporting.***

Based on an evaluation, under the supervision and with the participation of our management, including our Chief Executive Officer (who is our principal executive officer) and our Chief Financial Officer (who is our principal financial officer), there were no changes in our internal control over financial reporting identified in connection with the evaluation required by Rule 13a-15(d) and 15d-15(d) of the Exchange Act that occurred during the period covered by this report that have materially affected, or are reasonably likely to materially affect, our internal control over financial reporting.

## PART II – OTHER INFORMATION

### Item 1. Legal Proceedings

For information regarding our material pending legal proceedings, see the section entitled Pending Litigation Matters within Note 8 – Commitments and Contingencies of our notes to consolidated financial statements included in Part I, Item 1 of this report, which section is incorporated by reference into this Part II, Item 1.

### Item 1A. Risk Factors

There have been no material changes to the risk factors disclosed in the “Risk Factors” section of the 2024 Form 10-K.

### Item 2. Unregistered Sales of Equity Securities and Use of Proceeds

#### *Recent Sales of Unregistered Securities*

None.

#### *Purchases of Equity Securities by the Issuer and Affiliated Purchasers*

The Board of Directors has authorized share repurchases of up to \$2,245.0 million since the initiation of the Company’s stock repurchase program. The expiration date on the current repurchase authorization by our Board of Directors is March 1, 2026. Repurchases occur at the Company’s discretion and the Company may modify, suspend or discontinue the repurchase authorization at any time. Repurchases may be made in the open market or in privately negotiated transactions, pursuant to the applicable SEC rules. The amount and timing of future share repurchases, if any, will be made as market and business conditions warrant.

During the three months ended March 31, 2025, 395,426 shares of common stock were repurchased by the Company. At March 31, 2025, there remains \$231.3 million available under our share repurchase authorization.

The following table sets forth our share repurchases of common stock and our share repurchases in lieu of taxes, which are not included in the repurchase plan totals as they were approved in conjunction with the restricted share awards, during each period in the first quarter of fiscal 2025:

Period	Total Number of Shares Purchased	Average Price Paid Per Share	Total Number of Shares Purchased as Part of Publicly Announced Program	Maximum Dollar Value of Shares That May Yet Be Purchased Under the Program
<b>Share Repurchases</b>				
January 1, 2025 – January 31, 2025	150,517	\$ 167.74	150,517	\$ 274,400,000
February 1, 2025 – February 28, 2025	117,590	\$ 181.76	117,590	\$ 253,000,000
March 1, 2025 – March 31, 2025	127,319	\$ 171.01	127,319	\$ 231,300,000
<b>Total</b>	<b>395,426</b>	<b>\$ 172.96</b>	<b>395,426</b>	<b>\$ 231,300,000</b>
<b>Tax Withholdings</b>				
January 1, 2025 – January 31, 2025	—	\$ —	—	\$ —
February 1, 2025 – February 28, 2025	—	\$ —	—	\$ —
March 1, 2025 – March 31, 2025	52,625	\$ 179.82	—	\$ —
<b>Total</b>	<b>52,625</b>	<b>\$ 179.82</b>	<b>—</b>	<b>\$ —</b>

**Item 3. Defaults Upon Senior Securities**

None.

**Item 4. Mine Safety Disclosures**

None.

**Item 5. Other Information**

During the three months ended March 31, 2025, no director or officer of the Company adopted or terminated a “Rule 10b5-1 trading arrangement” or “non-Rule 10b5-1 trading arrangement,” as each term is defined in Item 408(a) of Regulation S-K.

**Item 6. Exhibits**

(a) Exhibits

<u>Number</u>	<u>Description</u>	<u>Method of Filing</u>
3.1	<a href="#">Amended and Restated Certificate of Incorporation.</a>	Incorporated by reference to Exhibit 3.1 to the Company’s Annual Report on Form 10-K filed with the SEC on February 20, 2019.
3.2	<a href="#">Third Amended and Restated Bylaws.</a>	Incorporated by reference to Exhibit 3.1 to the Company’s Current Report on Form 8-K filed with the SEC on October 29, 2014.
4.1	<a href="#">Specimen of Stock Certificate.</a>	Incorporated by reference to Exhibit 4.1 to Amendment No. 2 to the Company’s Registration Statement on Form S-1 filed with the SEC on September 29, 2008.
10.1	<a href="#">Second Amended and Restated Executive Employment Agreement, dated April 29, 2025, by and between Grand Canyon Education, Inc. and Kathy J. Claypatch†</a>	Filed herewith.
31.1	<a href="#">Certification of Principal Executive Officer pursuant to Rules 13a-14(a) and 15d-14(a), as adopted pursuant to Section 302 of the Sarbanes-Oxley Act of 2002.</a>	Filed herewith.
31.2	<a href="#">Certification of Principal Financial Officer pursuant to Rules 13a-14(a) and 15d-14(a), as adopted pursuant to Section 302 of the Sarbanes-Oxley Act of 2002.</a>	Filed herewith.
32.1	<a href="#">Certification of Principal Executive Officer pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002. ††</a>	Filed herewith.
32.2	<a href="#">Certification of Principal Financial Officer pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002. ††</a>	Filed herewith.

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101	The following financial statements from the Company's Quarterly Report on Form 10-Q for the quarter ended March 31, 2025, formatted in Inline XBRL: (i) Consolidated Income Statements, (ii) Consolidated Statements of Comprehensive Income, (iii) Consolidated Balance Sheets, (iv) Consolidated Statements of Stockholders' Equity, (v) Consolidated Statements of Cash Flows, and (vi) Notes to Consolidated Financial Statements tagged as blocks of text and including detailed tags.	Filed herewith.
104	The cover page from the Company's Quarterly Report on Form 10-Q for the quarter ended March 31, 2025, formatted in Inline XBRL (included as Exhibit 101).	Filed herewith.

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†† This certification is being furnished solely to accompany this report pursuant to 18 U.S.C. Section 1350 and is not being filed for purposes of Section 18 of the Exchange Act, and is not to be incorporated by reference into any filings of the Company, whether made before or after the date hereof, regardless of any general incorporation language in such filing.

**SIGNATURES**

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned, thereunto duly authorized.

**GRAND CANYON EDUCATION, INC.**

Date: May 6, 2025

By: /s/ Daniel E. Bachus  
Daniel E. Bachus  
Chief Financial Officer  
(Principal Financial Officer)

**SECOND AMENDED AND RESTATED  
EXECUTIVE EMPLOYMENT AGREEMENT  
(Chief Information Officer)**

This Second Amended and Restated Executive Employment Agreement (the "Agreement") is entered into on April 29, 2025, and is effective as of January 1, 2025 (the "Effective Date"), by and between Grand Canyon Education, Inc., a Delaware corporation (the "Company") and Kathy J. Claypatch ("Executive").

WHEREAS, Company and Executive are parties to an amended and restated executive employment agreement effective as of July 1, 2021, and effective July 1, 2023, (the "Original Agreement"), and Executive has been employed with Company since that time; and

WHEREAS, Company and Executive desire to amend and restate the Original Agreement through the execution and delivery of this Agreement.

NOW, THEREFORE, for good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties agree as follows:

1. Employment. The Company desires to continue to employ Executive, and Executive desires to continue such employment, upon the terms and conditions set forth herein.

2. Duties.

2.1 Position. Executive is employed by Company and shall have the duties and responsibilities reasonably assigned to Executive from time to time by the Company's Chief Executive Officer ("CEO"), or Board of Directors (the "Board"). Executive shall perform faithfully and diligently all duties assigned to Executive. The Company reserves the right to modify Executive's position and duties at any time in its sole and absolute discretion, except that any material diminution in Executive's duties shall be subject to Section 7.3(ii).

2.2 Best Efforts/Full-time. Executive will expend Executive's best efforts on behalf of Company in the performance of duties assigned to Executive under this Agreement, and will abide by all policies and decisions made by Company, as well as all applicable federal, state and local laws, regulations or ordinances. Executive will act in the best interest of Company at all times in the performance of duties assigned to Executive under this Agreement. Executive shall devote Executive's full business time and efforts to the performance of Executive's assigned duties for Company, unless Executive notifies Company in advance of Executive's intent to engage in other paid work and receives Company's express written consent to do so. Notwithstanding the foregoing, Executive will be permitted to serve as an outside director on the board of directors for corporate, civic, nonprofit or charitable entities, so long as Executive obtains the consent of Company and provided such entities are not competitive with Company or Company and subject to the provisions of Section 9.

2.3 Work Location. Executive's principal place of work shall be located in Phoenix, Arizona, or such other location as the Company may direct from time to time.

3. Term.

3.1 Initial Term. The employment relationship pursuant to this Agreement shall be for an initial term commencing on the Effective Date and shall continue in effect for a period through June 30, 2028 (the "Initial Term"), unless sooner terminated in accordance with Section 7.

3.2 Renewal. Upon expiration of the Initial Term and each Renewal Term, this Agreement will automatically renew for subsequent one (1) year terms (each a "Renewal Term") unless either party provides ninety (90) days' advance written notice to the other that the Company or Executive does not wish to renew the Agreement for a subsequent Renewal Term. In the event either party gives notice of nonrenewal pursuant to this Section 3.2, this Agreement will expire at the end of the then current term. The Initial Term and each subsequent Renewal Term are referred to collectively as the "Term".

4. Compensation.

4.1 Base Salary. As compensation for Executive's performance of Executive's duties hereunder, effective beginning on the Effective Date the Company shall pay to Executive an initial Base Salary at the rate of Three Hundred Twenty-Six Thousand One Hundred Eight and 38/100 Dollars (\$326,108.38) per year, payable in accordance with the normal payroll practices of the Company, less required deductions for state and federal withholding tax, social security and all other employment taxes and payroll deductions. Executive's Base Salary shall be reviewed annually by the Compensation Committee of Company (the "Compensation Committee") and adjustments, if any, will be made at that time. In the event Executive's employment under this Agreement is terminated by either party, for any reason, Executive will earn the Base Salary prorated to the date of termination, except as otherwise set forth herein.

4.2 Incentive Compensation. Executive will be eligible to earn incentive compensation in the form of a semi-annual bonus for each fiscal year of the Company, to be awarded under the Company's annual cash incentive plan as then in effect, with a target amount equal to Seventy Thousand Dollars (\$70,000) (the "Target Bonus"). Executive's Target Bonus shall be reviewed annually by the Compensation Committee, and adjustments, if any, will be made at that time. The Compensation Committee will determine the actual amount of the bonus earned by Executive for any year, which may be more or less than the Target Bonus, and will base such determination upon both the Company's achievement of overall performance metrics for the year and Executive's achievement of individual performance metrics as agreed upon by the Compensation Committee and Executive. Earned bonus amounts, if any, shall be paid within two and one-half months following the end of each semi-annual period.

4.3 Equity Awards. Executive will be eligible to receive stock, option or other equity awards (each, an "Equity Award") under the Company's equity incentive plan as then in effect (the "Plan"), as determined by the Compensation Committee. Any such Equity Award will be subject to the terms and conditions of the Plan and an applicable form of agreement for such Equity Award specified by the Compensation Committee, which Executive will be required to sign as a condition of retaining the Equity Award.

5. Customary Fringe Benefits. Executive will be eligible for all customary and usual fringe benefits generally available to senior management of the Company, subject to the terms and conditions of the Company's benefit plan documents. The Company reserves the right to



change or eliminate fringe benefits on a prospective basis, at any time, effective upon notice to Executive.

6. Business Expenses. Executive will be reimbursed for all reasonable, out-of-pocket business expenses incurred in the performance of Executive's duties on behalf of the Company. To obtain reimbursement, expenses must be submitted promptly with appropriate supporting documentation and will be reimbursed in accordance with the Company's policies. Any reimbursement Executive is entitled to receive shall (a) be paid no later than the last day of Executive's tax year following the tax year in which the expense was incurred, (b) not affect or be affected by any other expenses that are eligible for reimbursement in any other tax year of Executive, and (c) not be subject to liquidation or exchange for another benefit.

7. Termination of Executive's Employment.

7.1 Termination for Cause by Company. Although Company anticipates the continuation of a mutually rewarding employment relationship with Executive, Company may terminate Executive's employment immediately at any time for Cause. For purposes of this Agreement, "Cause" is defined as: (a) acts or omissions constituting gross negligence, recklessness or willful misconduct on the part of Executive with respect to Executive's obligations or otherwise relating to the business of Company; (b) Executive's material breach of this Agreement including, without limitation, any breach of Section 8, Section 9 or Section 11; (c) Executive's breach of Company's Employee Nondisclosure and Assignment Agreement (a copy of which has been executed and delivered to Company with this Agreement) (the "Nondisclosure Agreement"); (d) Executive's conviction or entry of a plea of *nolo contendere* for fraud, misappropriation or embezzlement or any felony or crime of moral turpitude; (e) Executive's inability to perform the essential functions of Executive's position with or without reasonable accommodation due to a mental or physical disability; (f) Executive's willful neglect of duties as determined in the sole and exclusive discretion of Company, provided that Executive has received written notice of the action or omission giving rise to such determination and has failed to remedy such situation to the satisfaction of Company within thirty (30) days following receipt of such written notice, unless Executive's action or omission is not subject to cure, in which case no such notice shall be required; or (g) Executive's death. In the event Executive's employment is terminated in accordance with this Section 7.1, Executive shall be entitled to receive only Executive's Base Salary then in effect, prorated to the date of Executive's termination of employment with Company (the "Termination Date"), and all amounts and benefits earned or incurred pursuant to Sections 5 and 6 through the Termination Date. All other Company obligations to Executive pursuant to this Agreement will be automatically terminated and completely extinguished as of the Termination Date, but will be subject to the surviving provisions of this Agreement set forth in Section 14.8. Executive will not be entitled to receive the Severance Package described in Section 7.2.

7.2 Termination Without Cause by Company. The Company may terminate Executive's employment under this Agreement without Cause at any time upon written notice to Executive. In the event of such termination, Executive will receive Executive's Base Salary then in effect, prorated to the Termination Date, and all amounts and benefits earned or incurred pursuant to Sections 5 and 6 through the Termination Date. In addition, subject to Sections 7.7 and 7.9, Executive will be entitled to receive a "Severance Package" that shall consist of:

(a) severance in an amount equal to the sum of (i) twelve (12) months of Executive's Base Salary then in effect on the Termination Date, and (ii) 100% of Executive's Target Bonus for the fiscal year in which the Termination Date occurs, with the total of such

amount to be payable over twelve (12) months in equal installments in accordance with the Company's regular payroll cycle, commencing with the first payroll date occurring on or after the 60th day following the Termination Date; and

(b) payment by the Company of the premiums required to continue Executive's group health care coverage under the applicable provisions of the Consolidated Omnibus Budget Reconciliation Act of 1985 ("COBRA") for a period (the "COBRA Payment Period") ending on the earlier of (i) twelve (12) months following the Termination Date or (ii) the date on which Executive becomes eligible for health coverage through another employer, provided in any event that Executive timely elects to continue and remains eligible for these benefits under COBRA; and

(c) acceleration of the vesting of any outstanding time-based Equity Awards to the extent that such Equity Awards would have vested in accordance with their terms had Executive's employment with Company continued uninterrupted until the first anniversary of the Termination Date.

Notwithstanding Section 7.2(b), if the Company determines, in its sole discretion, that the payment of the COBRA premiums would result in a violation of the nondiscrimination rules of Section 105(h)(2) of the Internal Revenue Code of 1986, as amended (the "Code"), or any statute or regulation of similar effect (including but not limited to the 2010 Patient Protection and Affordable Care Act, as amended by the 2010 Health Care and Education Reconciliation Act), then in lieu of providing the COBRA premiums, the Company, in its sole discretion, may elect to instead pay Executive on the first day of each month of the COBRA Payment Period, a fully taxable cash payment equal to the COBRA premiums for that month, subject to applicable tax withholdings (such amount, the "Special Severance Payment," which shall be treated as part of the Severance Package), for the remainder of the COBRA Payment Period. Executive may, but is not obligated to, use such Special Severance Payment toward the cost of COBRA premiums. All other Company obligations to Executive will be automatically terminated and completely extinguished, but will be subject to the surviving provisions of this Agreement set forth in Section 14.8.

7.3 Voluntary Resignation by Executive for Good Reason. Executive may voluntarily resign Executive's position with the Company for Good Reason at any time on thirty (30) days' advance written notice to the Company. In the event of Executive's resignation for Good Reason, Executive will be entitled to receive Executive's Base Salary then in effect, prorated to the Termination Date, and all amounts and benefits earned or incurred pursuant to Sections 5 and 6 through the Termination Date. In addition, subject to Sections 7.7 and 7.9, Executive will be entitled to receive the Severance Package described in Section 7.2. All other Company obligations to Executive pursuant to this Agreement will be automatically terminated and completely extinguished, but will be subject to the surviving provisions of this Agreement set forth in Section 14.8. Executive will be deemed to have resigned for Good Reason if Executive voluntarily terminates Executive's employment with the Company within ninety (90) days following the first occurrence of a condition constituting Good Reason. "Good Reason" means the occurrence of any of the following conditions without Executive's written consent, which condition(s) remain(s) in effect thirty (30) days after Executive provides written notice to the Company of such condition(s): (i) a material reduction in Executive's Base Salary as then in effect prior to such reduction, other than as part of a salary reduction program among similar management employees, (ii) a material diminution in Executive's authority, duties or responsibilities as an employee of the Company as they existed prior to such change, or (iii) a relocation of Executive's principal place of work which increases Executive's one-way commute

distance by more than fifty (50) miles. Executive will be deemed to have given consent to any condition(s) described in this Section 7.3 if Executive does not provide written notice to the Company of Executive's intent to exercise Executive's rights pursuant to this Section within thirty (30) days following the first occurrence of such condition(s).

7.4 Voluntary Resignation by Executive Without Good Reason. Executive may voluntarily resign Executive's position with the Company without Good Reason at any time on thirty (30) days' advance written notice to the Company. In the event of Executive's resignation without Good Reason, Executive will be entitled to receive only Executive's Base Salary then in effect, prorated to the Termination Date, and all amounts and benefits earned or incurred pursuant to Sections 5 and 6 through the Termination Date. All other Company obligations to Executive pursuant to this Agreement will be automatically terminated and completely extinguished. Executive will not be entitled to receive the Severance Package described in Section 7.2, but will be subject to the surviving provisions of this Agreement set forth in Section 14.8.

7.5 Termination After a Change in Control.

(a) Severance Payment; Equity Award Acceleration. If, upon or within twelve (12) months after a Change in Control (as that term is defined below), Executive's employment is terminated by the Company other than for Cause (as defined in Section 7.1) or Executive resigns for Good Reason (as defined in Section 7.3), then Executive shall be entitled to receive Executive's Base Salary then in effect, prorated to the Termination Date, and all amounts and benefits earned or incurred pursuant to Sections 5 and 6 through the Termination Date. In addition, subject to Sections 7.7 and 7.9, Executive will be entitled to receive (i) the Severance Package described in Section 7.2 and (ii) to the extent not yet vested, but subject to the terms of any agreement governing any such Equity Award, any outstanding Equity Awards granted to Executive by the Company shall vest in full as of the Termination Date. All other Company obligations to Executive pursuant to this Agreement will be automatically terminated and completely extinguished as of the Termination Date, but will be subject to the surviving provisions of this Agreement set forth in Section 14.8.

(b) Parachute Payments.

(i) Notwithstanding any provision of this Agreement to the contrary, if any payment or benefit Executive would receive pursuant to this Agreement or otherwise (collectively, the "Payments") would constitute a "parachute payment" within the meaning of Section 280G of the Code, and, but for this sentence, would be subject to the excise tax imposed by Section 4999 of the Code or any similar or successor provision (the "Excise Tax"), then the aggregate amount of the Payments will be either (i) the largest portion of the Payments that would result in no portion of the Payments (after reduction) being subject to the Excise Tax or (ii) the entire Payments, whichever amount after taking into account all applicable federal, state and local employment taxes, income taxes, and the Excise Tax (all computed at the highest applicable marginal rate, net of the maximum reduction in federal income taxes which could be obtained from a deduction of such state and local taxes), results in Executive's receipt, on an after-tax basis, of the greatest amount of the Payments. Any reduction in the Payments required by this Section will be made in the following order: (A) reduction of cash payments; (B) reduction of accelerated vesting of Equity Awards other than stock options; (C) reduction of accelerated vesting of stock options; and (D) reduction of other benefits paid or provided to Executive. In the event that acceleration of vesting of Equity Awards is to be reduced, such acceleration of vesting will be cancelled in the reverse order of the date of grant of such Equity Awards. If two or more

Equity Awards are granted on the same date, the accelerated vesting of each award will be reduced on a pro-rata basis.

(ii) The professional firm engaged by the Company for general tax purposes as of the day prior to the date of the event that might reasonably be anticipated to result in Payments that would otherwise be subject to the Excise Tax will perform the foregoing calculations. If the tax firm so engaged by the Company is serving as accountant or auditor for the acquiring company, the Company will appoint a nationally recognized tax firm to make the determinations required by this Section. The Company will bear all expenses with respect to the determinations by the tax firm required to be made by this Section. The Company and Executive shall furnish the tax firm such information and documents as the tax firm may reasonably request in order to make its required determination. The tax firm will provide its calculations, together with detailed supporting documentation, to the Company and Executive as soon as practicable following its engagement. Any good faith determinations of the tax firm made hereunder will be final, binding and conclusive upon the Company and Executive.

(c) Change in Control. A Change in Control is defined as any one of the following occurrences:

(i) Any "person" (as such term is used in Sections 13(d) and 14(d) of the Securities Exchange Act of 1934 (the "Exchange Act")), becomes the "beneficial owner" (as such term is defined in Rule 13d-3 promulgated under the Exchange Act), directly or indirectly, of securities of the Company representing more than fifty percent (50%) of the total fair market value or total combined voting power of the Company's then outstanding securities entitled to vote generally in the election of directors; provided, however, that a Change in Control shall not be deemed to have occurred if such degree of beneficial ownership results from any of the following: (A) an acquisition of securities by any person who on the Effective Date is the beneficial owner of more than fifty percent (50%) of such voting power, (B) any acquisition of securities directly from the Company, including, without limitation, pursuant to or in connection with a public offering of securities, (C) any acquisition of securities by the Company, (D) any acquisition of securities by a trustee or other fiduciary under an employee benefit plan of the Company, or (E) any acquisition of securities by an entity owned directly or indirectly by the stockholders of the Company in substantially the same proportions as their ownership of the voting securities of the Company; or

(ii) the sale or disposition of all or substantially all of the Company's assets (other than a sale or disposition to one or more subsidiaries of the Company), or any transaction having similar effect is consummated; or

(iii) the Company is party to a merger or consolidation that results in the holders of voting securities of the Company outstanding immediately prior thereto failing to continue to represent (either by remaining outstanding or by being converted into voting securities of the surviving entity) more than 50% of the combined voting power of the voting securities of the Company or such surviving entity outstanding immediately after such merger or consolidation; or

(iv) the dissolution or liquidation of the Company.

7.6 Termination of Employment Upon Nonrenewal. In the event either party decides not to renew this Agreement for a subsequent term in accordance with Section 3.2, this Agreement will expire automatically upon completion of the then effective Term, and Executive's

employment with the Company will thereupon terminate. Executive will be entitled to receive only Executive's Base Salary then in effect, prorated to the Termination Date, and all amounts and benefits earned or incurred pursuant to Sections 5 and 6 through the Termination Date. All other Company obligations to Executive pursuant to this Agreement will be automatically terminated and completely extinguished. Executive will not be entitled to receive the Severance Package described in Section 7.2, but will be subject to the surviving provisions of this Agreement as set forth in Section 14.8.

7.7 Conditions to Severance Package. Executive will only be entitled to receive the Severance Package if, on or before the 60th day following the Termination Date, Executive executes a full general release, releasing all claims, known or unknown, that Executive may have against the Company and its officers, directors, employees and affiliated companies arising out of or any way related to Executive's employment or termination of employment with the Company, and the period for revocation, if any, of such release has lapsed without the release having been revoked. In the event that Executive breaches any of the covenants contained in Sections 9 ("Other Covenants"), 10 ("Confidentiality and Proprietary Rights") or 11 ("Non-Competition; Nonsolicitation of Company Employees"), the Company shall have the right to (a) terminate further provision of any portion of the Severance Package not yet paid or provided, and (b) seek reimbursement from Executive for any and all portions of the Severance Package previously paid or provided to Executive.

7.8 Resignation of Board or Other Positions. Executive agrees that should Executive's employment terminate for any reason, Executive will immediately resign all other positions (including board membership) Executive may hold on behalf of the Company.

7.9 Application of Section 409A.

(a) Notwithstanding anything set forth in this Agreement to the contrary, no amount payable pursuant to this Agreement on account of Executive's termination of employment with the Company which constitutes a "deferral of compensation" within the meaning of the Treasury Regulations issued pursuant to Section 409A of the Code (the "Section 409A Regulations") shall be paid unless and until Executive has incurred a "separation from service" within the meaning of the Section 409A Regulations. Furthermore, if Executive is a "specified employee" within the meaning of the Section 409A Regulations as of the date of Executive's separation from service, no amount that constitutes a deferral of compensation which is payable on account of Executive's separation from service shall be paid to Executive before the date (the "Delayed Payment Date") which is first day of the seventh month after the date of Executive's separation from service or, if earlier, the date of Executive's death following such separation from service. All such amounts that would, but for this Section 7.9(a), become payable prior to the Delayed Payment Date will be accumulated and paid on the Delayed Payment Date.

(b) It is the intent of the Company and Executive that any right of Executive to receive installment payments hereunder shall, for all purposes of Section 409A of the Code, be treated as a right to a series of separate payments.

(c) The Company intends that income provided to Executive pursuant to this Agreement will not be subject to taxation under Section 409A of the Code. The provisions of this Agreement shall be interpreted and construed in favor of satisfying any applicable requirements of Section 409A of the Code. **However, the Company does not guarantee any particular tax effect for income provided to Executive pursuant to this Agreement.** In any event, except for the Company's responsibility to withhold applicable income and employment

taxes from compensation paid or provided to Executive, the Company shall not be responsible for the payment of any applicable taxes incurred by Executive on compensation paid or provided to Executive pursuant to this Agreement.

8. No Violation of Rights of Third Parties. Executive represents and warrants to the Company that Executive is not currently a party, and will not become a party, to any other agreement that is in conflict with, or will prevent Executive from complying with, this Agreement. Executive further represents and warrants to the Company that Executive's performance of all of the terms of this Agreement as an employee of the Company does not and will not breach any agreement to keep in confidence any proprietary information, knowledge, or data acquired by Executive in confidence or trust prior to Executive's employment with the Company. Executive acknowledges and agrees that the representations and warranties in this Section 8 are a material part of this Agreement.

9. Other Covenants. Executive hereby makes the following covenants, each of which Executive acknowledges and agrees are a material part of this Agreement:

9.1 During the Term, Executive will not (a) breach any agreement to keep in confidence any confidential or proprietary information, knowledge or data acquired by Executive prior to Executive's employment with Company, or (b) disclose to the Company, or use or induce the Company to use, any confidential or proprietary information or material belonging to any previous employer or any other third party. Executive acknowledges that the Company has specifically instructed Executive not to breach any such agreement or make any such disclosures to the Company.

9.2 During the Term, Executive will not engage in any work or activity, paid or unpaid, that creates an actual conflict of interest with the Company. Such work shall include, but is not limited to, directly or indirectly competing with the Company in any way, or acting as an officer, director, employee, consultant, stockholder, volunteer, lender, or agent of any business enterprise of the same nature as, or which is in direct competition with, the business in which the Company is now engaged or in which the Company becomes engaged during the Term, as may be determined by the Company in its sole discretion. If the Company believes such a conflict exists during the Term, the Company may ask Executive to choose to discontinue the other work or activity or resign employment with the Company.

9.3 During the Term and after the termination thereof, neither Executive nor the Company will disparage each other, or the Company's products, services, agents or employees.

9.4 During the Term and after the termination thereof, at the Company's expense and upon its reasonable request, Executive will cooperate and assist the Company in its defense or prosecution of any disputes, differences, grievances, claims, charges, or complaints between the Company and any third party, which assistance will include testifying on the Company's behalf in connection with any such matter or performing any other task reasonably requested by the Company in connection therewith.

10. Confidentiality and Proprietary Rights. Executive agrees to abide by the Nondisclosure Agreement, which is incorporated herein by reference.

11. Non-Competition; Nonsolicitation of Company's Employees. Executive acknowledges that in the course of her employment with the Company she will serve as a member

of the Company's senior management and will become familiar with the Company's trade secrets and with other confidential and proprietary information and that her services will be of special, unique and extraordinary value to the Company. Executive further acknowledges that the Company's business of is national in scope and that Company, in the course of such business competes with other companies located throughout the United States. Therefore, in consideration of the foregoing, Executive agrees that, during the Term, and during the twelve-month (12) month period following the Term, Executive shall not directly or indirectly anywhere within the United States of America (a) own (except ownership of less than 1% of any class of securities which are listed for trading on any securities exchange or which are traded in the over-the-counter market), manage, control, participate in, consult with, render services for, be employed by, or in any manner engage in the operation of (i) any business that develops or administers educational services to degree-granting institutions of higher education, or (ii) any other business of the Company in which Executive had significant involvement prior to Executive's separation; (b) induce or attempt to induce any employee of the Company to leave the employ of the Company, or in any way interfere with the relationship between the Company and any employee thereof, or (c) induce or attempt to induce any customer, supplier, licensee or other business relation of the Company to cease doing business with, or modify its business relationship with, the Company, or in any way interfere with or hinder the relationship between any such customer, supplier, licensee or business relation and the Company, as applicable.

12. Injunctive Relief. Executive acknowledges that Executive's breach of the covenants contained in Sections 9, 10 and 11 hereof (collectively "Covenants") would cause irreparable injury to the Company and agrees that in the event of any such breach, the Company shall be entitled to seek temporary, preliminary and permanent injunctive relief without the necessity of proving actual damages or posting any bond or other security in addition to any other relief to which the Company may be entitled and other remedies Company may exercise under this Agreement or otherwise.

13. Insurance: Indemnification.

13.1 During the Term, Executive will be covered by the Company's director and officer insurance policy to the same extent as all other senior executive officers of the Company.

13.2 Following the execution of this Agreement, the director and officer indemnification agreement executed by the Company and Executive will continue in effect in accordance with its terms.

14. General Provisions.

14.1 Successors and Assigns. The rights and obligations of the Company under this Agreement shall inure to the benefit of and shall be binding upon the successors and assigns of the Company. Executive shall not be entitled to assign any of Executive's rights or obligations under this Agreement.

14.2 Waiver. Either party's failure to enforce any provision of this Agreement shall not in any way be construed as a waiver of any such provision, or prevent that party thereafter from enforcing each and every other provision of this Agreement.

14.3 Attorneys' Fees. In the event of a dispute involving the interpretation or enforcement of this Agreement, a court shall award attorneys' fees and costs to the prevailing party.

14.4 Severability. In the event any provision of this Agreement is found to be unenforceable by a court of competent jurisdiction, such provision shall be deemed modified to the extent necessary to allow enforceability of the provision as so limited, it being intended that the parties shall receive the benefit contemplated herein to the fullest extent permitted by law. If a deemed modification is not satisfactory in the judgment of such court, the unenforceable provision shall be deemed deleted, and the validity and enforceability of the remaining provisions shall not be affected thereby.

14.5 Interpretation; Construction. The headings set forth in this Agreement are for convenience only and shall not be used in interpreting this Agreement. This Agreement has been drafted by legal counsel representing the Company, but Executive has participated in the negotiation of its terms. Furthermore, Executive acknowledges that Executive has had an opportunity to review and revise the Agreement and have it reviewed by legal counsel, if desired, and, therefore, the normal rule of construction to the effect that any ambiguities are to be resolved against the drafting party shall not be employed in the interpretation of this Agreement.

14.6 Governing Law; Forum. This Agreement will be governed by and construed in accordance with the laws of the United States and the State of Arizona. Each party consents to the jurisdiction and venue of the state or federal courts in Phoenix, Arizona, if applicable, in any action, suit, or proceeding arising out of or relating to this Agreement, and agrees that the state or federal courts in Phoenix, Arizona shall have exclusive jurisdiction over any dispute arising between the parties related to this Agreement or Executive's employment with the Company.

14.7 Notices. Any notice required or permitted by this Agreement shall be in writing and shall be delivered as follows with notice deemed given as indicated: (a) by personal delivery when delivered personally; (b) by overnight courier upon written verification of receipt; (c) by telecopy or facsimile transmission upon acknowledgment of receipt of electronic transmission; or (d) by certified or registered mail, return receipt requested, upon verification of receipt. Notice shall be sent to the addresses set forth under the signatures below, or such other address as either party may specify in writing.

14.8 Survival. Sections 9 ("Other Covenants"), 10 ("Confidentiality and Proprietary Rights"), 11 ("Non-Competition; Nonsolicitation of Company's Employees"), 12 ("Injunctive Relief"), 14 ("General Provisions") and 15 ("Entire Agreement") of this Agreement shall survive termination of Executive's employment with the Company.

15. Entire Agreement. This Agreement, including the Nondisclosure Agreement incorporated herein by reference, constitutes the entire agreement between the parties relating to this subject matter and supersedes all prior or simultaneous representations, discussions, negotiations, and agreements, whether written or oral. This Agreement may be amended or modified only with the written consent of Executive and the Board. No oral waiver, amendment or modification will be effective under any circumstances whatsoever.



THE PARTIES TO THIS AGREEMENT HAVE READ THE FOREGOING AGREEMENT AND FULLY UNDERSTAND EACH AND EVERY PROVISION CONTAINED HEREIN. WHEREFORE, THE PARTIES HAVE EXECUTED THIS AGREEMENT ON THE DATES SHOWN BELOW.

**EXECUTIVE**

Dated: 4/30/2025

By: /s/ Kathy J. Claypatch  
Name: Kathy J. Claypatch

Address: 2600 West Camelback Road  
Phoenix, Arizona 85017

**GRAND CANYON EDUCATION, INC.**

Dated: 4/30/2025

By: /s/ Daniel E. Bachus  
Name: Daniel E. Bachus  
Title: Chief Financial Officer

Address: 2600 West Camelback Road  
Phoenix, Arizona 85017

**CERTIFICATION PURSUANT TO RULES 13a-14(a) and 15d-14(a),  
AS ADOPTED PURSUANT TO SECTION 302 OF THE SARBANES-OXLEY ACT OF 2002**

I, Brian E. Mueller, certify that:

1. I have reviewed this Quarterly Report on Form 10-Q for the quarter ending March 31, 2025 of Grand Canyon Education, Inc.;

2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;

4. The registrant's other certifying officer(s) and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:

a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;

c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and

d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and

5. The registrant's other certifying officer(s) and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):

a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and

b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: May 6, 2025

/s/ Brian E. Mueller  
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Brian E. Mueller  
Chief Executive Officer  
(Principal Executive Officer)

**CERTIFICATION PURSUANT TO RULES 13a-14(a) and 15d-14(a),  
AS ADOPTED PURSUANT TO SECTION 302 OF THE SARBANES-OXLEY ACT OF 2002**

I, Daniel E. Bachus, certify that:

1. I have reviewed this Quarterly Report on Form 10-Q for the quarter ending March 31, 2025 of Grand Canyon Education, Inc.;
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;
4. The registrant's other certifying officer(s) and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:
  - a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
  - b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
  - c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
  - d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and
5. The registrant's other certifying officer(s) and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):
  - a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and
  - b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: May 6, 2025

/s/ Daniel E. Bachus  
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Daniel E. Bachus  
Chief Financial Officer  
(Principal Financial Officer)

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**CERTIFICATION OF CHIEF EXECUTIVE OFFICER PURSUANT TO 18 U.S.C. SECTION 1350,  
AS ADOPTED PURSUANT TO SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002**

In connection with the Quarterly Report on Form 10-Q of Grand Canyon Education, Inc. (the "Company") for the quarter ended March 31, 2025 as filed with the Securities and Exchange Commission on the date hereof (the "Report"), I, Brian E. Mueller, Chief Executive Officer, of the Company, certify, pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that to my knowledge:

- (1) The Report fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934, as amended (15 U.S.C. 78m or 78o); and
- (2) The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

Date: May 6, 2025

/s/ Brian E. Mueller

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Brian E. Mueller

Chief Executive Officer (Principal Executive Officer)

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**CERTIFICATION OF CHIEF FINANCIAL OFFICER PURSUANT TO 18 U.S.C. SECTION 1350,  
AS ADOPTED PURSUANT TO SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002**

In connection with the Quarterly Report on Form 10Q of Grand Canyon Education, Inc. (the "Company") for the quarter ended March 31, 2025 as filed with the Securities and Exchange Commission on the date hereof (the "Report"), I, Daniel E. Bachus, Chief Financial Officer, of the Company, certify, pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that to my knowledge:

- (1) The Report fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934, as amended (15 U.S.C. 78m or 78o); and
- (2) The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

Date: May 6, 2025

/s/ Daniel E. Bachus

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Daniel E. Bachus

Chief Financial Officer (Principal Financial Officer)

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