

# FINANCIAL REPORT

JUNE 30, 2021  
TRUSTEES OF GRINNELL COLLEGE

**Grinnell**







## INDEPENDENT AUDITORS' REPORT

Board of Trustees  
Trustees of Grinnell College  
Grinnell, Iowa

### **Report on the Financial Statements**

We have audited the accompanying consolidated financial statements of Trustees of Grinnell College (the College), which comprise the consolidated statements of financial position as of June 30, 2021 and 2020, and the related consolidated statements of activities, and cash flows for the years then ended, and the related notes to the consolidated financial statements.

### ***Management's Responsibility for the Financial Statements***

Management is responsible for the preparation and fair presentation of these consolidated 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 consolidated 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 consolidated financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the consolidated 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 consolidated 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 consolidated financial statements.

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



**TRUSTEES OF GRINNELL COLLEGE**  
**CONSOLIDATED STATEMENTS OF FINANCIAL POSITION**  
**JUNE 30, 2021 AND 2020**  
(DOLLARS IN THOUSANDS)

	2021	2020
<b>ASSETS</b>		
Cash and Cash Equivalents	\$ 3,271	\$ 2,933
Accounts Receivable - Less Allowance for Doubtful Accounts of \$66 in 2021 and \$65 in 2020	4,118	2,524
Inventories and Prepaid Expenses	4,768	3,993
Contribution and Bequest Receivable - Net (Note 5)	7,105	9,099
Loans to Students - Less Allowance for Doubtful Loans of \$677 in 2021 and \$644 in 2020 (Note 6)	4,694	5,243
Beneficial Interest in Trust (Note 2)	7,280	6,114
Investments (Note 2)	3,087,293	2,164,631
Property and Equipment - Net (Note 7)	331,919	339,495
Total Assets	\$ 3,450,448	\$ 2,534,032
<b>LIABILITIES AND NET ASSETS</b>		
<b>LIABILITIES</b>		
Accounts Payable	\$ 20,297	\$ 9,385
Accrued Payroll and Fringe Benefits	6,350	6,493
Deferred Revenue and Deposits	8,365	3,126
Annuities Payable	10,411	9,621
Funds Held in Trust for Others	371	284
Bonds Payable (Note 13)	233,533	180,662
Accrued Postretirement Benefit Obligation (Note 10)	19,518	19,828
United States Government Grants Refundable	1,281	1,650
Total Liabilities	300,126	231,049
<b>NET ASSETS</b>		
Without Donor Restriction (Notes 3 and 12)	2,160,525	1,595,011
With Donor Restriction (Notes 3 and 12)	989,797	707,972
Total Net Assets	3,150,322	2,302,983
Total Liabilities and Net Assets	\$ 3,450,448	\$ 2,534,032

See accompanying Notes to Consolidated Financial Statements.

**TRUSTEES OF GRINNELL COLLEGE**  
**CONSOLIDATED STATEMENT OF ACTIVITIES**  
**YEAR ENDED JUNE 30, 2021**  
(DOLLARS IN THOUSANDS)

**OPERATING ACTIVITIES**

Revenue, Gains, and Other Support:

Tuition and Fees, Net of Discount of \$50,030	\$ 32,142	\$ -	\$ 32,142
Government Grants and Contracts	-	2,833	2,833
Private Gifts and Grants	1,752	4,053	5,805
Net Investment Return			


**TRUSTEES OF GRINNELL COLLEGE**  
**CONSOLIDATED STATEMENT OF ACTIVITIES**  
**YEAR ENDED JUNE 30, 2020**  
(DOLLARS IN THOUSANDS)

	Without Donor Restriction	With Donor Restriction	Total
<b>OPERATING ACTIVITIES</b>			
Revenue, Gains, and Other Support:			
Tuition and Fees, Net of Discount of \$55,325	\$ 35,416	\$ -	\$ 35,416
Government Grants and Contracts	-	2,639	2,639
Private Gifts and Grants	1,704	4,402	6,106
Net Investment Return	818	11	829
Auxiliary Income	15,752	-	15,752
Other	517	-	517
Net Operating Revenues	<u>54,207</u>	<u>7,052</u>	<u>61,259</u>
Endowment Spending Distribution	82,502	-	82,502
Net Assets Released from Restrictions	5,302	(5,294)	8
Net Resources Funding Operations	<u>142,011</u>	<u>1,758</u>	<u>143,769</u>
Expenses and Losses:			
Instruction	49,396	-	49,396
Academic Support	17,208	-	17,208
Student Services	26,155	-	26,155
Institutional Support	26,822	-	26,822
Auxiliary Enterprises	16,407	-	16,407
Total Operating Expenses	<u>135,988</u>	<u>-</u>	<u>135,988</u>
Change in Net Assets from Operating Activities	6,023	1,758	7,781
<b>NONOPERATING ACTIVITIES</b>			
Private Gifts and Grants	111	8,549	8,660
Net Investment Return	26.8	-	-

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**TRUSTEES OF GRINNELL COLLEGE**  
**CONSOLIDATED STATEMENTS OF CASH FLOWS (CONTINUED)**  
**YEARS ENDED JUNE 30, 2021 AND 2020**  
**(DOLLARS IN THOUSANDS)**

<b>SUPPLEMENTAL DISCLOSURES OF CASH FLOW INFORMATION</b>	<u>2021</u>	<u>2020</u>
	<u>                    </u>	<u>                    </u>
	<u>                    </u>	<u>                    </u>
	<u>                    </u>	<u>                    </u>
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**TRUSTEES OF GRINNELL COLLEGE**  
**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**  
**JUNE 30, 2021 AND 2020**  
**(DOLLARS IN THOUSANDS)**

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**TRUSTEES OF GRINNELL COLLEGE**  
**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**  
**JUNE 30, 2021 AND 2020**  
**(DOLLARS IN THOUSANDS)**

**NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**Income Taxes**

The College has received a tax determination letter from the Internal Revenue Service (IRS) stating that it qualifies under the provisions of Section 501(c)(3) of the Internal Revenue Code and is exempt from federal income taxes.

GAAP requires management to evaluate tax positions taken by the College and recognize a tax liability (or asset) if the College has taken an uncertain position that more likely than not would not be sustained upon examination by the IRS. Management has analyzed the tax positions taken by the College, and has concluded that as of June 30, 2021, there are no uncertain positions taken or expected to be taken that would require recognition of a liability (or asset) or disclosure in the consolidated financial statements.

**Accounts Receivable**

Receivables are stated at net realizable value and are unsecured. The College does not charge interest on its accounts receivable. The College provides an allowance for doubtful accounts using the allowance method, which is based on management's judgment considering historical information. Accounts past due more than 90 days are individually analyzed for collectability. When all collection efforts have been exhausted, the accounts are written off against the related allowance.

**Inventories**

Inventories are valued at the lower of cost (first-in, first-out method) or net realizable value.

**Investments**

The College carries its investments at fair value. Unrealized appreciation or depreciation is reported as increases or decreases to net assets. Realized gains and losses on investments are determined using the first-in first-out method, the specific identification method, or the average cost method based upon the underlying investment structures and holdings.

**Property and Equipment**

Property and equipment, with an acquisition cost of \$15,000 or greater, is stated at cost at date of acquisition or estimated fair value at date of gift, less accumulated depreciation computed on a straight-line basis over the following estimated useful lives:

Buildings and Improvements	20 to 40 Years
Equipment and Furnishings	3 to 10 Years

Expenditures for new equipment, buildings, and improvements that substantially extend the useful life of an asset are capitalized. Ordinary repairs and maintenance are expensed as incurred. Construction in progress comprises costs incurred for building and improvements and equipment and furnishings.



**TRUSTEES OF GRINNELL COLLEGE**  
**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**  
**JUNE 30, 2021 AND 2020**  
**(DOLLARS IN THOUSANDS)**

**NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**Deferred Revenue 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.

**Grants from Governmental Agencies**

Conditional government grants and contracts are recorded as revenue when earned. Revenue is earned when eligible expenditures, as defined in each contract, are made. Funds received but not yet earned are shown as deferred revenue. Expenditures under government contracts are subject to review by the granting authority. To the extent, if any, that such a review reduces expenditures allowable under these contracts, the College will record such disallowance at the time the final assessment is made.

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 \$3,789 that have not been recognized at June 30, 2021 because qualifying expenditures have not yet been incurred.

**Split Interest Agreements**

The College is the beneficiary of various trusts and annuities. The College's interest in these split interest agreements is reported as a contribution in the year received at its net present value, discounted at rates between 1.00% and 9.00% as of June 30, 2021 and between 0.52% and 9.00% as of June 30, 2020, respectively, based upon actuarially determined mortality rates. The assets of these agreements, for which the College is the trustee, total approximately \$16,762 and \$13,914 as of June 30, 2021 and 2020, respectively, and are included in investments on the statements of financial position.

For irrevocable term trusts for which the College does not serve as trustee, contribution revenue and a trust asset are recognized at the date the trust is established for the present value of the estimated future payments to be received. For perpetual trusts for which the College does not serve as trustee, contribution revenue and a trust asset are recognized at the date the trust is established for the College's share of the fair value of trust assets.

**Funds Held in Trust for Others**

Funds held in trust for others are recorded at fair value. These investments, which are in the possession or under the control of the College, are administered by the College for outside fiscal agents, with the College deriving income from the investments as stipulated by the various gift instruments.

**TRUSTEES OF GRINNELL COLLEGE**  
**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**  
**JUNE 30, 2021 AND 2020**  
**(DOLLARS IN THOUSANDS)**

**NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**Postretirement Benefits**

The College provides certain health care benefits for all retired employees who meet eligibility requirements. The College's share of the estimated costs that will be paid after retirement is being accrued by charges to net assets without donor restriction over the employees' active service periods to the date they are fully eligible for benefits in accordance with ASC 715, *Compensation – Retirement Benefits*.

**Revenue Recognition**

The College recognizes tuition and fees revenue within the fiscal year in which educational services are provided. Discounts in the form of scholarships and grants, including those funded by the endowment and gifts, are reported as a reduction of tuition and fees.

The educational services are delivered in the fall and spring terms. There is not a standard summer term. Payments for the fall term received prior to June 30 are recorded as deferred revenue until the performance obligations are met.

Auxiliary Income includes activity for student housing and dining services. Performance obligations for housing and dining services are delivered over the academic terms. Consequently, associated revenues are earned and recognized during those terms.

**Grants and Scholarships**

Primarily scholarships, grants and other aid are offered by the College to attract and retain students. The College offers institutional support to students in the form of merit and need-based financial aid at the College's discretion.

**Adoption of New Accounting Standards**

In March 2019, FASB issued ASU 2019-03, *Updating the Definition of Collections (Topic 958)*. The standard improves the definition of collections in the Master Glossary by realigning it with the definition used in the American Alliance of Museums' (AAM) Code of Ethics for Museums (the Code). The College has adopted this standard retrospectively.

In August 2018, FASB issued ASU 2018-13,

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**TRUSTEES OF GRINNELL COLLEGE**  
**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**  
**JUNE 30, 2021 AND 2020**  
**(DOLLARS IN THOUSANDS)**

**NOTE 2 INVESTMENTS, COMMITMENTS, AND FAIR VALUE MEASUREMENTS**

The College records certain assets and liabilities at fair value in accordance with ASC 820, *Fair Value Measurements and Disclosures*. Fair value is defined as the exchange price that would be received for an asset or paid to transfer a liability (an exit price) in the principal or most advantageous market for the asset or liability in an orderly transaction between market participants on the measurement date. Valuation techniques used to measure fair value must maximize the use of observable inputs and minimize the use of unobservable inputs. A hierarchical framework has been established that classifies assets, based on the market observability of the inputs used to determine fair value, into the following three categories:

*Level 1* – Unadjusted quoted prices for identical instruments in active markets to which the College has access at the date of measurement.

*Level 2* – Quoted prices for similar instruments in active markets; quoted prices for



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**TRUSTEES OF GRINNELL COLLEGE**  
**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**  
**JUNE 30, 2021 AND 2020**  
(DOLLARS IN THOUSANDS)

**NOTE 4 LIQUIDITY**

The College regularly monitors liquidity required to meet its operating needs and other contractual commitments, while also striving to maximize the investment of its available funds. 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. Student loan receivables are not included in the analysis of liquidity as principal and interest on loans are used solely to make new loans.

The following assets could be made readily available within one year to meet general expenditures as of June 30:

	2021	2020
Cash and Cash Equivalents	\$ 1,981	\$ 1,605
Accounts Receivable	1,270	1,133
Contribution and Bequest Receivable	256	142
Investments	69,183	61,180
Endowment Spending Distribution	82,400	87,612
Total	<u>\$ 155,090</u>	<u>\$ 151,672</u>

The Board has designated a portion of its assets without donor restriction to the endowment. These funds are invested for long-term appreciation and current income but remain available and may be spent at the discretion of the Board. The designated endowment is \$1,968,208 and \$1,406,881 at June 30, 2021 and 2020, respectively.

In addition the Board has designated reserves to be used for high priority strategic initiatives. \$69,150 and \$61,073 of these reserves are readily available within one year to meet general expenditures and are included in the table above for June 30, 2021 and 2020, respectively.

**NOTE 5 CONTRIBUTION AND BEQUEST RECEIVABLE-NET**

Contribution and bequest receivable consists of the following at June 30:

	2021	2020
Less than One Year	\$ 3,346	\$ 4,304
One Year to Five Years	3,840	4,926
Greater than 5 Years	-	-
Total	<u>7,186</u>	<u>9,230</u>
Less: Discount to Present Value	81	131
Contribution and Bequest Receivable - Net	<u>\$ 7,105</u>	<u>\$ 9,099</u>

For the year ended June 30, 2021, contribution and bequest receivable included two gifts that represented 32.2% of the total balance. The discount rates for the present value calculation range from 0.3% to 2.73%. For the year ended June 30, 2020, contribution and bequest receivable included two gifts that represented 37.8% of the total balance. The College has determined that no allowance is necessary as of June 30, 2021 and 2020.

**TRUSTEES OF GRINNELL COLLEGE**  
**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**  
**JUNE 30, 2021 AND 2020**  
**(DOLLARS IN THOUSANDS)**

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**TRUSTEES OF GRINNELL COLLEGE**  
**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**  
**JUNE 30, 2021 AND 2020**  
(DOLLARS IN THOUSANDS)

**NOTE 10 POSTRETIREMENT BENEFIT PLAN**

**Postretirement Benefits**

The College sponsors a postretirement health care plan for all employees who meet eligibility requirements. The plan is contributory with retiree contributions that are adjustable annually based on various factors, some of which are discretionary.

The measurement date for the postretirement plan is June 30. The following tables set forth the plan's benefit obligation, fair value of plan assets, funded status (deficiency), components of net periodic benefit costs, and weighted average actuarial assumptions as of June 30:

Change in Benefit Obligation:	_____	_____
Benefit Obligation at Beginning of Year		
Service Cost		
Interest Cost		
Actuarial (Gain) Loss		
Benefits Paid		
	=====	=====
	=====	=====
	=====	=====
	=====	=====
	=====	=====

**TRUSTEES OF GRINNELL COLLEGE**  
**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**  
**JUNE 30, 2021 AND 2020**  
**(DOLLARS IN THOUSANDS)**

**NOTE 10 POSTRETIREMENT BENEFIT PLAN (CONTINUED)**

**Postretirement Benefits (Continued)**

Assumed health care cost trend rates have a significant effect on the amounts reported for the health care plan. A one-percentage-point change in assumed health care cost trend rates would have the following effects:

	1% Increase	2      4      5			
Effect on Total of Service and Interest Cost Components	\$      1,564.	2	4	5	T
Effect on Postretirement Benefit Obligations	5,938				d

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**TRUSTEES OF GRINNELL COLLEGE**  
**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**  
**JUNE 30, 2021 AND 2020**  
(DOLLARS IN THOUSANDS)

**NOTE 11 DEFERRED REVENUE**

The College reports deferred revenue for tuition and registration fees paid in advance of academic programs scheduled in the next fiscal year. Deposits include enrollment deposits for students, deposits to the campus card program, golf course passes, and gift certificates.

	Tuition Paid For Next Year	Other Deposits	Total
Balance at June 30, 2020	\$ 469	\$ 406	\$ 875
Revenue Recognized	(469)	(294)	(763)
Payments Received for Future Performance Obligations	3,748	1,824	5,572
Balance at June 30, 2021	<u>\$ 3,748</u>	<u>\$ 1,936</u>	<u>\$ 5,684</u>

The College applies the practical expedient in paragraph 606-10-50-14 and does not disclose information about remaining performance obligations that have original expected durations of one year or less. The College anticipates that students enrolled for the Fall semester will continue their studies in the Spring semester, and that students who receive their baccalaureate degree in December or May will be replaced by an equivalent number of new enrollees.

**NOTE 12 NET ASSETS**

Net assets with restriction consist of the following as of June 30:

	2021	2020
<b>Time or Purpose Restricted</b>		
General Purposes	\$ 209	\$ 145
Instruction	1,480	1,902
Academic Support	4,420	4,460
Student Services	3,710	2,533
Institutional Support	1,954	1,645
Auxiliary Services	6	4
Scholarships, Grants, and Loans	2,611	2,326
Facilities Operations	2,171	3,645
Split Interest Agreements	571	541
Total	<u>17,132</u>	<u>17,201</u>
<b>Time or Purpose Restricted - Endowment Corpus</b>		
Instruction	691	-
Scholarships, Grants, and Loans	1,419	453
Total	<u>2,110</u>	<u>453</u>

**TRUSTEES OF GRINNELL COLLEGE**  
**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**  
**JUNE 30, 2021 AND 2020**  
(DOLLARS IN THOUSANDS)

**NOTE 12 NET ASSETS (CONTINUED)**

	2021	2020
<b>Investment Return Generated from Donor-Restricted Endowment Funds Subject to UPMIFA</b>		
General Purposes	\$ 149,879	\$ 103,468
Instruction	289,578	194,018
Academic Support	66,443	43,968
Student Services	58,703	37,752
Institutional Support	35,359	24,390
Scholarships, Grants, and Loans	219,817	140,342
Facilities Operations	445	296
Total	820,224	544,234
<b>Perpetual - Endowment Related</b>		
General Purposes	12,914	12,328
Instruction	41,664	41,229
Academic Support	11,508	11,358
Student Services	14,928	14,445
Institutional Support	2,585	2,575
Scholarships, Grants, and Loans	57,338	57,177
Facilities Operations	70	70
Total	141,007	139,182
<b>Perpetual - Other</b>		
Scholarships, Grants, and Loans	3,915	3,434
Split Interest Agreements	5,409	3,468
Total	9,324	6,902
Total Net Assets With Donor Restrictions	\$ 989,797	\$ 707,972

**NOTE 13 BONDS PAYABLE**

Bonds payable consist of the following at June 30:

	2021	2020
Revenue Bonds dated March 9, 2010 with Final Maturity on December 1, 2020	\$ -	\$ 5,805
Revenue Bonds dated November 20, 2014 with Final Maturity on December 1, 2044	56,415	56,415
Revenue Bonds dated February 7, 2017 with Final Maturity on December 1, 2046	104,455	104,455
Revenue Bonds dated April 8, 2021 with Final Maturity on December 1, 2051	60,600	-
	221,470	166,675
Capitalized Bond Issuance Costs	(1,465)	(930)
Premium on Revenue Bonds	13,528	14,917
Total	\$ 233,533	\$ 180,662

**TRUSTEES OF GRINNELL COLLEGE**  
**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**  
**JUNE 30, 2021 AND 2020**  
(DOLLARS IN THOUSANDS)

**NOTE 13 BONDS PAYABLE (CONTINUED)**

On March 9, 2010, IHELA issued an aggregate of \$58,905 of Private College Facility Revenue and Refunding Bonds (at a premium of \$7,090). A portion of the proceeds was used to advance refund \$50,000 of Series 2001 Private College Facility Variable Rate Demand Revenue Bonds. The 2010 bond issue was structured as 16 separate serial bonds in principal amounts ranging from \$550 to \$5,900, at interest rates ranging from 2.00% to 5.00%. Interest on the 2010 bonds is payable each June 1 and December 1.

On November 20, 2014, IHELA issued an aggregate of \$56,415 of Private College Facility Revenue Refunding Bonds (at a premium of \$3,966). The proceeds were used to advance refund the Series 2008 Private College Facility Variable Rate Demand Revenue bonds. The 2014 bond issue was structured as 16 separate serial bonds in principal amounts ranging from \$1,340 to \$16,710, at interest rates ranging from 3.0% to 5.0%. Interest on the 2014 bonds is payable each June 1 and December 1.

On February 7, 2017, IHELA issued an aggregate of \$104,455 of Private College Facility Revenue Refunding Bonds (at a premium of \$16,247). The 2017 bond issue was structured as 18 separate serial bonds in principal amounts ranging from \$2,155 to \$31,050, at interest rates ranging from 4.0% to 5.0%. Interest on the 2017 bonds is payable each June 1 and December 1.

On April 8, 2021, IHELA issued an aggregate of \$60,600 of Private College Facility Revenue Refunding Bonds. The 2021 bond issue was structured as a bullet maturity at an interest rate of 3.0%. Interest on the 2021 bonds is payable each June 1 and December 1.

Bond repayment is subject to Loan Agreements between IHELA and the College. The obligations of the College to make loan repayments under the Loan Agreements are general obligations of the College and are unsecured.

Scheduled maturities on bonds payable of the College subsequent to June 30, 2021 are as follows:

<u>Year Ending June 30,</u>	<u>Amount</u>
2022	\$ 3,495
2023	3,650
2024	3,810
2025	3,975
2026	4,150
Thereafter	202,390
Total	<u>\$ 221,470</u>

The College has a line of credit with the Northern Trust Company for general corporate purposes and liquidation purposes. The line of credit is secured by the College's real estate and equipment. The line of credit is available to the College in the amount of \$5.4 million. The line of credit is subject to the terms and conditions of the credit agreement. The line of credit is available to the College until the expiration of the credit agreement.



TRUSTEES OF GRINNELL COLLEGE

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**TRUSTEES OF GRINNELL COLLEGE**  
**FINANCIAL RESPONSIBILITY RATIO SUPPLEMENTAL SCHEDULE**  
**JUNE 30, 2021**  
**(DOLLARS IN THOUSANDS)**

**Primary Reserve Ratio:**

		<b>Expendable Net Assets:</b>	
1	Statement of Financial Position (SFP)	Net assets without donor restrictions	\$ 2,160,525
2	SFP	Net assets with donor restrictions	989,797
3	Note 16 Line 1	Net assets restricted in perpetuity	150,331
4	Note 16 Line 20	Unsecured related-party receivable	634
5	Note 16 Line 2d	Donor restricted annuities, term endowments, life income funds	5,021
6	Note 16 Line 3d	Property, plant, and equipment pre-implementation	306,462
7	Note 16 Line 4d	Property, plant, and equipment post-implementation with outstanding debt for original purchase	-
8	Note 16 Line 5	Construction in progress purchased with long-term debt	6,578
9	Note 16 Line 11	Post-implementation property, plant, and equipment, net, acquired without debt	18,879
10	N/A	Lease right-of-use asset, pre-implementation (grandfather of leases option not chosen)	-
11	N/A	Lease right-of-use asset, post-implementation	-
12	SFP	Intangible assets	-
13	SFP	Post-employment and pension liabilities	19,518
14	Note 16 Line 8d	Long-term debt - for long-term purposes pre-implementation	160,870
15	Note 16 Line 9d	Long-term debt - for long-term purposes post-implementation	-
16	Note 16 Line 10	Line of credit for construction in progress	-
17	N/A	Pre-implementation right-of-use asset liability	-
18	N/A	Post-implementation right-of-use asset liability	-
		<b>Total Expenses and Losses:</b>	
19	Statement of Activities (SOA)	Total expenses (operating and nonoperating) without donor restrictions	128,086
20	SOA	Nonservice component of pension/postemployment (nonoperating) cost, (if loss)	1,175
21	SOA	Sale of fixed assets (if loss)	-
22	SOA	Change in value of interest-rate swap agreements (if loss)	-

**Equity Ratio:**

		<b>Modified Net Assets:</b>	
23	SFP	Net assets without donor restrictions	\$ 2,160,525
24	SFP	Net assets with donor restrictions	989,797
25	SFP	Intangible assets	-
26	Note 16 Line 20	Unsecured related-party receivables	634
27	SFP		
28	N/A		
29	SFP -		
30	-		

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