

CARLETON COLLEGE
FINANCIAL STATEMENTS AND
SUPPLEMENTARY INFORMATION
YEARS ENDED JUNE 30, 2021 AND 2020



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YEARS ENDED JUNE 30, 2021 AND 2020**

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INDEPENDENT AUDITORS' REPORT

Board of Trustees
Carleton College
Northfield, Minnesota

We have audited the accompanying financial statements of Carleton College which comprise the balance sheets as of June 30, 2021 and 2020, and the related statements of activities and changes in net assets, and cash flows for the years then ended, and the related notes to the financial statements.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditors' Responsibility

Our responsibility is to express an opinion on these financial statements based on our audits. We conducted our audits in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in Government Auditing Standards issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Carleton College as of June 30, 2021 and 2020, and the results of its operations and its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters

Other Information

Our audit was conducted for the purpose of forming an opinion on the financial statements as a whole. The accompanying financial responsibility ratio supplemental schedule, as required by the Department of Education, is presented for purposes of additional analysis and is not a required part of the financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated, in all material respects, in relation to the financial statements as a whole.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated September 23, 2021, on our consideration of the College's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the College's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the College's internal control over financial reporting and compliance.



CliftonLarsonAllen LLP

Minneapolis, Minnesota
September 23, 2021

**CARLETON COLLEGE
BALANCE SHEETS
JUNE 30, 2021 AND 2020**

ASSETS	2021	2020
Cash and Cash Equivalents	\$ 40,228,818	\$ 15,810,908
Receivables, Net:		
Contributions	22,061,636	17,581,350
Government	832,997	547,610
Other	2,404,221	1,627,111
Inventories and Prepaid Expenses	2,129,721	2,181,704
Loans to Students	2,895,306	3,880,582
Trusts Held by Others	16,384,394	12,661,664
Investments	1,301,640,528	1,022,196,052
Property, Plant, and Equipment, Net of Depreciation	349,621,038	337,773,179
Total Assets	\$ 1,738,198,659	\$ 1,414,260,160
LIABILITIES AND NET ASSETS		
LIABILITIES		
Accounts Payable	\$ 7,840,282	\$ 7,546,152
Accrued Expenses	13,870,140	12,314,127
Deferred Income and Deposits	6,251,333	6,616,978
Obligations Under Split Interest Agreements	20,521,207	20,093,355
Asset Retirement Obligation	3,100,902	3,115,702
Bonds Payable, Net	124,457,762	128,569,517
Refundable Government Grants for Student Loans	1,394,474	2,206,259
Total Liabilities	177,436,100	180,462,090
NET ASSETS		
Without Donor Restriction:		
Operations	45,321,715	34,570,201
Student Loan Funds	3,127,249	3,326,667
Net Investment in Plant	255,044,706	246,987,731
Funds Functioning as Endowment	402,616,424	311,619,007
Total Without Donor Restriction	706,110,094	596,503,606
With Donor Restriction:		
Operations	28,950,579	28,197,404
Student Loan Funds	354,091	354,027
Physical Plant Acquisitions	5,943,000	6,335,278
Endowment	774,974,723	565,657,217
Split-Interest Agreements	44,430,072	36,750,538
Total With Donor Restriction	854,652,465	637,294,464
Total Net Assets	1,560,762,559	1,233,798,070
Total Liabilities and Net Assets	\$ 1,738,198,659	\$ 1,414,260,160

See accompanying Notes to Financial Statements.

CARLETON COLLEGE
STATEMENTS OF ACTIVITIES AND CHANGES IN NET ASSETS
YEARS ENDED JUNE 30, 2021 AND 2020

	2021			2020		
	Without Donor Restriction	With Donor Restriction	Total	Without Donor Restriction	With Donor Restriction	Total
OPERATING REVENUES AND OTHER ADDITIONS						
Net Student Fees	\$ 83,947,394	\$ -	\$ 83,947,394	\$ 86,130,923	\$ -	\$ 86,130,923
Private Gifts and Pledges	10,247,834	51,117	10,298,951	9,518,899	5,621,128	15,140,027
Government Grants and Contracts	661,518	7,794,156	8,455,674	624,469	4,789,715	5,414,184
Net Investment Return	523,137	202	523,339	3,089,331	94,669	3,184,000
Bookstore, Rents, and Other	1,531,720	1,069,216	2,600,936	2,351,615	964,804	3,316,419
Subtotal Revenue	<u>96,911,603</u>	<u>8,914,691</u>	<u>105,826,294</u>	<u>101,715,237</u>	<u>11,470,316</u>	<u>113,185,553</u>
Investment Return Allocation	-	45,177,741	45,177,741	-	42,814,101	42,814,101
Net Assets Released from Restrictions	53,471,990	(53,471,990)	-	48,557,669	(48,557,669)	-
Total Revenues and Other Additions	<u>150,383,593</u>	<u>620,442</u>	<u>151,004,035</u>	<u>150,272,906</u>	<u>5,726,748</u>	<u>155,999,654</u>
OPERATING EXPENSES						
Program:						
Instruction	63,903,979	-	63,903,979	66,431,510	-	66,431,510
Research	3,140,387	-	3,140,387	4,670,355	-	4,670,355
Academic Support	21,321,179	-	21,321,179	21,605,206	-	21,605,206
Student Services	23,337,548	-	23,337,548	16,631,271	-	16,631,271
Auxiliary Enterprises	17,961,525	-	17,961,525	15,240,051	-	15,240,051
Total Program Expenses	<u>129,664,618</u>	<u>-</u>	<u>129,664,618</u>	<u>124,578,393</u>	<u>-</u>	<u>124,578,393</u>
Institutional Support:						
Management and General	11,820,324	-	11,820,324	13,299,955	-	13,299,955
Fundraising	5,842,261	-	5,842,261	6,528,865	-	6,528,865
Total Institutional Support Expenses	<u>17,662,585</u>	<u>-</u>	<u>17,662,585</u>	<u>19,828,820</u>	<u>-</u>	<u>19,828,820</u>
Total Expenses	<u>147,327,203</u>	<u>-</u>	<u>147,327,203</u>	<u>144,407,213</u>	<u>-</u>	<u>144,407,213</u>
CHANGE IN NET ASSETS FROM OPERATING ACTIVITY	<u>3,056,390</u>	<u>620,442</u>	<u>3,676,832</u>	<u>5,865,693</u>	<u>5,726,748</u>	<u>11,592,441</u>
NONOPERATING ACTIVITY						
Private Gifts and Pledges	9,360,288	57,724,179	67,084,467	4,090,507	27,071,250	31,161,757
Net Investment Return	9,284,902	19,132,597	28,417,499	2,760,301	2,204,220	4,964,521
Net Realized Gain	23,707,498	40,539,083	64,246,581	13,966,832	24,698,010	38,664,842
Net Unrealized Gain	71,600,428	140,641,131	212,241,559	(18,606,976)	(34,958,573)	(53,565,549)
Realized Loss on Disposal	(1,003,800)	-	(1,003,800)	(2,865,734)	-	(2,865,734)
Unrealized Gain on Interest Rate SWAP	-	-	-	134,718	-	134,718
Net Change in Value of Split-interest Agreements	-	(2,653,667)	(2,653,667)	-	(918,625)	(918,625)
Other Nonoperating Income	132,759	-	132,759	137,211	-	137,211
Investment Return Allocation	(10,494,916)	(34,682,825)	(45,177,741)	(10,169,080)	(32,645,021)	(42,814,101)
Net Assets Released from Restrictions	3,962,939	(3,962,939)	-	44,957,536	(44,957,536)	-
Total Nonoperating Activity	<u>106,550,098</u>	<u>216,737,559</u>	<u>323,287,657</u>	<u>34,405,315</u>	<u>(59,506,275)</u>	<u>(25,100,960)</u>
CHANGE IN NET ASSETS	<u>109,606,488</u>	<u>217,358,001</u>	<u>326,964,489</u>	<u>40,271,008</u>	<u>(53,779,527)</u>	<u>(13,508,519)</u>
Net Assets - Beginning of Year	<u>596,503,606</u>	<u>637,294,464</u>	<u>1,233,798,070</u>	<u>556,232,598</u>	<u>691,073,991</u>	<u>1,247,306,589</u>
NET ASSETS - END OF YEAR	<u>\$ 706,110,094</u>	<u>\$ 854,652,465</u>	<u>\$ 1,560,762,559</u>	<u>\$ 596,503,606</u>	<u>\$ 637,294,464</u>	<u>\$ 1,233,798,070</u>

See accompanying Notes to Financial Statements.

**CARLETON COLLEGE
STATEMENTS OF CASH FLOWS
YEARS ENDED JUNE 30, 2021 AND 2020**

	2021	2020
CASH FLOWS FROM OPERATING ACTIVITIES		
Change in Net Assets	\$ 326,964,489	\$ (13,508,519)
Adjustments to Reconcile Change in Net Assets to Net Cash Used by Operating Activities:		
Depreciation, Amortization, and Accretion	13,131,252	12,323,936
Net Realized and Unrealized (Gain) Loss	(275,651,035)	14,900,707
Contributions for Long-Term Investments	(67,084,467)	(31,161,757)
Change in Value of Split-interest Agreements	2,947,682	1,847,332
Change in Value of Trusts Held by Others	(3,722,730)	967,275
Change in Value of Interest Rate SWAP	-	(134,718)
Loss on Disposal of Property, Plant, and Equipment	1,003,800	2,865,734
Noncash Donations of Property, Plant, and Equipment	167,900	100,000
Change in Unamortized Bond Origination Costs and Discount	(466,755)	(330,317)
Change in Asset Retirement Obligation	(378,729)	(99,807)
Effect of Changes in Operating Assets and Liabilities:		
Receivable, Net - Contributions	(4,480,286)	(577,793)
Receivable, Net - Government	(285,387)	26,341
Receivable, Net - Other	(777,110)	21,198
Inventories and Prepaid Expenses	51,983	901,283
Loans to Students	985,276	1,076,083
Accounts Payable	294,130	(973,493)
Accrued Expenses	1,556,013	875,346
Deferred Income and Deposits	(365,645)	2,022,770
Refundable Government Grants for Student Loans	(811,785)	(1,386,661)
Net Cash Used by Operating Activities	(6,921,404)	(10,245,060)
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchase of Investments	112,350,567	(60,116,051)
Proceeds from Sale of Investments	(116,144,008)	79,193,673
Proceeds from Disposal of Property, Plant, and Equipment	65,510	56,025
Acquisition of Property, Plant, and Equipment	(25,852,392)	(37,904,246)
Net Cash Used by Investing Activities	(29,580,323)	(18,770,599)
CASH FLOWS FROM FINANCING ACTIVITIES		
Contributions for Long-Term Investments	67,084,467	37,990,852
Payments to Annuitants	(2,519,830)	(2,519,830)
Principal Payments	(3,645,000)	(9,720,000)
Net Cash Provided by Financing Activities	60,919,637	25,751,022
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	24,417,910	(3,264,637)
Cash and Cash Equivalent - Beginning of Year	15,810,908	19,075,545
CASH AND CASH EQUIVALENTS - END OF YEAR	\$ 40,228,818	\$ 15,810,908

See accompanying Notes to Financial Statements.

**CARLETON COLLEGE
STATEMENTS OF CASH FLOWS (CONTINUED)
YEARS ENDED JUNE 30, 2021 AND 2020**

	<u>2021</u>	<u>2020</u>
SUPPLEMENTAL DISCLOSURES OF CASH FLOW INFORMATION		
Interest Paid (Net of Capitalized Interest of \$755,345 and \$991,883, Respectively)	<u>\$ 4,423,882</u>	<u>\$ 4,552,503</u>
Property, Plant, and Equipment in Accounts Payable	<u>\$ 4,616,742</u>	<u>\$ 6,692,146</u>

See accompanying Notes to Financial Statements.

CARLETON COLLEGE
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2021 AND 2020

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Organization

Founded in 1866, Carleton College (the College) is a private, coeducational, residential liberal arts college, located in the historic river town of Northfield, Minnesota. Carleton attracts a diverse student body and a distinguished faculty whose priority is teaching with a commitment to the liberal arts. Carleton is a national college enrolling approximately 2,000 students drawn from 50 states and 35 countries. Carleton offers a four-year baccalaureate degree, with 33 majors and 37 minors in the arts, humanities, natural sciences, mathematics and social sciences, preparing graduates for leadership positions in their communities, countries and the world.

Basis of Presentation

The financial statements have been prepared on the accrual basis of accounting in conformity with accounting principles generally accepted in the United States of America (U.S. GAAP).

Net assets and revenues, expenses, gains and losses are classified based on the existence or absence of donor-imposed restrictions. Accordingly, net assets of the College and changes therein are classified as follows:

Net Assets Without Donor Restriction – Net assets that are not subject to donor-imposed restrictions. Net assets may be designated for specific purposes by action of the Board of Trustees.

Net Assets With Donor Restrictions – Net assets whose use by the College is subject to donor-imposed restrictions that can be fulfilled by actions of the College pursuant to those restrictions or that expire with the passage of time. Net assets may be subject to donor-imposed restrictions that require them to be permanently maintained by the College. Generally, the donors of these assets permit the College to use the income earned on related investments for general or specific purposes.

Revenues are reported as increases in net assets without donor restriction unless use of the revenue is restricted by donor-imposed restrictions. Expenses are reported as decreases in net assets without donor restriction. Gains and losses on investment and other assets or liabilities are reported as increases or decreases in net assets without donor restriction unless their use is defined by donor-imposed restrictions.

Net assets with donor restrictions which are met in the current period are reclassified to net assets without donor restriction and reported as net assets released from restrictions.

Periodically donor restrictions related to net assets may be clarified or changed, such changes are reflected as transfers at the time they are identified.

CARLETON COLLEGE
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2021 AND 2020

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Basis of Presentation (Continued)

A portion of the College's revenue is derived from cost reimbursable federal and state contracts and grants, which are conditioned upon certain performance requirements and/or the incurrence of allowable qualifying expenses. Amounts received are recognized as revenue when the College has incurred expenditures in compliance with specific contract or grant provisions. The College received cost reimbursable grants of \$1,227,490 that have not been recognized at June 30, 2021 because qualifying expenditures have not yet been incurred.

Cash and Cash Equivalents

Cash and cash equivalents include interest-bearing money market accounts and short-term investments with a maturity at time of purchase of less than three months, except for any such investments managed by external investment managers which are classified as investments. The amounts on hand may at times exceed the federally insured limit defined by the Federal Deposit Insurance Corporation (FDIC).

Contributions Receivable

Contributions receivable, including unconditional promises to give, are recognized as revenues in the period received. Conditional promises to give are not recognized until they become unconditional, that is, when the conditions on which they depend are substantially met. Contributions of assets other than cash are recorded at their estimated fair value. Contributions to be received after one year are discounted at an appropriate discount rate commensurate with the risks involved. Amortization of discounts is recorded as additional contribution revenue in accordance with donor-imposed restrictions, if any, on the contributions. Contributions receivable are discounted using U.S. Treasury rates applicable to the year of inception and payment schedule, rates range from .08% to 2.84%, depending on the year of inception. An allowance for uncollectible contributions receivable is provided based upon management's judgment including such factors as prior collection history, type of contribution and nature of fundraising activity. For the years ended June 30, 2021 and 2020, the College had an allowance of \$200,000. The allowance is evaluated annually.

Other Receivables

Receivables are stated at net realizable value. Based on management's experience and analysis of individual accounts past due, the allowance for uncollectible accounts was \$30,000 for the years ended June 30, 2021 and 2020. The allowance is evaluated annually.

Inventories

Inventories consist primarily of print center paper supplies and facility storeroom supplies. Inventories are stated at cost, determined by the first-in, first-out method.

**CARLETON COLLEGE
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2021 AND 2020**

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Fair Value Measurements

The College reports investments and trusts held by others at estimated fair value. Fair value represents the price that would be received upon the sale of an asset or paid upon the transfer of a liability in an orderly transaction between market participants as of the measurement date.

Most of the College's investments are held through limited partnerships and commingled funds for which fair value is estimated using net asset values (NAVs) reported by fund managers as a practical expedient for fair value measurements. GAAP allows such NAV measured investments to be excluded from the categories in the fair value hierarchy.

GAAP establishes a fair value hierarchy that prioritizes the inputs used to measure fair value into three levels:

Level 1 – Quoted prices (unadjusted) in active markets that are accessible at the measurement date for assets or liabilities.

Level 2 – Observable prices that are based on inputs not quoted in active markets but corroborated by market data.

Level 3 – Unobservable inputs that are used when little or no market data is available.

The fair value hierarchy gives highest priority to Level 1 inputs and lowest priority to Level 3 inputs. In determining fair value, the College utilizes valuation techniques that maximize the use of observable inputs and minimize the use of unobservable inputs to the extent possible.

Property, Plant, and Equipment

Property, plant, and equipment are stated at cost less accumulated depreciation. The College capitalizes equipment expenditures greater than \$10,000 and building expenditures greater than \$150,000. Depreciation is computed on the straight-line/half year method over the estimated useful lives of the assets:

		Original Cost 2021
Land	No Depreciation	\$ 3,785,214
Land Improvements	30 Years	1,421,179
Buildings and Building Improvements	20 to 40 Years	392,968,828
Library Books	10 Years	32,509,263
Equipment and Vehicles	3 to 5 Years	58,191,770
Construction in Progress	No Depreciation	55,935,876
Total Original Cost		<u>\$ 544,812,130</u>

**CARLETON COLLEGE
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2021 AND 2020**

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Deferred Income and Deposits

The College records cash received for future services as deferred revenue. This revenue is recognized when services are provided. Deferred revenue consists primarily of unearned tuition.

Asset Retirement Obligation

Financial accounting standards require the College to accrue for the present value of future estimated costs to remediate asbestos environmental hazards related to property owned by the College. The College has estimated the cost of potential obligations and applied a future value rate assumption of 3% and a present value risk-free rate of 5% to determine the potential liability.

Refundable Government Grants for Student Loans

Funds provided by the United States Government under the Federal Perkins Loan program were loaned to qualified students. Termination of the Federal Perkins Loan Program, requires these funds to be refunded to the government at periodic intervals.

Endowment

The Carleton Board of Trustees has interpreted the Uniform Prudent Management of Institutional Funds Act (UPMIFA) as requiring the preservation of the original gifts as of the gift date of the donor-restricted endowment funds absent explicit donor stipulation to the contrary. As a result of this interpretation, the College classifies as perpetually restricted net assets, (a) the original value of gifts donated to the perpetual endowment, (b) the original value of subsequent gifts to the perpetual endowment.

Endowment funds include donor restricted net assets and funds designated by the Board of Trustees for long-term support of the College including, any accumulated income and appreciation thereon. Purpose restricted endowment net assets include accumulated appreciation on donor-restricted endowment funds, as well as donor-restricted, spendable gifts designated for long-term support of the College. Perpetual restricted endowment net assets include those funds designated by donors to be invested in perpetuity to provide a permanent source of income.

The College has established an endowment spending policy used to determine an annual spending dividend. Total spending is equal to 70% of prior year spending increased by 2%; plus 30% of 4.95% of the 12-quarter average market value of the endowment unit value for the period ending June 30 of the year, one year prior to the start of the fiscal year; banded by not more than 5.75% or less than 3.75% of the market value of the endowment for the period ending June 30 prior to the start of the fiscal year.

**CARLETON COLLEGE
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2021 AND 2020**

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Split-Interest Agreements

The College records three types of split-interest agreements.

When the College serves as trustee, annuities payable represent the College's liability under annuity contracts with donors and irrevocable charitable remainder trusts. Specific contract terms vary by donor. The liability is established at the time of the contribution using life expectancy actuarial tables and discount rates and is revalued annually, referencing the 2000CM life expectancy tables. Actual gains and losses resulting from the annual revaluation of annuity obligations are reflected as with donor restriction, consistent with the method used to initially record the contributions. The basis used to recognize the asset is fair value.

When the College does not serve as trustee for an irrevocable charitable remainder trust, the College records its beneficial interest in those assets as contribution revenue and funds held in trust by others at the present value of the expected future cash inflows. Such trusts are recorded at the date the College has been notified of the trust's existence and sufficient information regarding the trust has been accumulated to form the basis for a valuation. Changes in the value of these assets related to the amortization of the discount or revisions in the income beneficiary's life expectancy are recorded as gains or losses with donor restriction. The value of the College's interest in these trusts is included in Trusts Held by Others on the balance sheet.

The College is also the beneficiary of certain perpetual trusts held and administered by others. The present value of the estimated future cash receipts from the trust are recognized as contribution revenue and funds held in trust by others at the date the College is notified of the establishment of the trust and sufficient information regarding the value of the trust has been provided to the College. Annual distributions from the trusts are recorded as investment income in the period they are received. Changes in fair value of the trusts are recorded as financial capital gains or losses with donor restriction. The value of the College's interest in the trusts is included in "Trusts Held by Others" on the balance sheets.

Advertising Expense

Advertising is expensed as incurred. Advertising expense for the years ended June 30, 2021 and 2020 was \$61,235 and \$59,164, respectively.

Net Student Fee Revenue

Tuition, room and board revenue is recognized in the reporting period in which the academic programs are delivered. Programs are delivered in three 10-week terms, Fall (September – November), Winter (January – mid March) and Spring (mid-March – mid-June). Need-based institutional scholarships are awarded to students to defray the costs of the academic programs, which reduce the amount of revenue recognized. Payments for tuition are due approximately one month prior to the start of classes each term.

**CARLETON COLLEGE
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2021 AND 2020**

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Net Student Fee Revenue (Continued)

In March 2020, Carleton transitioned most students to remote learning during the COVID-19 global pandemic. For students studying remotely, Carleton credited each student account with Spring term room and board charges without modification of their financial aid award. These refunds were reported in Net Student Fee Revenue. In Fall 2020, Winter 2021, and Spring 2021 Carleton offered both on campus and remote instruction to support and promote health and safety.

Revenue from the Summer Liberal Arts Program, Summer Off-Campus study programs, Fall Global Engagement programs and Tuition Paid in Advance of the next academic year are recognized in the reporting period in which the academic program is delivered. Billing for these programs occurs during registration and revenue is recorded as deferred income until the programs are delivered. Many of these programs were impacted by the COVID-19 global pandemic which required the college to transition to remote instruction and/or cancel programming.

First-year students secure their enrollment by paying a continuing enrollment deposit by May 1 for the following Fall academic term. Deposits are recorded as deferred income until the student graduates, at which time it is refunded to the student. Students who withdraw from the college forfeit their enrollment deposit.

Measure of Operations

The College reports a change in net assets from operating activities including all operating revenue and expense that are an integral part of its programs and supporting activities including net assets released from donor restrictions to support operating expenditures, as well as investment returns allocated by the Board of Trustees to support operations as established by the endowment spending policy.

The measure of operations includes support for operating activities without donor restriction.

The measure of operations excludes support for nonoperating activities including investment returns in excess of amounts allocated to support current operations, changes in the market value of trusts held by others, changes in the fair value of planned giving agreements, and private gifts and grants restricted for long-term investment or capital projects.

Use of Estimates

The preparation of financial statements in accordance with U.S. GAAP requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

**CARLETON COLLEGE
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2021 AND 2020**

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Income Taxes

The College is a nonprofit organization as described in Section 501(c)(3) of the Internal Revenue Code (IRC) and similar statutes of Minnesota law. It is exempt from income taxes on related income. The College files U.S. federal and various state tax returns on net unrelated business income.

The Tax Cuts and Jobs Act (TCJA), enacted on December 22, 2017, requires the College to pay an excise tax on net investment income for taxable years beginning after December 31, 2017 whenever the aggregate fair market value of assets at the end of the preceding taxable year is at least \$500,000 per student. The College recorded an estimated tax liability of \$1.0 million for the fiscal year ended June 30, 2021.

The College has evaluated its tax positions and determined it has no other uncertain tax positions that would have a material effect on the financial statements.

Reclassifications

Certain amounts appearing in the 2020 financial statements have been reclassified to conform with the 2021 presentation. The reclassifications have no effect on reported amounts of total net assets or change in total net assets.

Change in Accounting Principle

The College adopted FASB ASU 2016-12, *Leases*, in 2020. Leases are used infrequently to support operations and the implementation of the standard was determined to be immaterial, no assets or liabilities associated with leases have been recorded in the financial statements. Leases will continue to be evaluated on an annual basis and recorded according to the guidance provided in the standard should their use become material.

The College adopted FASB ASU 2019-03 *Updating the Definition of Collections* in 2021. This guidance confirmed the classification of our Library and Art Collections and clarified our policy that requires the use of proceeds from items that are sold to be for the acquisitions of new collection items, the direct care of existing collections, or both. Direct care may include cleaning, repair and/or climate control systems to support preservation. Carleton capitalizes additions to the collections as they are received.

The College adopted FASB ASU 2018-03, *Technical Corrections and Improvements to Financial Instruments*, in 2021. This guidance made targeted improvements to address certain aspects of recognition, measurement, presentation, and disclosure of financial instruments.

The College adopted FASB ASU 2018-13, *Fair Value Measurement (Topic 820): Disclosure Framework – Changes to the Disclosure Requirements for Fair Value Measurement*. The ASU removes and modifies disclosure requirements retrospectively for nonpublic entities.

**CARLETON COLLEGE
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2021 AND 2020**

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Change in Accounting Principle (Continued)

The College adopted FASB ASU 2020-07, *Presentation and Disclosures by Not-for-Profit Entities for Contributed Nonfinancial Assets*, in 2021. Contributed nonfinancial assets, including land, buildings and equipment are presented separately from cash and other financial assets in the financial statements when they are material in nature. Nonfinancial assets are recognized at their appraised value.

Subsequent Events

In preparing these financial statements, the College has evaluated events and transactions for potential recognition or disclosure through September 23, 2021, the date the financial statements were available to be issued.

NOTE 2 INVESTMENTS AND FINANCIAL INSTRUMENTS MEASURED AT FAIR VALUE

Basis of Accounting

Investments include endowment, charitable gift annuities, pooled life income funds, and unrestricted operating investments. Investments are reported at estimated fair value. If an investment is held directly by the College and an active market with quoted prices exists, the market price of an identical security is used as reported fair value.

The majority of the College's investments are in shares or units of institutional commingled funds and investment partnerships invested in equity, fixed income, hedge funds, private equity, or real asset strategies. Hedge fund strategies involve funds whose managers have the authority to invest in various asset classes at their discretion, including the ability to invest long and short. Funds with hedge strategies generally hold securities for other financial instruments for which a ready market exists and may include stocks, bonds, put or call options, swaps, currency hedges and other instruments, and are valued by the investment manager accordingly. Private equity funds employ buyout, venture capital, and distressed credit strategies. Real asset and natural resource funds generally hold interest in private real estate, oil and gas partnerships, alternate energy partnerships, and mineral holdings.

Fair Value

As defined in Note 1, the College's interest in commingled investment funds are generally reported at the net asset value (NAV) reported by the fund managers and assessed as reasonable by the College. NAV is used as a practical expedient to estimate the fair value of the College's interest, in the absence of readily determinable fair value, unless it is probable that all or a portion of the investment will be sold for an amount different from NAV. As of June 30, 2021, the College had no plans or intentions to sell investments at amounts different from NAV.

**CARLETON COLLEGE
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2021 AND 2020**

**NOTE 2 INVESTMENTS AND FINANCIAL INSTRUMENTS MEASURED AT FAIR VALUE
(CONTINUED)**

Fair Value (Continued)

These NAV measurement adhere to fair value accounting as required by ASC 820, *Fair Value Measurements and Disclosures*, however because of inherent uncertainties in valuation assumption, the estimated fair value for alternative investments such as private equity and private real estate may differ significantly from value that would have been used had a ready market existed. The valuations are determined by the fund managers and generally consider variables such as operating results, comparable earnings multiples, projected cash flows, recent sale prices, and other pertinent information.

The following tables summarize the College's investments by category and as applicable in their fair value hierarchy as of June 30:

	2021				
	NAV Practical Expedient	Level 1	Level 2	Level 3	Total
Investments:					
Cash and Cash Equivalents	\$ -	\$ 142,469,037	\$ -	\$ -	\$ 142,469,037
Fixed Income	-	70,309,897	-	-	70,309,897
Public Equities	242,815,850	222,819,239	-	-	465,635,089
Private Equity	226,092,124	-	-	-	226,092,124
Hedge Funds	232,661,897	-	-	-	232,661,897
Real Estate and Other Real Assets	100,498,633	-	-	750,000	101,248,633
Planned Gift Agreements and Other	-	1,429,874	61,793,977	-	63,223,851
Total Investments	<u>802,068,504</u>	<u>437,028,047</u>	<u>61,793,977</u>	<u>750,000</u>	<u>1,301,640,528</u>
Trusts Held by Others	-	-	-	16,384,394	16,384,394
Total	<u>\$ 802,068,504</u>	<u>\$ 437,028,047</u>	<u>\$ 61,793,977</u>	<u>\$ 17,134,394</u>	<u>\$ 1,318,024,922</u>
	2020				
	NAV Practical Expedient	Level 1	Level 2	Level 3	Total
Investments:					
Cash and Cash Equivalents	\$ -	\$ 89,751,745	\$ -	\$ -	\$ 89,751,745
Fixed Income	-	59,848,321	-	-	59,848,321
Public Equities	153,513,906	157,512,800	-	-	311,026,706
Private Equity	152,933,674	-	-	-	152,933,674
Hedge Funds	236,226,562	-	-	-	236,226,562
Real Estate and Other Real Assets	114,849,754	-	-	760,313	115,610,067
Planned Gift Agreements and Other	-	1,468,833	55,330,144	-	56,798,977
Total Investments	<u>657,523,896</u>	<u>308,581,699</u>	<u>55,330,144</u>	<u>760,313</u>	<u>1,022,196,052</u>
Trusts Held by Others	-	-	-	12,661,664	12,661,664
Total	<u>\$ 657,523,896</u>	<u>\$ 308,581,699</u>	<u>\$ 55,330,144</u>	<u>\$ 13,421,977</u>	<u>\$ 1,034,857,716</u>

Trusts held by others are valued at the present value of the future distributions expected to be received by the College over the term of the agreement; essentially equivalent to the market value of the College share of the trust as provided by the trust administrator.

**CARLETON COLLEGE
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2021 AND 2020**

**NOTE 2 INVESTMENTS AND FINANCIAL INSTRUMENTS MEASURED AT FAIR VALUE
(CONTINUED)**

Fair Value (Continued)

The following tables are a roll forward of the balance sheet amounts for financial instruments classified by the College within Level 3 of the fair value hierarchy defined previously.

Level 3 assets are as follows:

	Real Estate and Other Real Assets	Trusts Held by Others	Total Investments
Balance as of June 30, 2020	\$ 760,313	\$ 12,661,664	\$ 13,421,977
Realized Gain	-	777,255	777,255
Unrealized Gain	-	2,223,472	2,223,472
Investment Income	41,259	91,538	132,797
New Investments and Capital Calls	-	1,000,000	1,000,000
Redemptions	(51,572)	(369,535)	(421,107)
Balance as of June 30, 2021	<u>\$ 750,000</u>	<u>\$ 16,384,394</u>	<u>\$ 17,134,394</u>

	Real Estate and Other Real Assets	Trusts Held by Others	Total Investments
Balance as of June 30, 2019	\$ 750,000	\$ 13,628,939	\$ 14,378,939
Realized Gain	-	69,348	69,348
Unrealized Loss	-	(707,730)	(707,730)
Investment Income	41,250	228,413	269,663
New Investments and Capital Calls	-	-	-
Redemptions	(30,937)	(557,306)	(588,243)
Balance as of June 30, 2020	<u>\$ 760,313</u>	<u>\$ 12,661,664</u>	<u>\$ 13,421,977</u>

Liquidity

The College routinely monitors liquidity required to meet its operating needs and other contractual commitments. The College considers all expenditure related to its ongoing activities of teaching, research, and public service as well as the conduct of services undertaken to support general institutional expenditures. Student loan receivables are not included in the analysis of liquidity as principal and interest on student loans are used solely to make new loans.

In addition to financial assets available to meet general expenditures, the College operates with a balanced operating budget and anticipates collecting sufficient revenue to cover general expenditures not covered by donor-restricted resources.

**CARLETON COLLEGE
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2021 AND 2020**

**NOTE 2 INVESTMENTS AND FINANCIAL INSTRUMENTS MEASURED AT FAIR VALUE
(CONTINUED)**

Liquidity (Continued)

For purposes of analyzing resources, the College considers various sources of liquidity including cash and cash equivalents and investments. As of June 30, the following financial assets could readily be made available within one year of the balance sheet date to meet general expenditures:

	<u>2021</u>	<u>2020</u>
Cash and Cash Equivalents	\$ 40,228,818	\$ 15,810,908
Contributions for General Expenditures Due in		
One Year or Less	5,764,821	7,179,311
Grants Receivable	832,997	547,610
Accounts Receivable, Net	2,404,221	1,627,111
Fixed Income Investments from Supporting Operations	70,309,897	59,848,321
Investment Return Allocation Authorized	47,775,239	44,828,356
Total	<u>\$ 167,315,993</u>	<u>\$ 129,841,617</u>

Investment liquidity, as of June 30, 2021 and 2020, is aggregated in the tables below based on redemption or sale period:

Balances as of June 30, 2021	Daily	Monthly	Quarterly	Semi-Annually	Annual	Illiquid	Total
Cash and Cash Equivalents	\$ 142,469,037	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 142,469,037
Fixed Income	70,309,897	-	-	-	-	-	70,309,897
Public Equities	222,819,239	74,710,584	67,651,009	28,336,844	72,117,413	-	465,635,089
Private Equity	-	-	-	-	-	226,092,124	226,092,124
Hedge Funds	-	18,977,635	83,854,299	83,046,584	46,702,597	80,782	232,661,897
Real Estate and Other Real Assets	-	-	-	-	-	101,248,633	101,248,633
Planned Gift Agreements and Other	-	-	-	-	-	63,223,851	63,223,851
Total Investments	<u>\$ 435,598,173</u>	<u>\$ 93,688,219</u>	<u>\$ 151,505,308</u>	<u>\$ 111,383,428</u>	<u>\$ 118,820,010</u>	<u>\$ 390,645,390</u>	<u>\$ 1,301,640,528</u>
Balances as of June 30, 2020	Daily	Monthly	Quarterly	Semi-Annually	Annual	Illiquid	Total
Cash and Cash Equivalents	\$ 89,751,745	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 89,751,745
Fixed Income	59,848,321	-	-	-	-	-	59,848,321
Public Equities	157,515,263	42,659,115	-	18,855,925	40,906,207	51,090,196	311,026,706
Private Equity	-	-	-	-	-	152,933,674	152,933,674
Hedge Funds	-	16,979,616	94,486,152	70,521,369	27,713,376	26,526,049	236,226,562
Real Estate and Other Real Assets	-	-	-	-	-	115,610,067	115,610,067
Planned Gift Agreements and Other	-	-	-	-	-	56,798,977	56,798,977
Total Investments	<u>\$ 307,115,329</u>	<u>\$ 59,638,731</u>	<u>\$ 94,486,152</u>	<u>\$ 89,377,294</u>	<u>\$ 68,619,583</u>	<u>\$ 402,958,963</u>	<u>\$ 1,022,196,052</u>

At June 30, 2021 and 2020, the College had outstanding commitments of \$180,420,922 and \$143,750,562, respectively, to private capital investments that have not yet been drawn down by the general partners of these funds. Typically, committed capital is drawn down and invested over a several year period. In the past, drawdowns on outstanding commitments have been funded by distributions from the private capital portfolio, as well as cash and other liquid investments.

**CARLETON COLLEGE
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2021 AND 2020**

**NOTE 2 INVESTMENTS AND FINANCIAL INSTRUMENTS MEASURED AT FAIR VALUE
(CONTINUED)**

At June 30, 2021 and 2020, the College had \$27,281,654 and \$26,613,532, respectively, invested with hedge fund investments which utilized side pockets within their portfolio of investments. Side pockets are segregated accounts used by hedge funds to hold illiquid investments.

The College holds mortgages on residences of eligible faculty and staff members that amounted to \$557,648 as of June 30, 2021 and 2020. The average interest rate on the mortgages was 5.15%. This program was terminated in 2005.

NOTE 3 PROPERTY, PLANT, AND EQUIPMENT

Property, plant, and equipment as of June 30 are as follows:

	<u>2021</u>	<u>2020</u>
Land	\$ 3,785,214	\$ 3,785,214
Land Improvements	1,421,179	1,111,506
Buildings and Building Improvements	392,968,828	391,596,963
Library Books	32,509,263	31,777,998
Equipment and Vehicles	58,191,770	58,489,894
Construction in Progress:		
Residence Hall Renovations	3,620,030	2,609,681
Academic Building Renovations	713,098	381,806
Utility Master Plan	51,401,387	35,051,941
Other	201,361	235,175
Total	<u>544,812,130</u>	<u>525,040,178</u>
Less: Accumulated Depreciation	<u>(195,191,092)</u>	<u>(187,266,999)</u>
Property, Plant, and Equipment, Net	<u>\$ 349,621,038</u>	<u>\$ 337,773,179</u>

Total depreciation expense as of June 30, 2021 and 2020 was \$13,131,252 and \$12,323,936, respectively.

The College has capitalized collections received of \$167,900 and \$100,000 for the years ended June 30, 2021 and 2020, respectively. These collection items are valued at fair market value at the date of donation and are not depreciated.

**CARLETON COLLEGE
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2021 AND 2020**

NOTE 4 BONDS PAYABLE

Bonds payable at June 30, 2021 and 2020 consisted of the following bonds issued by the Minnesota Higher Education Facility Authority (MHEFA) on behalf of the College:

	<u>2021</u>	<u>2020</u>
Revenue Bonds, Series 2017	\$ 112,725,000	\$ 116,370,000
Less: Unamortized Origination Costs	(575,816)	(601,406)
Plus: Unamortized Premium	<u>12,308,578</u>	<u>12,800,923</u>
Bonds Payable, Net	<u>\$ 124,457,762</u>	<u>\$ 128,569,517</u>

On May 24, 2017, MHEFA issued Series 2017 Fixed Rate Revenue and Refunding Bonds (the Bonds) in the amount of \$124,900,000 for the College. The Bonds include serial maturities in 2018 through 2042, term bonds maturing in 2044 and 2047. The 2044 term bond has mandatory principal redemptions in 2043 – 2044 (final maturity) and the 2047 term bond has mandatory principal redemptions in 2045 – 2047 (final maturity). The Bonds are subject to optional redemption beginning March 1, 2027. Coupon rates range from 3.00% to 5.00% with a combination of premium bonds and one par bond. Yields range from .86% to 3.75%. The Bonds have a true interest cost (TIC) of 3.29%. Proceeds were used to refund previous debt and acquire new money proceeds of \$70,000,000 to finance construction and renovation of the Science Complex, redesign the campus utility infrastructure, and construct a music and performance addition to the Weitz Center for Creativity.

The scheduled maturities of debt in each of the five years subsequent to June 30, 2021 are as follows:

<u>Year Ending June 30,</u>	<u>Amount</u>
2022	\$ 3,830,000
2023	5,440,000
2024	5,705,000
2025	5,985,000
2026	6,285,000
Thereafter	<u>85,480,000</u>
Total	<u>\$ 112,725,000</u>

The Bond agreements contain various covenants regarding submission of financial statements and require notice of intent to issue additional debt.

**CARLETON COLLEGE
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2021 AND 2020**

NOTE 5 RESTRICTIONS AND LIMITATIONS ON NET ASSET BALANCES

Net assets with donor restriction are available for the following purposes as of June 30:

	<u>2021</u>	<u>2020</u>
Donor-Restricted Net Assets not Invested in Perpetuity:		
Program Support	\$ 26,213,145	\$ 25,193,951
Advances for Grants and Contracts	2,737,434	3,003,453
Henry Strong Loan Fund	354,091	354,027
Physical Plant Acquisitions	5,943,000	6,335,278
Accumulated Earnings from Endowment Funds Subject to Donor Restrictions	449,378,015	296,954,759
Underwater Endowment	-	(4,968,099)
Split-Interest Agreements	<u>32,366,413</u>	<u>24,201,308</u>
Total Donor-Restricted Net Assets not Invested in Perpetuity	516,992,098	351,074,677
Donor-Restricted Net Assets Invested in Perpetuity:		
Endowment	325,596,708	273,670,557
Split-Interest Agreements	<u>12,063,659</u>	<u>12,549,230</u>
Total Donor-Restricted Net Assets Invested in Perpetuity	<u>337,660,367</u>	<u>286,219,787</u>
Total Net Assets with Donor Restrictions	<u>\$ 854,652,465</u>	<u>\$ 637,294,464</u>

Net assets were released from donor restrictions as expenses were incurred satisfying the restricted purposes or by the passage of time or the occurrence of other events specified by donors as follows for the years ended June 30:

	<u>2021</u>	<u>2020</u>
Release of Restrictions:		
Operating:		
Scholarship Support	\$ 13,034,255	\$ 11,871,247
Annual Fund Support	226,503	
Other Instructional Support	13,511,069	10,683,448
Operating Budget Support	<u>26,700,163</u>	<u>26,002,974</u>
Total Operating Net Assets Released from Restriction	53,471,990	48,557,669
Nonoperating:		
Plant Construction	7,268,483	40,453,080
Change in Underwater Endowment	(4,968,099)	3,663,860
Change in Donor Designations	(41,140)	(205,157)
Matured Split Interest Agreements	<u>1,703,695</u>	<u>1,045,753</u>
Total Nonoperating Net Assets Released from Restriction	<u>3,962,939</u>	<u>44,957,536</u>
Total Net Assets Released from Restriction	<u>\$ 57,434,929</u>	<u>\$ 93,515,205</u>

CARLETON COLLEGE
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2021 AND 2020

NOTE 6 ENDOWMENTS

The College endowment consists of 788 individual donor restricted endowment funds and 148 board-designated endowment funds. The College pools these investments in a unitized pool similar to an open-ended mutual fund. Funds added or withdrawn from the pool are recorded at their share of the market value per share at the beginning of the month within which the transaction takes place.

The market value of the endowment reported in the financial statements includes the present value of contributions receivable. The market value of endowment investments, excluding contributions receivable to the endowment, was \$1,157,982,283 and \$868,695,391 as of June 30, 2021 and 2020, respectively.

The annual endowment spending appropriation is approved by the Board of Trustees as part of the annual operating budget, in advance of the fiscal year to which it will apply. Endowment spending is defined as a per share dividend to be paid to endowment accounts based upon the number of shares held by each.

The annual spending in any fiscal year is calculated as follows: 70% of the allowable spending in the previous fiscal year, increased by 2%; plus 30% of the long-term spending rate of 4.95% applied to the 12 quarter market value average of the endowment unit value for the period ending June 30 of the year, one year prior to the start of the fiscal year. The allowable spending dividend in a fiscal year is limited to not more than 5.75% or not less than 3.75% of the market value of the endowment unit value for the period ending June 30 of the year, one year prior to the start of the fiscal year.

Endowment net asset composition by type of fund as of June 30, 2021:

	Without Donor- Restriction	With Donor Restriction		Total With Donor Restriction	Total
		Purpose	Perpetual		
Donor-Restricted Endowment Funds	\$ -	\$ 448,135,600	\$ 307,030,259	\$ 755,165,859	\$ 755,165,859
Underwater Endowment Funds	-	-	-	-	-
Board-Designated Endowment Funds	402,816,424	-	-	-	402,816,424
Subtotal Endowment Funds	402,816,424	448,135,600	307,030,259	755,165,859	1,157,982,283
Contributions Receivable	(200,000)	1,242,415	18,566,449	19,808,864	19,608,864
Total Endowment Funds	\$ 402,616,424	\$ 449,378,015	\$ 325,596,708	\$ 774,974,723	\$ 1,177,591,147

CARLETON COLLEGE
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2021 AND 2020

NOTE 6 ENDOWMENTS (CONTINUED)

Changes in endowment net assets including contributions receivable for the endowment for the year ended June 30, 2021:

	Without Donor Restriction	With Donor Restriction		Total With Donor Restriction	Total
		Purpose	Perpetual		
Endowment Fund Balance - June 30, 2020	\$ 311,619,007	\$ 291,986,660	\$ 273,670,557	\$ 565,657,217	\$ 877,276,224
Net Contributions	9,191,223	649,196	48,970,299	49,619,495	58,810,718
Investment Return	95,638,604	186,456,885	-	186,456,885	282,095,489
Appropriations	(10,494,916)	(34,682,825)	-	(34,682,825)	(45,177,741)
Other Changes:					
Transfers of Matured Deferred and Estates					
Gifts to Endowment Funds	-	-	3,112,921	3,112,921	3,112,921
Change in Underwater Endowments	(4,968,099)	4,968,099	-	4,968,099	-
Board Designated Quasi Endowment	1,443,443	-	-	-	1,443,443
Donor Directed Gift Modifications	187,162	-	(157,069)	(157,069)	30,093
Total Other Changes	(3,337,494)	4,968,099	2,955,852	7,923,951	4,586,457
Endowment Fund Balance - June 30, 2021	<u>\$ 402,616,424</u>	<u>\$ 449,378,015</u>	<u>\$ 325,596,708</u>	<u>\$ 774,974,723</u>	<u>\$ 1,177,591,147</u>

Endowment net asset composition by type of fund as of June 30, 2020:

	Without Donor Restriction	With Donor Restriction		Total With Donor Restriction	Total
		Purpose	Perpetual		
Donor-Restricted Endowment Funds	\$ -	\$ 296,361,540	\$ 265,482,943	\$ 561,844,483	\$ 561,844,483
Underwater Endowment Funds	-	(4,968,099)	-	(4,968,099)	(4,968,099)
Board-Designated Endowment Funds	311,819,007	-	-	-	311,819,007
Subtotal Endowment Funds	311,819,007	291,393,441	265,482,943	556,876,384	868,695,391
Contributions Receivable	(200,000)	593,219	8,187,614	8,780,833	8,580,833
Total Endowment Funds	<u>\$ 311,619,007</u>	<u>\$ 291,986,660</u>	<u>\$ 273,670,557</u>	<u>\$ 565,657,217</u>	<u>\$ 877,276,224</u>

Changes in endowment net assets including contributions receivable for the endowment for the year ended June 30, 2020:

	Without Donor Restriction	With Donor Restriction		Total With Donor Restriction	Total
		Purpose	Perpetual		
Endowment Fund Balance - June 30, 2019	\$ 315,804,921	\$ 335,078,381	\$ 256,392,751	\$ 591,471,132	\$ 907,276,053
Net Contributions	3,990,507	216,776	16,834,115	17,050,891	21,041,398
Investment Return	(3,276,650)	(6,999,616)	-	(6,999,616)	(10,276,266)
Appropriations	(10,169,080)	(32,645,021)	-	(32,645,021)	(42,814,101)
Other Changes:					
Transfers of Matured Deferred and Estates					
Gifts to Endowment Funds	201,839	-	349,864	349,864	551,703
Change in Underwater Endowments	3,663,860	(3,663,860)	-	(3,663,860)	-
Board Designated Quasi Endowment	1,300,000	-	-	-	1,300,000
Donor Directed Gift Modifications	103,610	-	93,827	93,827	197,437
Total Other Changes	5,269,309	(3,663,860)	443,691	(3,220,169)	2,049,140
Endowment Fund Balance - June 30, 2020	<u>\$ 311,619,007</u>	<u>\$ 291,986,660</u>	<u>\$ 273,670,557</u>	<u>\$ 565,657,217</u>	<u>\$ 877,276,224</u>

**CARLETON COLLEGE
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2021 AND 2020**

NOTE 6 ENDOWMENTS (CONTINUED)

The fair value of assets associated with individual donor-restricted endowment funds may fall below the value of the initial and subsequent donor gift amounts (underwater). As of June 30, 2021, no fair values were underwater. As of June 30, 2020, funds with original gift values of \$94,344,337 and fair values of \$89,376,238, and deficiencies of \$4,968,099 were reported in net assets with donor restriction. The College considers these deficits temporary and continued spending appropriations are deemed prudent.

NOTE 7 RETIREMENT PLAN

Retirement benefits for nonunion eligible employees are individually funded and vested under a defined contribution program with the Teachers Insurance and Annuity Association (TIAA). Under this agreement, the College and plan participants contribute to individual employee TIAA retirement accounts which fund individual retirement benefits.

Union employees participate in a separate defined benefit plan with the Central Pension Fund.

Total expenses for the College's share of the contributions were \$5,990,646 and \$5,967,799 in 2021 and 2020, respectively.

NOTE 8 CONTRIBUTIONS RECEIVABLE

Unconditional promises to give are included in the financial statements as contributions receivable and revenue in the appropriate net asset category.

Contributions receivable are summarized as follows at June 30:

	2021	2020
Unconditional Promises Expected to be Collected in:		
Less than One Year	\$ 5,764,821	\$ 7,179,311
One Year to Five Years	16,470,900	10,338,689
Over Five Years	405,242	523,977
Gross Pledges Receivable	22,640,963	18,041,977
Less: Present Value Discount	(379,327)	(260,627)
Less: Allowance for Uncollectible Pledges	(200,000)	(200,000)
Pledges Receivable, Net	\$ 22,061,636	\$ 17,581,350

Contributions receivable from board members and employees totaled \$2,804,616 and \$5,055,027 at June 30, 2021 and 2020, respectively.

Approximately 44.2% and 12.2% of gross contributions receivable were attributed to one contributor as June 30, 2021 and 2020, respectively.

**CARLETON COLLEGE
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2021 AND 2020**

NOTE 9 CREDIT QUALITY OF STUDENT NOTES RECEIVABLE

The College issues uncollateralized loans to students based on financial need. Student loans are funded through federal government loan programs or institutional resources. Allowances for doubtful accounts are established based on prior collection experience and current economic factors which, in management's judgment, could influence the ability of loan recipients to repay the amounts per the loan terms. At June 30, 2021 and 2020, student loans represented less than 1% of total assets.

At June 30, student loans consisted of the following:

	2021	2020
Federal Government Programs	\$ 2,397,896	\$ 3,228,800
Henry Strong Loan Program	97,316	140,801
Institutional Loan Programs	555,094	665,981
Subtotal, Gross	<u>3,050,306</u>	<u>4,035,582</u>
Less: Allowance for Doubtful Accounts:	<u>(155,000)</u>	<u>(155,000)</u>
Student Loans Receivable, Net	<u>\$ 2,895,306</u>	<u>\$ 3,880,582</u>

At June 30, the past due and current amounts under student loan programs were as follows:

	2021	2020
Current Loan Receivables	\$ 2,744,634	\$ 3,723,174
Past Due Loan Receivables:		
0 - 240 Days Past Due	95,836	82,235
240 Days - 2 Years Past Due	38,271	73,542
2 - 5 Years Past Due	123,340	109,528
5+ Years Past Due	48,225	47,103
Total Past Due	<u>305,672</u>	<u>312,408</u>
Total Student Loan Receivables, Gross	<u>\$ 3,050,306</u>	<u>\$ 4,035,582</u>

Funds advanced by the federal government of \$1,394,474 and \$2,206,259 at June 30, 2021 and 2020, respectively, are ultimately refundable to the government and are classified as liabilities on the balance sheets.

As of June 30, 2021 and 2020, the Perkins Cohort Default rate was 1.49% and 1.25%, respectively.

CARLETON COLLEGE
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2021 AND 2020

NOTE 10 COMMITMENTS AND CONTINGENCIES

The College is involved in various legal actions arising in the normal course of activities and is subject to periodic audits and inquiries by various regulatory agencies. Although the ultimate outcome of such matters is not determinable at this time, management believes that the resolution of these pending matters will not have a materially adverse effect on the College's financial statements.

During the year, the College entered into various contracts for construction of new academic buildings and other infrastructure improvements. As of June 30, 2021 and 2020 the remaining commitment on these contracts totaled \$21,898,390 and \$18,578,135, respectively.

NOTE 11 SELF-INSURED MEDICAL BENEFITS AND WORKERS' COMPENSATION

The College provides medical benefits through a self-insured plan, which is available to all employees of the College who meet eligibility requirements. Accrued expenses include an incurred but not reported reserve of \$701,100 and \$622,116 as of June 30, 2021 and 2020, respectively. These reserves are an estimate of amounts due and payable on existing claims for which the College is self-insured and which are expected to be settled currently. For the plan years ended December 31, 2020 and 2019, the College was self-insured with an aggregate stop-loss of \$10,269,401 and \$10,890,546, respectively.

As of June 30, 2021 and 2020, the College had net assets without donor restrictions of \$5,129,918 and \$4,740,847, respectively, designated for health insurance benefits, which consist of the cumulative amount of College and employee contributions toward health premiums have exceeded expenses over the life of the plan.

The College is self-insured for workers' compensation. As of June 30, 2021 and 2020, the College has recorded a liability of \$108,973 and \$100,000, respectively, for claims incurred but not yet reported. The Workers' Compensation Reinsurance Association (WCRA) provides stop-loss coverage for aggregate claims in excess of \$500,000.

The College has established a workers' compensation reserve as required by WCRA, which is included in Investments on the balance sheets, of \$688,750 and \$676,030 as of June 30, 2021 and 2020, respectively.

CARLETON COLLEGE
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2021 AND 2020

NOTE 12 NET STUDENT FEES

The College reports Net Student Fees reflecting the comprehensive fee nature of a residential campus. Carleton meets the demonstrated financial need of all admitted students with scholarship awards funded by donor restricted gifts from individuals, grants, endowment spending or from income without donor restriction.

In response to the COVID-19 global pandemic Carleton reduced student density on campus during fiscal year 2021. Spring Term 2020 room and board charges were reduced when students left campus for remote learning and instruction.

	<u>2021</u>	<u>2020</u>
Tuition and Fees	\$ 111,243,914	\$ 115,746,003
Room and Board	20,148,591	17,562,472
Less: Scholarships:		
Funded by Restricted Gifts	498,301	531,136
Funded by Grants	138,510	123,120
Funded by Endowment Spending	12,397,444	11,216,991
Funded by Income without Donor Restrictions	34,410,856	35,306,305
Total Scholarships	<u>47,445,111</u>	<u>47,177,552</u>
Net Student Fees	<u>\$ 83,947,394</u>	<u>\$ 86,130,923</u>

NOTE 13 DEFERRED INCOME AND DEPOSITS

The College reports Deferred Income for tuition and registration fees paid in advance of academic programs scheduled in the next fiscal year. Deposits include continuing enrollment deposits for students, employee rental deposits, deposits to the campus card program, and deposits for agency programs for which the college provides fiduciary services.

	Continuing Enrollment Deposits	Tuition Paid for Next Year	Summer Programs and Alumni Tours	Other Deposits	Total
Balance at June 30, 2020	\$ 504,188	\$ 5,671,341	\$ 7,000	\$ 434,449	\$ 6,616,978
Revenue Recognized, Forfeited	(160,155)	(5,677,306)	(137,376)	(1,156,031)	(7,130,868)
Payments Received for Future Performance Obligations	165,146	2,382,183	769,766	3,448,128	6,765,223
Balance at June 30, 2021	<u>\$ 509,179</u>	<u>\$ 2,376,218</u>	<u>\$ 639,390</u>	<u>\$ 2,726,546</u>	<u>\$ 6,251,333</u>
Balance at June 30 2019	\$ 516,361	\$ 3,064,942	\$ 556,225	\$ 456,680	\$ 4,594,208
Revenue Recognized, Forfeited	(170,755)	(3,064,942)	(989,230)	(1,225,647)	(5,450,574)
Payments Received for Future Performance Obligations	158,582	5,671,341	440,005	1,203,416	7,473,344
Balance at June 30, 2020	<u>\$ 504,188</u>	<u>\$ 5,671,341</u>	<u>\$ 7,000</u>	<u>\$ 434,449</u>	<u>\$ 6,616,978</u>

CARLETON COLLEGE
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2021 AND 2020

NOTE 14 EXPENSES BY FUNCTION AND NATURAL CLASSIFICATION AND FUNCTION

The College reports expenditures in categories reflecting core operational objectives for higher education as defined by Integrated Postsecondary Education Data System (IPEDS). During the year expenses are directly coded to program activities (instruction, research, academic support, student services, and auxiliary enterprises) or support services (institutional management and fundraising) whenever possible. Expenses which are not directly identifiable by program or support service including operation and maintenance of plant expenses are allocated based on depreciation expense, interest expense is allocated based on the programs and/or supporting functions that directly benefit from the related debt issuance.

Expenses are categorized into functional expenses as follows:

- **Instruction** includes expenses for all activities that are part of the instructional program.
- **Research** includes expenses for activities specifically organized to produce research, whether funded by a federal grant or foundation or directly supported by the college or by an organizational unit.
- **Academic Support** includes expenses for all activities that directly support the instructional programs of the college such as the library and technology services.
- **Student Services** are considered programmatic and include activities that contribute to student emotional and physical well-being and intellectual, cultural and social development outside the formal instructional program. HEERF funding received to support students who experienced a disruption to their educational program due to the COVID-19 global pandemic is reported here.
- **Auxiliary** include expenses relating to the operation of the auxiliary activities such as housing, dining services, printing and mailing, parking and transportation.
- **Support Activities** include centralized management and administrative support services such as executive management, fiscal operations, general administration and fundraising activities.

Expenses associated with the operation and maintenance of plant, depreciation and interest expense are allocated across all functional expense categories as follows:

- **Depreciation** expenses for buildings and equipment are allocated based on the use of the building.
- **Plant Operation and Maintenance** expenses for the administration, supervision, operation, maintenance, preservation and protection of the institutions physical plant follow depreciation allocations.
- **Interest Expense** are allocated based on the use of space benefiting from the original debt issue.

**CARLETON COLLEGE
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2021 AND 2020**

NOTE 14 EXPENSES BY FUNCTION AND NATURAL CLASSIFICATION (CONTINUED)

Program activity expense reflect the major activities of the institution for instruction, research, academic support, student services and auxiliary enterprises. Support activities include institutional management and fundraising.

Expenses reported by function on the statement of activities and changes in net assets are summarized by natural classification for the years ended June 30, 2021 and 2020, respectively:

	2021		
	Program Activities	Support Activities	Total
EXPENSES			
Salaries and Wages	\$ 52,073,714	\$ 11,311,236	\$ 63,384,950
Employee Benefits	17,500,692	3,559,639	21,060,331
Student Employment	3,106,765	189,472	3,296,237
Professional Services	3,130,548	1,440,279	4,570,827
Supplies	4,405,928	1,182,174	5,588,102
Equipment	5,158,912	(1,526)	5,157,386
Building Maintenance	3,434,544	(251,673)	3,182,871
Utilities	2,486,074	(48,496)	2,437,578
Interest Expense	4,423,882	-	4,423,882
Depreciation	13,005,318	125,934	13,131,252
Dining Services	8,346,653	-	8,346,653
Travel	2,840,380	78,346	2,918,726
Other	9,751,208	77,200	9,828,408
	<u>\$ 129,664,618</u>	<u>\$ 17,662,585</u>	<u>\$ 147,327,203</u>
Total Expenses			
	<u>\$ 129,664,618</u>	<u>\$ 17,662,585</u>	<u>\$ 147,327,203</u>
	2020		
	Program Activities	Support Activities	Total
EXPENSES			
Salaries and Wages	\$ 51,907,674	\$ 11,032,785	\$ 62,940,459
Employee Benefits	18,350,976	3,543,928	21,894,904
Student Employment	3,535,219	196,819	3,732,038
Professional Services	1,861,241	1,053,134	2,914,375
Supplies	3,922,529	944,549	4,867,078
Equipment	4,361,094	(36,813)	4,324,281
Building Maintenance	2,171,107	1,091,803	3,262,910
Utilities	2,144,314	(104,592)	2,039,722
Interest Expense	4,552,503	-	4,552,503
Depreciation	12,197,018	126,918	12,323,936
Dining Services	6,329,307	-	6,329,307
Travel	6,479,630	652,864	7,132,494
Other	6,765,781	1,327,425	8,093,206
	<u>\$ 124,578,393</u>	<u>\$ 19,828,820</u>	<u>\$ 144,407,213</u>
Total Expenses			
	<u>\$ 124,578,393</u>	<u>\$ 19,828,820</u>	<u>\$ 144,407,213</u>

**CARLETON COLLEGE
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2021 AND 2020**

NOTE 15 SUPPLEMENTAL DISCLOSURES – U.S. DEPARTMENT OF EDUCATION

The College participates in various federally funded student financial aid programs. Under regulatory provisions of these programs, the University is required to demonstrate financial responsibility by meeting a certain composite score based on a formula developed by the Department of Education. This score uses financial ratios based on the College's audited financial statements. The composite score calculated reflects the overall relative financial health of institutions along a scale of negative 1.0 to positive 3.0.

The composite score for the year ended June 30, 2021 is as follows:

Primary Reserve Ratio:				
Expendable Net Assets		\$ 952,035,125		
Total Expenses/Losses		\$ 148,331,003		6.418315
Equity Ratio:				
Modified Net Assets		\$ 1,558,957,943		
Modified Assets		\$ 1,735,394,043		0.898331
Net Income Ratio:				
Change in Net Assets Without Donor Restrictions		\$ 109,927,371		
Total Revenues/Gains		\$ 456,741,585		0.240677
	Ratio	Strength Factor	Weight	Composite Scores
Primary Reserve Ratio	6.4183	3.0000	40%	1.2000
Equity Ratio	0.8983	3.0000	40%	1.2000
Net Income Ratio	0.2407	3.0000	20%	0.6000
Total				3.0000

See below for additional disclosures deemed necessary to calculate certain ratios for determining sufficient financial responsibility under Title IV.

**CARLETON COLLEGE
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2021 AND 2020**

NOTE 15 SUPPLEMENTAL DISCLOSURES – U.S. DEPARTMENT OF EDUCATION (CONTINUED)

	June 30, 2021
Net Assets	
1 Net assets with donor restrictions: restricted in perpetuity	\$ 337,660,367
2 Other net assets with donor restrictions (not restricted in perpetuity):	
a. Annuities with donor restrictions	\$ 32,366,413
b. Term endowments	\$ -
c. Life income funds (trusts)	\$ -
d. Total annuities, term endowments, and life income funds with donor restrictions	\$ 32,366,413
Property, Plant, and Equipment, net	
3 Pre-implementation property, plant, and equipment, net	
a. Ending balance of last financial statements submitted to and accepted by the Department of Education (June 30, 2019, financial statement)	\$ 314,226,628
b. Reclassify capital lease assets previously included in PPE, net prior to the implementation of ASU 2016-02 leases standard	\$ -
c. Less subsequent depreciation and disposals (net of accumulated depreciation)	\$ (28,376,947)
d. Balance pre-implementation property, plant, and equipment, net	\$ 285,849,681
4 Debt financed post-implementation property, plant, and equipment, net	
Long-lived assets acquired with debt subsequent to June 30, 2020:	
a. Equipment	\$ -
b. Land improvements	\$ -
c. Building	\$ -
d. Total property, plant, and equipment, net acquired with debt exceeding 12 months	\$ -
5 Construction in progress - acquired subsequent to June 30, 2020	\$ -
6 Post-implementation property, plant, and equipment, net, acquired without debt:	
a. Long-lived assets acquired without use of debt subsequent to June 30, 2019	\$ 63,771,357
7 Total Property, Plant, and Equipment, net - June 30, 2021	\$ 349,621,038
Debt to be excluded from expendable net assets	
8 Pre-implementation debt:	
a. Ending balance of last financial statements submitted to the Department of Education (June 30, 2019):	\$ 126,090,000
b. Reclassify capital leases previously included in long-term debt prior to the implementation of ASU 2016-02 leases standard.	\$ -
c. Less subsequent debt repayments	\$ (13,365,000)
d. Balance Pre-implementation Debt	\$ 112,725,000
9 Allowable post-implementation debt used for capitalized long-lived assets:	
a. Equipment - all capitalized	\$ -
b. Land improvements	\$ -
c. Buildings	\$ -
d. Balance Post-implementation Debt	\$ -
10 Construction in progress (CIP) financed with debt or line of credit	\$ -
11 Long-term debt not for the purchase of property, plant, and equipment or liability greater than assets value	\$ -
	\$ 112,725,000
12 Terms of current year debt and line of credit for PPE additions:	

	Issue Date	Maturity Date	Nature of Capitalized Amounts	Amount Capitalized
a.	Sep 25, 2019	Sep 25, 2024	Equipment	\$ -
b.	Sep 25, 2019	Sep 25, 2024	Land improvements	\$ -
c.	Sep 25, 2019	Sep 25, 2024	Buildings	\$ -
		5-year term (from original maturity)		

**CARLETON COLLEGE
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2021 AND 2020**

NOTE 15 SUPPLEMENTAL DISCLOSURES – U.S. DEPARTMENT OF EDUCATION (CONTINUED)

Lease right-of-use assets and liabilities

13	Lease right-of-use assets		
	Right-of-use assets as of balance sheet date June 20, 2020	\$	-
14	Lease right-of-use assets - Pre-implementation		
	Right-of-use assets as of balance sheet date June 20, 2020, excluding leases entered into before December 15, 2018	\$	-
15	Lease right-of-use assets - Post-implementation		
	Right-of-use assets as of balance sheet date June 20, 2020, excluding leases entered into on or after December 15, 2018	\$	-
16	Lease right-of-use liability		
	Lease liabilities as of balance sheet date June 20, 2020	\$	-
17	Lease right-of-use liability - Pre-implementation		
	Lease liabilities as of balance sheet date June 20, 2020, excluding leases entered into before December 15, 2018	\$	-
18	Lease right-of-use liability - Post-implementation		
	Lease liabilities as of balance sheet date June 20, 2020, excluding leases entered into on or after December 15, 2018	\$	-

Unsecured related-party receivables

19	Secured related-party receivables	\$	-
20	Unsecured related party receivables	\$	2,804,616
21	Total secured and unsecured related-party receivables	\$	2,804,616

Sale of fixed assets (if loss)

22	Loss on sale of fixed assets	\$	1,003,800
23	Remaining balances in expense category in which loss on sale of assets is included on SOA	\$	-
24	Expense category in which loss on sale of assets is included on SOA	\$	1,003,800

Sale of fixed assets (if gain)

25	Gain on sale of fixed assets	\$	-
26	Remaining balances in nonoperating other income category in which gain on sale of assets is included on SOA	\$	-
27	Other income category in which gain on sale of assets is included on SOA	\$	-

CARLETON COLLEGE
FINANCIAL RESPONSIBILITY RATIO SUPPLEMENTAL SCHEDULE
YEAR ENDED JUNE 30, 2021

	Primary Reserve Ratio:	Expendable Net Assets:	June 30, 2021
1	Statement of Financial Position (SFP)	Net assets without donor restrictions	\$ 706,110,094
2	SFP	Net assets with donor restrictions	\$ 854,652,465
3	SFP or Supplemental Disclosure (Note 15) Line 1	Net assets restricted in perpetuity	\$ 337,660,367
4	Note 15 Line 20	Unsecured related-party receivable	\$ 2,804,616
5	Note 15 Line 2d	Donor restricted annuities, term endowments, life income funds excluding net assets restricted in perpetuity	\$ 32,366,413
6	Note 15 Line 3d	Property, plant, and equipment pre-implementation	\$ 285,849,681
7	Note 15 Line 4d	Property, plant, and equipment post-implementation with outstanding debt for original purchase	\$ -
8	Note 15 Line 5	Construction in progress purchased with long-term debt	\$ -
9	Note 15 line 6a	Post-implementation property, plant and equipment, net, acquired without debt	\$ 63,771,357
10	Note 15 Line 14	Lease right-of-use asset, post-implementation	\$ -
11	Note 15 Line 15	Lease right-of-use asset, post-implementation	\$ -
12	SFP	Intangible assets	\$ -
13	SFP	Post-employment and pension liabilities	\$ -
14	Note 15 Line 8d	Long-term debt - for long-term purposes pre-implementation	\$ 112,725,000
15	Note 15 Line 9d	Long-term debt - for long-term purposes post-implementation	\$ -
16	Note 15 Line 10	Line of credit for construction in progress	\$ -
17	Note 15 Line 17	Pre-implementation right-of-use asset liability	\$ -
18	Note 15 Line 18	Post-implementation right-of-use asset liability	\$ -
		Total Expenses and Losses:	
19	Statement of Activities (SOA)	Total expenses (operating and nonoperating) without donor restrictions	\$ 147,327,203
20	SOA	Non-service component of pension/postemployment (nonoperating) cost, (if loss)	\$ -
21	Note 15 Line 22	Sale of fixed assets (if loss)	\$ 1,003,800
22	SOA	Change in value of interest-rate swap agreements (if loss)	\$ -
		Equity Ratio:	
		Modified Net Assets:	
23	SFP	Net assets without donor restrictions	\$ 706,110,094
24	SFP	Net assets with donor restrictions	\$ 854,652,465
25	SFP	Intangible assets	\$ -
26	Note 15 Line 20	Unsecured related-party receivables	\$ 2,804,616
		Modified Assets:	
27	SFP	Total assets	\$ 1,738,198,659
28	Note 15 Line 14	Lease right-of-use asset pre-implementation	\$ -
29	SFP	Intangible assets	\$ -
30	Note 15 Line 20	Unsecured related-party receivables	\$ 2,804,616
		Net Income Ratio:	
31	SOA Line 14	Change in Net Assets Without Donor Restrictions	\$ 109,606,488
		Total Revenues and Gains:	
32	SOA Line 13	Total operating revenue (including net assets released from restrictions)	\$ 150,312,607
33	SOA	Investments gain, net (aggregate operating and non-operating interest, dividends, realized and unrealized)	\$ 306,428,978
34	SOA	Non-service component of pension/postemployment (nonoperating) cost (if gain)	\$ -
35	SOA	Pension-related changes other than net periodic pension costs (if gain)	\$ -
36	SOA	Change in value of annuity agreement (typically in nonoperating)	\$ -
37	SOA	Change in value of interest-rate swap agreements (if gain)	\$ -
38	Note 15 Line 25	Sale of fixed assets (if gain)	\$ -
38	SOA	Other gains	\$ -

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