DEPAUW UNIVERSITY

FINANCIAL STATEMENTS
June 30, 2022 and 2021

DEPAUW UNIVERSITY
Greencastle, Indiana

FINANCIAL STATEMENTS
June 30, 2022 and 2021

CONTENTS

Crowe LLP
Independent Member Crowe Global

INDEPENDENT AUDITOR'S REPORT

The Board of Trustees
DePauw University
Greencastle, Indiana

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of DePauw University (the "University"), which comprise the statements of financial position as of June 30, 2022 and 2021, and the related statements of activities, and cash flows for the years then ended, and the related notes to the financial statements.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of DePauw University as of June 30, 2022 and 2021, and the changes in its net assets and its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

We conducted our audits in accordance with auditing standards generally accepted in the United States of America (GAAS). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the University and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audits. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America, and for 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.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about University's ability to continue as a going concern for one year from the date the financial statements are available to be issued.

(Continued)

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with GAAS, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit 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 University's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about University's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control–related matters that we identified during the audit.

Crowe LLP

Crowe LLP

Indianapolis, Indiana
November 9, 2022

DEPAUW UNIVERSITY
STATEMENTS OF FINANCIAL POSITION
June 30, 2022 and 2021

	2022	2021
ASSETS		
Cash and cash equivalents	$ 12,475,598	$ 30,103,565
Cash restricted for capital projects	2,540,114	1,323,983
Accounts receivable (net of allowance of $486,000 for 2022 and $569,000 for 2021)	2,211,884	1,639,607
Inventories	317,405	288,335
Prepaid expenses	1,337,861	1,286,214
Contributions receivable, net (Note 2)	44,854,279	56,476,762
Student notes receivable (net of allowance for uncollectible notes of $303,000 for 2022 and $332,000 for 2021)	5,028,758	5,495,501
Other notes receivable, mortgages and promissory notes	70,000	110,000
Investments (Note 3)	704,428,260	759,666,048
Other investments	629,000	629,000
Real estate held for sale	260,000	-
Property, plant and equipment (Note 4)	305,420,034	297,634,140
Cash surrender value of life insurance	5,154,883	5,090,342
Beneficial interest in lead and remainder trusts (Note 5)	1,203,347	2,642,237
Beneficial interest in perpetual trusts (Note 6)	10,784,059	13,010,260
Total assets	$ 1,096,715,482	$ 1,175,395,994
LIABILITIES		
Accounts payable and other accruals	$ 6,468,669	$ 2,877,615
Interest payable	624,820	1,013,113
Deposits, prepayments and other liabilities	3,337,341	2,590,134
Capital leases	347,985	109,052
Note payable	629,622	811,957
Dining service program advance	3,700,000	4,171,429
Fair value of interest rate swap (Note 11)	-	23,080,044
Annuity and trust liability (Note 7)	15,417,770	18,232,927
Advances from federal government for student loans	1,340,492	1,946,865
Accumulated postretirement benefit obligation (Note 8)	14,253,884	17,928,595
Bonds payable (Note 10)	165,023,296	159,258,055
Total liabilities	211,143,879	232,019,786
NET ASSETS		
Without donor restrictions	297,384,799	303,269,840
With donor restrictions (Note 12)	588,186,804	640,106,368
Total net assets	885,571,603	943,376,208
Total liabilities and net assets	$ 1,096,715,482	$ 1,175,395,994

See accompanying notes to financial statements.

DEPAUW UNIVERSITY
STATEMENT OF ACTIVITIES
Year Ended June 30, 2022

	Without Donor Restrictions	With Donor Restrictions	Total
Revenues			
Net tuition and fees	$ 29,010,049	$ -	$ 29,010,049
Contributions	4,466,697	9,037,337	13,504,034
Investment return designated for current operations (Note 3)	12,907,971	24,457,103	37,365,074
Federal grants	4,030,728	105,927	4,136,655
Auxiliary services	16,740,647	-	16,740,647
Other income	3,206,811	254,275	3,461,086
Releases from restriction (Note 12)	24,793,782	(24,793,782)	-
	95,156,685	9,060,860	104,217,545
Expenses			
Instruction	42,087,902	-	42,087,902
Student services	20,686,501	-	20,686,501
Academic support and library	14,111,080	-	14,111,080
Auxiliary services	19,257,717	-	19,257,717
Management and general	11,911,661	-	11,911,661
Fundraising and alumni support	3,669,141	-	3,669,141
	111,724,002	-	111,724,002
Changes in net assets from operations	(16,567,317)	9,060,860	(7,506,457)
Non-operating activities			
Gain on interest rate swaps (Note 11)	18,443,509	-	18,443,509
Other changes in accumulated postretirement benefit obligations	2,533,211	-	2,533,211
Net assets released for capital projects (Note 12)	9,189,307	(9,189,307)	-
Change in value of split-interest agreements	(154,861)	(6,491,697)	(6,646,558)
Non-operating miscellaneous revenue	80,482	908,968	989,450
Investment loss after amounts designated for current operations (Note 3)	(18,998,718)	(46,208,388)	(65,207,106)
Loss on extinguishment of debt	(410,654)	-	(410,654)
	10,682,276	(60,980,424)	(50,298,148)
Changes in net assets	(5,885,041)	(51,919,564)	(57,804,605)
Net assets at beginning of year	303,269,840	640,106,368	943,376,208
Net assets, end of year	$ 297,384,799	$ 588,186,804	$ 885,571,603

See accompanying notes to financial statements.

DEPAUW UNIVERSITY
STATEMENT OF ACTIVITIES
Year Ended June 30, 2021

	Without Donor Restrictions	With Donor Restrictions	Total
Revenues			
Net tuition and fees	$ 30,714,954	$ -	$ 30,714,954
Contributions	6,244,897	9,996,048	16,240,945
Investment return designated for current operations (Note 3)	18,148,513	35,291,464	53,439,977
Federal grants	2,253,903	146,989	2,400,892
Auxiliary services	9,840,879	-	9,840,879
Other income	1,419,458	1,287,717	2,707,175
Releases from restriction (Note 12)	32,318,174	(32,318,174)	-
	100,940,778	14,404,044	115,344,822
Expenses			
Instruction	38,139,148	-	38,139,148
Student services	18,289,799	-	18,289,799
Academic support and library	11,749,149	-	11,749,149
Auxiliary services	15,977,843	-	15,977,843
Management and general	12,752,847	-	12,752,847
Fundraising and alumni support	3,224,065	-	3,224,065
	100,132,851	-	100,132,851
Changes in net assets from operations	807,927	14,404,044	15,211,971
Non-operating activities			
Gain on interest rate swaps (Note 11)	5,091,654	-	5,091,654
Other changes in accumulated postretirement benefit obligations	109,810	-	109,810
Net assets released for capital projects (Note 12)	1,857,135	(1,857,135)	-
Change in value of split-interest agreements	4,051	4,349,557	4,353,608
Non-operating miscellaneous revenue (expense)	164,354	(2,500)	161,854
Investment return after amounts designated for current operations (Note 3)	35,557,346	81,092,636	116,649,982
	42,784,350	83,582,558	126,366,908
Changes in net assets	43,592,277	97,986,602	141,578,879
Net assets at beginning of year	259,677,563	542,119,766	801,797,329
Net assets, end of year	$ 303,269,840	$ 640,106,368	$ 943,376,208

See accompanying notes to financial statements.

DEPAUW UNIVERSITY
STATEMENTS OF CASH FLOWS
Years Ended June 30, 2022 and 2021

	2022	2021
Cash flows from operating activities		
Change in net assets	$ (57,804,605)	$ 141,578,879
Items not requiring (providing) cash		
Depreciation and amortization	14,871,235	13,923,649
Real estate held for sale	(260,000)	410,000
Beneficial interest in remainder and perpetual trusts	3,665,091	(860,655)
Actuarial change in postretirement benefit obligation	(2,606,693)	(800,750)
Net realized/unrealized (gain)/loss on investments	28,626,415	(169,808,864)
Contributed stock	(3,047,176)	(6,085,304)
Contributions restricted for long-term investment	(10,414,782)	(1,987,311)
Contributions restricted for capital projects	(8,559,334)	(2,251,195)
Change in fair value of interest rate swap	(20,386,252)	(7,063,899)
Loss on extinguishment of debt	410,653	-
Changes in		
Accounts receivable	(572,277)	(636,370)
Inventories, prepaid and other assets	(80,717)	531,900
Contributions receivable	14,669,659	20,396,380
Net change in cash surrender value of life insurance	(64,541)	776,980
Accounts payable and other accruals	4,338,261	(12,900,288)
Interest payable	(388,293)	107,054
Annuity and trust liability	(2,815,157)	3,331,891
Accumulated postretirement benefit obligation	(1,068,018)	(896,799)
Net cash from operating activities	(41,486,531)	(21,506,907)
Cash flows from investing activities		
Stock contributions restricted for capital projects	(1,026,497)	(1,300,120)
Purchases of property, plant and equipment	(22,869,308)	(13,667,316)
Proceeds from sales of securities	115,235,718	202,516,864
Purchases of securities	(88,624,345)	(154,443,705)
Student notes receivable	466,743	727,795
Payments on notes receivable and other investing activities	40,000	50,000
Net cash from investing activities	3,222,311	33,155,723
Cash flows from financing activities		
Stock contributions restricted for capital projects	1,026,497	1,300,120
Proceeds from contributions restricted for long-term investment	10,414,782	1,987,311
Proceeds from contributions restricted for capital projects	8,559,334	2,251,195
Premium on issuance of debt	6,624,491	-
Advances from federal government for student loans	(606,373)	-
Net settlements on interest rate swaps	(2,693,792)	(2,887,706)
Payments on capital leases	238,933	(159,858)
Payments on notes payable	(182,335)	(7,149)
Principal payments on bonds payable	(2,934,193)	(3,120,000)
Issuance of bonds payable	1,405,040	14,200,000
Net cash from financing activities	21,852,384	13,563,913
Net change in cash and cash equivalents	(16,411,836)	25,212,729
Cash and cash equivalents, beginning of year	31,427,548	6,214,819
Cash and cash equivalents, end of year	$ 15,015,712	$ 31,427,548
Supplemental cash flows information		
Interest paid	$ 5,372,351	$ 5,228,402
Purchases of property, plant and equipment in accounts payable	1,991,228	261,113
Repayment of debt by bond trustee	125,489,960	-

See accompanying notes to financial statements.

NOTE 1 - NATURE OF OPERATIONS AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Nature of Operations: DePauw University (University), a privately endowed educational institution, derives its revenue from student tuition and fees, investments, gifts and grants, operation of auxiliary enterprises and various related activities. The University is a nonprofit organization exempt from the payment of federal income tax under the provisions of Internal Revenue Code Section 501(c)(3) as a corporation organized and operated for educational purposes and has been determined by the Internal Revenue Service not to be a private foundation.

Income Taxes: The University is exempt from income taxes under Section 501(c)(3) of the Internal Revenue Code and a similar provision of state law. However, the University is subject to federal income tax on any unrelated business taxable income.

The University is subject to guidance with respect to accounting for uncertainty in income taxes. A tax position is recognized as a benefit only if it is “more likely than not” that the tax position would be sustained in a tax examination, with a tax examination being presumed to occur. The amount recognized is the largest amount of tax benefit that is greater than 50% likely of being realized on examination. For tax positions not meeting the “more likely than not” test, no tax benefit will be recorded.

The University does not expect the total amount of unrecorded tax benefits to significantly change in the next 12 months. The University recognizes interest and/or penalties related to income tax matters in income tax expense. The University did not have any amounts accrued for interest and penalties at June 30, 2022 and 2021. At June 30, 2022 and 2021, the University has not recorded any expected tax benefits.

Use of Estimates: The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America (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 the revenues, expenses, gains, losses and other changes in net assets during the reporting period. Actual results could differ from those estimates.

Net Asset Classifications: The financial statements have been prepared in accordance with GAAP. This requires, among other things, that the financial statements report the changes in and total of each of the net asset classes, based upon donor restrictions, as applicable. Net assets are to be classified as without donor restrictions or with donor restrictions.

The following classes of net assets are maintained:

Net Assets Without Donor Restrictions - The net asset without donor restrictions class includes general assets and liabilities of the University. The net assets without donor restrictions of the University may be used at the discretion of management to support the University’s purposes and operations.

Net Assets With Donor Restrictions - The net asset with donor restrictions class includes assets of the University related to gifts with explicit donor-imposed restrictions that have not been met as to specified purpose, or to later periods of time or after specified dates. Unconditional promises to give that are due in future periods and are not with donor restrictions in perpetuity are classified as net assets with donor restrictions of a temporary nature. For donor-imposed restrictions to be kept in perpetuity, the use of the assets or their economic benefit neither expire with the passage of time nor can be removed by satisfying a specific purpose.

(Continued)

NOTE 1 - NATURE OF OPERATIONS AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Cash and Cash Equivalents and Cash Restricted for Capital Projects: For purposes of reporting cash flows, the University considers all liquid investments with an original maturity of three months or less to be cash equivalents. At June 30, 2022 and 2021, the University's cash accounts exceeded federally insured limits by approximately $13,552,000 and $30,478,000. Cash restricted for capital projects represents cash reserved for use on ongoing construction efforts related to the Master Plan.

Accounts Receivable: Student accounts receivable are stated at the amount billed for tuition and fees. The University provides an allowance for doubtful accounts, which is based upon a review of outstanding receivables, historical collection information and existing economic conditions. Accounts receivable are ordinarily due 30 days after the issuance of the student's bill. Interest is not charged on past due accounts.

Student Notes Receivable: Student notes receivable are reported at the outstanding principal balances. These loans have been issued to eligible students primarily under the Federal Perkins Loan Program. The repayment period begins after an initial grace period of either six or nine months after the student ceases to be at least a half-time student. Interest income is recorded as monthly payments are received. The University's share of any uncollectible accounts under the Federal Perkins Loan Program would not be material to the financial statements. Defaulted loans are handled in accordance with the guidelines of the Federal Perkins Loan Program. The Perkins Title IV federal program has been discontinued by the federal government and therefore, there are no new Perkins loans being made as of June 30, 2022 and 2021. The University also maintains a number of donor-funded institutional loan programs which comprise the minority of the total loan portfolio.

At June 30, 2022 and 2021, the following amounts were past due under the loan programs:

June 30	1 - 270 Days Past due	270 Days - 2 Years Past due	2 - 5 Years Past due	5 + Years Past due	Total Past Due
2022	$ 511,273	$ 272,658	$ 395,314	$ 341,116	$ 1,520,361
2021	$ 335,117	$ 280,138	$ 296,988	$ 269,470	$ 1,181,713

Investments and Investment Returns: Marketable securities and other investments are carried at fair value. Realized and unrealized gains and losses are included in the statements of activities. Securities traded on a national exchange are valued at their last reported sales price on the primary exchange on which they are traded. Securities traded in the over-the-counter market, and listed securities for which no sale was reported on that date, are valued at the last reported bid price.

The University has significant investments in stocks, bonds and mutual funds and is therefore subject to concentrations of credit risk. Investments are made by investment managers engaged by the University and the investments are monitored for the University by an investment advisor. Although the market value of investments is subject to fluctuations on a year-to-year basis, management believes the investment policy is prudent for the long-term welfare of the University.

(Continued)

NOTE 1 - NATURE OF OPERATIONS AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Assets held in diversifying assets, real assets, venture capital, and private equity funds are recorded based on estimated fair values. Methods for determining estimated fair values include discounted cash flows and estimates provided by fund trustees and general partners. The estimated fair value of certain other investments is based on valuations provided by the external investment managers, adjusted for cash receipts, disbursements and significant known valuation changes in market values of publicly held securities contained in the portfolio. Ongoing review and assessment is made to incorporate other transactions, activity and factors to estimate fair value at the financial statement date due to the latest information provided by the fund managers or the general partners not always being as of the financial statement date. Fair value estimation for these investments is inherently subjective as it requires estimates that are susceptible to revision as more information becomes available. The University considers the carrying values of these investments to be a reasonable estimate of fair value. Because these investments are not readily marketable and may be subject to the withdrawal restrictions, their estimated value is subject to uncertainty and, therefore, may differ from the value that would have been used had a ready market for such investments existed. Such differences could be material.

The University maintains pooled investment accounts for its endowments, quasi-endowments and other investable funds. Investment income and realized and unrealized gains and losses from securities in the pooled investment accounts are allocated quarterly to the individual endowments. The allocation is based on the relationship of the fair value of the interest of each endowment or quasi-endowment to the total fair value of the pooled investment accounts, as adjusted for additions to or deductions from those accounts.

The Board of Trustees designates only a portion of the University's cumulative investment return to support current operations. The remainder is retained to support operations of future years and to offset potential market declines. The amount computed under the endowment spending policy of the investment pool and all investment income earned by investing cash in excess of daily requirements is used to support current operations.

Property, Plant and Equipment: Expenditures for property, plant and equipment and items which substantially increase the useful lives of existing assets in excess of $10,000 are capitalized at cost, or fair value if donated. The University provides for depreciation on the straight-line method at rates designed to depreciate the cost of assets over their estimated useful lives as follows:

Campus grounds and buildings	10 – 50 years
Furnishings and equipment	3 – 10 years
Books and scientific apparatus	5 – 10 years
Inn at DePauw and Student Social Center	10 – 50 years
Other property held	3 – 30 years

Long-Lived Asset Impairment: The University evaluates the recoverability of the carrying value of long-lived assets whenever events or circumstances indicate the carrying amount may not be recoverable. If a long-lived asset is tested for recoverability and the undiscounted estimated future cash flows expected to result from the use and eventual disposition of the asset is less than the carrying amount of the asset, the asset cost is adjusted to fair value and an impairment loss is recognized as the amount by which the carrying amount of a long-lived asset exceeds it fair value. No impairment is thought to exist at June 30, 2022 or 2021.

Cash Surrender Value of Life Insurance Policies: The University is the owner and beneficiary of several life insurance policies. These assets are recorded at the current cash surrender value of these policies and are included on the statement of financial position.

(Continued)

NOTE 1 - NATURE OF OPERATIONS AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Collections: Collections, which were acquired through purchases and contributions since the organization's inception, are not recognized as assets on the statement of financial position. Purchases of collection items are recorded as decreases in net assets without donor restrictions in the year in which the items are acquired or as net assets with donor restrictions if the assets used to purchase the items are restricted by donors. Contributed collection items are not reflected on the financial statements. Proceeds from deaccessions or insurance recoveries are reflected as increases in the appropriate net asset classes.

Revenue Recognition:

Tuition, Fees, and Auxiliary Services

Net tuition revenues consisted primarily of tuition, net of grants and scholarships, and fees derived from courses taught by the University, as well as from related educational resources that the University provided to its students, such as access to online materials. Tuition revenue was recognized pro-rata over the applicable period of instruction. For the years ended June 30, 2022 and 2021, the University's revenue was reduced by approximately $60,012,000 and $58,384,000, respectively, as a result of scholarships that the University offered to students. Revenue recognition occurred once a student started attending a course. The University had no costs that were capitalized to obtain or to fulfill a contract with a customer.

Sales and services of auxiliary enterprises include housing services, food services, a bookstore, parking operations, events and camps. The University recognizes revenue for housing and certain food services proportionately over the applicable academic term. Fees related to housing and food received in advance of services are reported in deposits, prepayments and other liabilities in the statements of financial position. The University typically recognizes revenue from other sales and services of auxiliary enterprises at the point in time sales occur or as services are rendered.

The following table presents revenues disaggregated by the nature of transfer of services for the year ended June 30, 2022:

Undergraduate programs	$ 89,021,785
Less: grants and scholarships	(60,011,736)
Net tuition revenues	29,010,049
Auxiliary revenues	16,740,647
Total revenues from contracts with customers	$ 45,750,696

The following table presents revenues disaggregated by the nature of transfer of services for the year ended June 30, 2021:

Undergraduate programs	$ 89,099,415
Less: grants and scholarships	(58,384,461)
Net tuition revenues	30,714,954
Auxiliary revenues	9,840,879
Total revenues from contracts with customers	$ 40,555,833

The University's contract liabilities are presented within the deposits, prepayments and other liabilities in the statements of financial position. In any period that the University receives excess tuition, fees and other student payments over amounts recognized as revenue on the statement of activities, a liability is recorded on the statements of financial position. The University does not present information about outstanding performance obligations as of year-end, because its contracts with students all had original terms of less than one year.

(Continued)

NOTE 1 - NATURE OF OPERATIONS AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

A summary of changes in contract liabilities is as follows:

	June 30, 2021	Revenue Recognized	Additions	June 30, 2022
Student deposits, prepayments and other liabilities	$ 2,590,134	$ (2,590,134)	$ 3,337,341	$ 3,337,341
Dining service program advance	4,171,429	(471,429)	-	3,700,000

The University maintains an institutional refund policy, which provides for all or a portion of tuition and fees to be refunded if a student withdraws during the stated refund period. The University does not record revenue on amounts that are expected to be refunded. Refunds are estimated based on historical experience.

The University's receivables represented unconditional rights to consideration from its contracts with students; accordingly, students were not billed until they started attending a course and the revenue recognition process had commenced. Once a student had been invoiced, payment was due immediately. Included in each invoice to the student were all educational related items including tuition, net of scholarships, housing, educational materials, fees, etc.

Self-Insurance: The University maintains a self-funded medical insurance plan covering medical-related benefits for its employees. The plan includes individual and group stop-loss coverage. The individual stop-loss limit is $200,000. Claims payable at June 30, 2022 and 2021, amounted to $717,765 and $631,309, respectively, and are recorded as part of deposits, prepayments, and other liabilities on the statements of financial position. This estimate is based on projections of total costs versus actual costs incurred; therefore, actual claims outstanding could differ significantly.

Note Payable: In June 2015, the University entered into a loan agreement with a principal balance up to $1,600,000 with a maturity date of June 2, 2024 and the weekly average of the 7-year International Swaps and Derivatives Association mid-market par swap rate plus 1.94% thereafter.

Dining Service Program Advance: To provide initial funding for capital improvements to the University's dining services facilities, a service provider committed to provide $6,600,000 in the form of an interest free advance. As of June 30, 2017, the entire amount of $6,600,000 had been advanced to the University. The advance is to be repaid on a straight-line basis over the life of the service agreement from November 1, 2014 through June 30, 2031. If the agreement expires or is terminated for any reason prior to June 30, 2031, the University must pay to the service provider the remaining balance in full. As of June 30, 2022 and 2021, the balance of the advance was $3,700,000 and $4,171,429, respectively.

Advances from Federal Agency for Student Loans: The University participates in the Federal Perkins Student Loan Program. The liability balance represents an accumulation of funds advanced to the University, net of the University's matching portion. If the University terminates the program, the net funds advanced are repayable to the program. The Perkins Title IV federal program has been discontinued by the federal government and therefore, there are no new Perkins loans being made as of June 30, 2022 and 2021.

Contributions: Gifts of cash and other assets received without donor stipulations are reported as revenue and net assets without donor restrictions. Gifts received with a donor stipulation that limits their use are reported as revenue and net assets with donor restrictions. When a donor-stipulated time restriction ends or purpose restriction is accomplished, net assets with donor restrictions are reclassified to net assets without donor restrictions and reported in the statements of activities as net assets released from restrictions.

(Continued)

NOTE 1 - NATURE OF OPERATIONS AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Gifts and investment income that are originally restricted by the donor and for which the restriction is met in the same time period are recorded as with donor restrictions and then released from restriction.

Gifts of land, buildings, equipment and other long-lived assets are reported as revenue and net assets without donor restrictions unless explicit donor stipulations specify how such assets must be used, in which case the gifts are reported as revenue and net assets with donor restrictions. Absent explicit donor stipulations for the time long-lived assets must be held, expirations of restrictions resulting in reclassification of net assets with donor restrictions as net assets without donor restrictions are reported when the long-lived assets are placed in service.

Unconditional gifts expected to be collected within one year are reported at their net realizable value. Unconditional gifts expected to be collected in future years are reported at the present value of estimated future cash flows.

Conditional gifts depend on the occurrence of a specified future and uncertain event to bind the potential donor and are recognized as assets and revenue when the conditions are substantially met, and the gift becomes unconditional. As of June 30, 2022 and 2021, there were no conditional gifts with a barrier and a right of return.

Government Grants: Support funded by grants is recognized as the University satisfies the related conditions under grant agreements. Grant revenue is recognized as earned as the eligible expenses are incurred. Grant expenditures are subject to audit and acceptance by the granting agency and, as a result of such audit, adjustments could be required.

Expense Allocation: Expenses have been classified as program services (instruction, student services, academic support and library, and auxiliary services), management and general, and fundraising and alumni support based on the actual direct expenditures and cost allocations based upon square footage of occupancy. Total program services expenses were $96,143,200 and $84,155,939 and total expenses were $111,724,002 and $100,132,851 for the years ended June 30, 2022 and 2021, respectively.

Related Party Transactions: On an annual basis, the University distributes a questionnaire to trustees, officers and key employees for the purpose of determining if there are any possible conflicts of interest. In the ordinary course of business, the University has business relationships with certain vendors, such as utility companies, health providers and financial institutions at which trustees may be employed or DePauw University personnel may have involvement. Related party transactions are monitored by the Board of Trustees pursuant to the University's conflict of interest policy.

Of total gross contributions receivable as of June 30, 2022 and 2021, approximately $6,576,600 and $14,088,700, respectively, are due from members of the Board of Trustees of the University.

COVID-19 Impact and Higher Education Emergency Relief Funding: In December 2019, a novel strain of coronavirus surfaced and spread around the world, with resulting business and social disruption. The coronavirus was declared a Public Health Emergency of International Concern by the World Health Organization on January 30, 2020. In response to the pandemic and in compliance with various state and local ordinances, the University moved to online instruction from March 30, 2020 through the end of the 2019-2020 academic year. In August 2020, the University re-opened to in-person instruction for the 2020-2021 academic year for underclassmen, while upper classmen continued their studies utilizing a remote learning environment. Upon the start of the second semester, upperclassmen returned to campus, while

NOTE 1 - NATURE OF OPERATIONS AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

underclassmen utilized a remote learning environment. The University was fully open for the 2021-2022 academic year.

The University received an allocation of Higher Education Emergency Relief Funding through the HEERF II Funding totaling $2,253,903, which was all recognized as revenue during the year ended June 30, 2021. The University received an allocation of Higher Education Emergency Relief Funding through the HEERF III Funding totaling $4,030,728, which has all been recognized as revenue during the year ended June 30, 2022.

Subsequent Events: Management has performed an analysis of the activities and transactions subsequent to June 30, 2022, to determine the need for any adjustments or disclosures to the financial statements for the year ended June 30, 2022. Management has performed their analysis through November 9, 2022, the date the financial statements were issued.

NOTE 2 - CONTRIBUTIONS RECEIVABLE

Contributions receivable at June 30:

	2022	2021
Due within one year	$ 11,422,948	$ 14,638,514
Due in one to five years	9,346,275	18,069,645
Due in more than five years	54,248,163	55,064,041
	75,017,386	87,772,200
Allowance for uncollectible contributions	(22,011,000)	(22,624,000)
	53,006,386	65,148,200
Discount for time value of money	(8,152,107)	(8,671,438)
	$ 44,854,279	$ 56,476,762

Discount rates used to estimate the present value of future year receivables ranged from 1.2% to 6% for 2022 and 2021. As of June 30, 2022 and 2021, 44% and 42% of gross contributions receivable were due from three contributors, respectively.

Contributions receivable designated for specific purposes are as follows:

	2022	2021
Faculty development	$ 1,512,524	$ 1,522,236
Scholarships	19,339,401	19,520,184
Campus and facilities	9,469,500	15,922,538
Programs	14,244,165	19,089,327
Any activity of the University	288,689	422,477
	$ 44,854,279	$ 56,476,762

(Continued)

NOTE 3 - INVESTMENTS

The University's investments, at fair value, as of June 30, are as follows:

	2022	2021
Short-term investments	$ 96,171,303	$ 100,854,275
Government securities	21,436,607	18,380,517
Corporate bonds	30,918,529	29,915,523
Domestic common stocks	60,435,091	74,951,295
Public equity commingled funds	130,701,047	190,602,846
Private equity		
Venture capital/buy-out	133,659,631	118,053,927
Special situations	7,813,069	9,224,090
Total private equity	141,472,700	127,278,017
Real assets		
Real estate	31,114,952	22,236,978
Natural resources	38,915,878	30,776,042
Total real assets	70,030,830	53,013,020
Diversifying assets		
Absolute return strategies	12,843,794	12,729,630
Direct lending	11,714,996	9,020,817
Equity long/short	97,765,417	102,575,202
Global macro	19,610	24,599
Distressed	30,918,336	40,320,307
Total diversifying assets	153,262,153	164,670,555
Totals	$ 704,428,260	$ 759,666,048

The University engages professional investment managers to manage its investment portfolio. The University's investment policy allows the managers to utilize derivative financial instruments with the approval of the Investment Committee of the University's Board of Trustees. The use of derivatives must be consistent with the University's investment policy and objectives of maximizing the yield on invested funds in order to preserve and enhance inflation-adjusted purchasing power while providing a stable stream of earnings to meet spending needs. The University also invests in certain mutual funds that allow for the use of derivatives within guidelines established in the fund's investment policies. For the years ended June 30, 2022 and 2021, the only derivatives directly used by the University are interest rate swaps, which are further discussed in Note 11.

The following schedule summarizes the investment return and the amounts designated to support current operations.

	2022	2021
Dividends and interest, net	$ 784,383	$ 281,095
Net realized gains on investments	65,795,139	49,275,168
Net unrealized (losses) gains on investments	(94,421,554)	120,533,696
Total (loss) return on investments	(27,842,032)	170,089,959
Investment return designated for current operations	(37,365,074)	(53,439,977)
Investment return (loss) after amounts designated for current operations	$ (65,207,106)	$ 116,649,982

(Continued)

NOTE 4 - PROPERTY, PLANT AND EQUIPMENT

The University's property, plant and equipment are as follows:

	2022	2021
Campus grounds and buildings	$ 447,794,567	$ 443,394,576
Furnishings and equipment	50,304,367	49,620,327
Books and scientific apparatus	3,332,978	3,332,978
Inn at DePauw and Student Social Center	15,068,678	15,068,718
Other property held	12,667,353	13,003,364
	529,167,943	524,419,963
Accumulated depreciation	(255,971,240)	(241,672,823)
	273,196,703	282,747,140
Construction in progress	20,590,038	3,642,304
Land	11,633,293	11,244,696
	$ 305,420,034	$ 297,634,140

Construction in progress at June 30, 2022 primarily includes expenditures related to the Roy O. West Library Renovation. At June 30, 2022, the University had committed $9,482,768 for ongoing capital projects.

NOTE 5 - BENEFICIAL INTEREST IN LEAD AND REMAINDER TRUSTS

The University is a beneficiary of various charitable remainder trusts. A charitable remainder trust provides for the payment of distributions to the grantor or other designated beneficiaries over the trust's term (usually the estimated lifetime of the beneficiary). At the end of the trust's term, the remaining assets (or the designated portion thereof) are available for the University. The portion of the trust attributable to the beneficial interest of the University is recorded at the fair value and classified as with donor restrictions contributions in the period the trust is established.

The University is also a beneficiary of various charitable lead trusts. A charitable lead trust is an arrangement in which the donor establishes and funds a trust with specific distributions to be made to the University over a specified period. The distribution may be for a fixed dollar amount or a fixed percentage of the trust's fair market value. Upon termination of the trust, the remainder of the trust's assets is paid to the donor or beneficiaries designated by the donor. On an annual basis, the estimated fair value is adjusted to reflect the passage of time, revaluation of the present value of future payments, changes in actuarial assumptions during the term of the trust and discount rates based on current market conditions.

A discount rate of 2.8% was used for the years ended June 30, 2022 and 2021. The estimated fair value of these trusts as of June 30, 2022 and 2021 were $1,203,347 and $2,642,237, respectively.

NOTE 6 - BENEFICIAL INTEREST IN PERPETUAL TRUSTS

The University is the beneficiary under several perpetual trusts administered by outside parties. Under the terms of the trusts, the University has the irrevocable right to receive income earned on the trust assets in perpetuity, but never receives the assets held in trust. Annual distributions from the trust are reported as investment income. The trusts are valued at $10,784,059 at June 30, 2022 and $13,010,260 at June 30, 2021, which represents the fair value of the trust assets at the respective year ends.

NOTE 7 - ANNUITY AND TRUST LIABILITY

The University is the recipient of several gift annuities and charitable remainder trusts, which require future payments to donors or their named beneficiaries. The University has recorded a liability in the amount of $15,417,770 and $18,232,927 at June 30, 2022 and 2021, which represents the present value of the future annuity and trust obligations. Discount rates ranging from 0.4% to 11% were used to calculate this liability for 2022 and 2021.

NOTE 8 - ACCUMULATED POSTRETIREMENT BENEFIT OBLIGATION

The University provides a defined-benefit postretirement health care plan for eligible employees. Employees and their spouses hired before July 1, 2005, who are 55 years of age or older and have 15 or more consecutive years of full-time service and whose age plus years of service equals or exceeds 80 are eligible for this benefit. The University accrues the expected cost of providing defined benefit postretirement benefits for employees during the years the employees render service. The University's policy is to fund payments as claims are paid. Employees hired after July 1, 2005 are not eligible for this plan.

Post-retirement benefits between ages 55 and 65 include coverage for the retirees and covered spouses in DePauw's group medical plan, including medical, dental, prescription drug, and vision expenses. When retirees and covered spouses have attained the age of 65, they are placed in the University retiree health plan. Under the retiree health plan, retirees and covered spouses who retired before July 1, 2005 will continue to receive lifetime benefits paid by DePauw subject to a maximum per month established by the University. All eligible plan members who retire after January 1, 2005 will have benefits under the retiree health plan for a maximum of 25 years. The 25-year maximum is reduced by the number of years that the retiree is employed after July 1, 2005. After June 30, 2030, these retirees and covered spouses will be responsible for all insurance premiums. Payment amounts for 2022 vary based on retiree age and type of coverage and the plan design includes 3% increases annually. The retiree and covered spouse pay any premium above this amount.

GAAP requires recognition of the funded status of a defined benefit postretirement plan in the statements of financial position, recognition of the changes in funded status in the year in which the changes occur through net assets, and measurement of the funded status of a plan as of the date of its fiscal year end, with limited exceptions.

The following table sets forth the University's accumulated postretirement benefit obligation, fair value of plan assets, and the accrued postretirement benefit obligation recognized in the statement of financial position at June 30:

	2022	2021
Accumulated postretirement benefit obligation at beginning of year	$ 17,928,595	$ 19,626,144
Service cost	132,229	161,154
Interest cost	470,924	489,590
Actuarial gain – net	(2,606,693)	(800,750)
Benefits paid	(1,671,171)	(1,547,543)
Accrued postretirement benefit obligation at end of year	$ 14,253,884	$ 17,928,595

(Continued)

NOTE 8 - ACCUMULATED POSTRETIREMENT BENEFIT OBLIGATION (Continued)

	2022	2021
Amounts recognized in net assets without donor restrictions not yet recognized as components of net periodic benefit cost consists of:		
Prior service cost	$ -	$ (73,482)
Net loss	(872,055)	1,734,638
Amount recognized	$ (872,055)	$ 1,661,156

Employer contributions to the plan during 2022 and 2021, respectively, were $1,671,171 and $1,547,543.

The net periodic postretirement benefit cost is comprised of service and interest costs as well as recognition of actuarial gains and losses. For the years ended June 30, 2022 and 2021, the net periodic postretirement benefit income was $529,671 and $40,196, respectively. There is no estimated net loss for the defined-benefit postretirement health care plan that will be amortized from net assets without donor restrictions into net periodic benefit cost over the next fiscal year.

The health care cost trend rate assumptions used in determining the accumulated postretirement benefit obligation begin at 4.8% for 2024, then to 4.7% in 2025 and gradually decrease to 3.7%. Estimated benefit payments are based on the same assumptions used to measure the benefit obligation as of June 30, 2021, adjusted for benefits attributable to estimated future employee service. The discount rate used in determining the accumulated postretirement benefit obligations was 4.57% and 2.75% at June 30, 2022 and 2021, respectively. The discount rate to determine the post-retirement benefit costs was 2.75% and 2.60% at June 30, 2022 and 2021, respectively. The impact on the liability of a 1% increase in rates or a 1% decrease in rates would be $761,745 or $(701,711), respectively.

The projected benefit payments for the next five fiscal years and in the aggregate for the five fiscal years thereafter are as follows:

2023	$ 1,462,176
2024	1,441,611
2025	1,512,750
2026	1,578,035
2027	1,546,209
Thereafter	6,835,106

Postretirement life insurance in the amount of $3,500 is provided for all retirees.

NOTE 9 - RETIREMENT BENEFITS

Faculty, administrative, and support staff employees of the University are participants in defined-contribution retirement plans. Under these plans, the University makes contributions which are immediately vested for the benefit of the participants. The University’s contributions to these plans amounted to $2,457,839 and $1,287,827 for the years ended June 30, 2022 and 2021, respectively.

NOTE 10 - BONDS PAYABLE AND LINE OF CREDIT

1. On April 15, 2008, the Indiana Finance Authority issued $42,225,000 of Variable Rate Demand Educational Facilities Revenue Bonds, Series 2008A and $42,330,000 of Variable Rate Demand Rate Educational Facilities Revenue Bonds Series 2008B. The funds were loaned to the University for the purposes of financing the current refunding of the Indiana Educational Facilities Authority Adjustable Rate Educational Facilities Revenue Bonds, Series 2006 totaling $83,850,000; and to obtain credit enhancements and pay certain costs of issuance. On December 1, 2009, a portion ($8,810,000 in principal) of the Series 2008B Bond was refunded and the remainder was refunded in whole with the Series 2014 Bonds.

   The 2008A Bonds mature on July 1, 2036 and bear interest in one of several different adjustable interest rate modes (which consist of daily, weekly or long-term) or at a fixed interest rate, depending on the University's election. The 2008A Bonds are secured by an irrevocable letter of credit, which expires on July 1, 2024, and covers the principal of the 2008A Bonds plus accrued interest. Should the University draw on the letter of credit, repayment of such amounts would be due on the earliest of (i) the date on which the bonds are redeemed or cancelled; (ii) the date on which the bonds are remarketed pursuant to the trust indenture; (iii) the date on which the letter of credit is replaced by a substitute letter of credit pursuant to the trust indenture; (iv) repaid in six equal monthly payments of principal, plus interest, beginning one-year after the stated maturity of liquidity advance date. The University would also be required to pay interest on the unpaid principal amount of the amount drawn on the letter of credit. On June 9, 2022, the Series 2008A Bond was refunded in whole with the Series 2022 Bonds.

2. On March 15, 2014, The Indiana Finance Authority issued $32,500,000 of Educational Facilities Revenue Refunding Bonds, Series 2014 as a Bond Purchase and Loan Agreement between the University and PNC Bank, National Association. The funds were loaned to the University for the purpose of financing the current refunding of the Series 2008B Bonds ($32,160,000 in principal) and pay certain costs of issuance. The Series 2014 Bonds mature on July 1, 2041 and are subject to prior redemption. The initial Bank Purchase Mode Term shall expire on July 1, 2024. Upon expiration, the Borrower may elect to convert the Bond to a new Mode (with weekly or flexible interest rate periods), a new Bank Purchase Mode Term (but not beyond the Maturity Date), or the bonds shall be subject to mandatory tender for purchase. Principal outstanding on the 2014 Bonds as of June 30, 2021, was $31,910,000, respectively. On June 9, 2022, the Series 2014 Bond was refunded in whole with the Series 2022 Bonds.

3. On July 30, 2015, The Indiana Finance Authority issued $15,115,000 of Educational Facilities Revenue Bonds, Series 2015 as a Bond Purchase and Loan Agreement between the University and PNC Bank, National Association. The funds were loaned to the University for the purpose of constructing and renovating various educational facilities and to pay certain costs of issuance. The Series 2015 Bonds mature on July 1, 2045 and are subject to prior redemption. The initial Bank Purchase Mode Term shall expire on July 1, 2025. Upon expiration, the Borrower may elect to convert the Bond to a new Mode (with weekly or flexible interest rate periods), a new Bank Purchase Mode Term (but not beyond the Maturity Date), or the bonds shall be subject to mandatory tender for purchase. The decision as to whether the Bond is converted to a new Bank Purchase Mode, or a new Mode is the sole decision of the Borrower. Principal outstanding on the 2015 Bonds as of June 30, 2021, was $13,385,000, respectively. On June 9, 2022, the Series 2015 Bond was refunded in whole with the Series 2022 Bonds.

(Continued)

NOTE 10 - BONDS PAYABLE AND LINE OF CREDIT (Continued)

4. On April 30, 2018, The Indiana Finance Authority issued $40,000,000 of Educational Facilities Revenue Bonds, Series 2018 as a Bond Purchase and Loan Agreement between the University and BMO Harris Investment Company LLC. The funds were loaned to the University for the purpose of constructing and renovating various facilities and to pay certain costs of issuance. The Series 2018 Bonds mature on April 30, 2048 and are subject to prior redemption. The initial Bank Purchase Mode Term shall expire on May 1, 2028. Upon expiration, the Borrower may elect to convert the Bond to a new Mode (with weekly or flexible interest rate periods), a new Bank Purchase Mode Term (but not beyond the Maturity Date), or the bonds shall be subject to mandatory tender for purchase. The decision as to whether the Bond is converted to a new Bank Purchase Mode, or a new Mode is the sole decision of the Borrower. The Series 2018 Bonds bear interest during the initial Bank Purchase Mode Term at a variable bank rate. Principal outstanding on the 2018 Bonds as of June 30, 2021, was $39,935,000, respectively. The credit facility is a draw-down loan, allowing multiple draws during before April 29, 2021. During that draw period, an unused commitment fee is payable quarterly in arrears. On June 9, 2022, the Series 2018 Bond was refunded in whole with the Series 2022 Bonds.

5. On June 15, 2019, the Indiana Finance Authority issued $33,605,000 of Educational Facilities Revenue Bonds Series 2019. The funds were loaned to the University for the purpose of financing the current refunding of the Indiana Educational Facilities Authority Educational Facilities Revenue Bonds Series 2009 A and B and paying certain costs of issuance, which the University did on August 16, 2019. The 2019 Bonds mature on July 1, 2039 and are subject to prior redemption. The 2019 Bonds bear interest at a fixed interest rate of 5.0% and 4.0% depending on the maturity date. Principal outstanding on the 2019 Bonds as of June 30, 2022 and 2021, was $29,690,000 and $31,695,000, respectively.

6. On June 9, 2022, the Indiana Finance Authority issued $126,895,000 of Educational Facilities Revenue Bonds, Series 2022A tax-exempt at $118,050,000 and 2022B taxable at $8,845,000. The funds were loaned to the University for the purposes of financing the current refunding of the Educational Facilities Revenue Bonds, Series 2008A, 2014, 2015, and 2018; and to pay certain costs of issuance.

The Series 2019 and 2022 Bonds are secured by revenues and loan agreements with the Authority. The Series 2018 Bonds bear interest during the initial Bank Purchase Mode Term at a variable bank rate. The credit facility is a draw-down loan, allowing multiple draws during before April 29, 2021. During that draw period, an unused commitment fee is payable quarterly in arrears. This Series was refunded by Series 2022.

Long-term debt consisted of the following at June 30:

		Original Principal	2022	2021
(1)	Series 2008A Bonds	$ 42,225,000	$ -	$ 40,260,000
(2)	Series 2014 Bonds	32,500,000	-	31,910,000
(3)	Series 2015 Bonds	15,115,000	-	13,385,000
(4)	Series 2018 Bonds	40,000,000	-	39,935,000
(5)	Series 2019 Bonds	33,605,000	29,690,000	31,695,000
(6)	Series 2022A Bonds	118,050,000	118,050,000	-
	Series 2022B Bonds	8,845,000	8,845,000	-
			156,585,000	157,185,000
	Less: Bond issuance costs		(1,014,326)	(755,076)
	Add: Bond premium		9,452,622	2,828,131
			$ 165,023,296	$ 159,258,055

(Continued)

NOTE 10 - BONDS PAYABLE AND LINE OF CREDIT (Continued)

Bond maturities are as follows:

2023	$ 2,110,000
2024	2,415,000
2025	2,515,000
2026	2,625,000
2027	2,750,000
Thereafter	144,170,000
	$ 156,585,000

Interest expense was approximately $2,438,000 and $3,213,000 for 2022 and 2021, respectively.

The University's long-term debt is subject to certain financial and non-financial covenants. The University reported compliance with all covenants at June 30, 2022 and 2021.

The University maintains an unsecured line of credit agreement with a bank in the amount of $15,000,000 with a maturity date of December 31, 2022 and an interest rate of LIBOR plus 175 basis points. As of June 30, 2022 and 2021, there were no outstanding borrowings on the agreement.

NOTE 11 - INTEREST RATE SWAP AGREEMENTS

All interest rate swap agreements were terminated and settled in June 2022 as part of the Series 2022 refinancing. See Note 10 for additional details.

As a strategy to maintain acceptable levels of exposure to the risk of interest rate fluctuations, the University entered into an interest rate swap agreement in January 2002. This interest rate swap has been designated as a cash flow hedge of long-term debt and provides for the University to receive interest from the counterparty at 68% of one-month LIBOR and to pay interest to the counterparty at a fixed rate of 4.24% on a notional amount of $43,000,000 at June 30, 2021.

In February 2006, the University entered into an interest rate swap agreement. The interest rate swap has been designated as a cash flow hedge of long-term debt and provides for the University to receive interest from the counterparty at 70% of one-month LIBOR and to pay interest to the counterparty at a fixed rate of 3.63% on a notional amount of $8,450,000 at June 30, 2021.

In April 2018, the University entered into an interest rate swap agreement. The interest rate swap has been designated as a cash flow hedge of long-term debt and provides for the University to receive interest from the counterparty at 81% of one-month LIBOR and to pay interest to the counterparty at a fixed rate of 2.44% on a notional amount of $39,934,960 at June, 30, 2021.

Under the agreements, the University paid or received the net interest amount monthly, with the monthly settlements included in interest expense. The agreements were recorded at fair value with subsequent changes in fair value included in the change in net assets in the statement of activities. The valuation of the interest rate swaps resulted in a liability of $0 and $23,080,044 at June 30, 2022 and 2021, respectively.

NOTE 12 - NET ASSETS

Net assets with donor restrictions are available for the following purposes or periods:

	2022	2021
With donor restrictions of a temporary nature		
Scholarship and student support programs	$ 76,894,561	$ 107,221,315
Building and equipment maintenance	9,652,658	17,179,668
Library and department support programs	34,603,812	38,913,034
Faculty and academic support	26,204,062	34,675,555
Annuity trust agreements	9,459,194	16,597,426
Timing restriction	6,223,636	4,555,493
Other	2,446,124	939,629
	165,484,047	220,082,120
With donor restrictions to be kept in perpetuity		
Scholarship and student support programs	234,989,954	231,801,143
Faculty and academic support	91,787,843	91,715,184
Library and department support programs	72,471,356	71,755,121
Split-interest agreements and perpetual trusts	16,107,082	17,413,304
Building and equipment maintenance	3,488,813	3,485,813
Unrestricted use	3,857,709	3,853,683
	422,702,757	420,024,248
	$ 588,186,804	$ 640,106,368

Net assets released from donor restrictions:

	2022	2021
Purpose restrictions accomplished - primarily scholarship and instructional support	$ 24,491,352	$ 31,773,471
Time restrictions expired - death of annuity beneficiary	302,430	544,703
Total restrictions released for operations	24,793,782	32,318,174
Released for capital projects	9,189,307	1,857,135
Miscellaneous release from endowment earnings	-	2,500
	$ 33,983,089	$ 34,177,809

(Continued)

NOTE 13 - ENDOWMENT

The University's endowment consists of approximately 1,000 individual funds established for a variety of purposes. The endowment includes both donor-restricted endowment funds and funds designated by the governing body to function as endowments (board-designated endowment funds). As required by GAAP, net assets associated with endowment funds, including board-designated endowment funds, are classified and reported based on the existence or absence of donor-imposed restrictions. The University's governing body has interpreted the State of Indiana Prudent Management of Institutional Funds Act (SPMIFA) as requiring preservation of the fair value of the original gift as of the gift date of the donor-restricted endowment funds absent explicit donor stipulations to the contrary. As a result of this interpretation, the University classifies as net assets with donor restrictions to be kept in perpetuity (a) the original value of gifts donated to the permanent endowment, (b) the original value of subsequent gifts to the permanent endowment and (c) accumulations to the permanent endowment made in accordance with the direction of the applicable donor gift instrument at the time the accumulation is added to the fund. The remaining portion of donor-restricted endowment funds is classified as net assets with donor restrictions of a temporary nature until those amounts are appropriated for expenditure by the University in a manner consistent with the standard of prudence prescribed by SPMIFA.

In addition, the endowment includes pledges receivable with donor restrictions, which total $33,761,297 and $38,145,540 for 2022 and 2021, and beneficial interest in perpetual trusts, which total $10,784,059 and $13,010,260 for 2022 and 2021, are not legally subject to SPMIFA as the University does not hold these assets in the form of cash.

In accordance with SPMIFA, the University considers the following factors in making a determination to appropriate or accumulate donor-restricted endowment funds:

1. Duration and preservation of the fund
2. Purposes of the University and the fund
3. General economic conditions
4. Possible effect of inflation and deflation
5. Expected total return from investment income and appreciation or depreciation of investments
6. Other resources of the University
7. Investment policies of the University

The composition of net assets by type of endowment fund at June 30, 2022 was:

	Without Donor Restrictions	With Donor Restrictions	Total
Donor-restricted endowment funds	$ -	$ 520,111,635	$ 520,111,635
Board-designated endowment funds	199,870,797	-	199,870,797
Total endowment funds	$ 199,870,797	$ 520,111,635	$ 719,982,432

(Continued)

NOTE 13 - ENDOWMENT (Continued)

The composition of net assets by type of endowment fund at June 30, 2021 was:

	Without Donor Restrictions	With Donor Restrictions	Total
Donor-restricted endowment funds	$ -	$ 564,266,398	$ 564,266,398
Board-designated endowment funds	237,386,118	-	237,386,118
Total endowment funds	$ 237,386,118	$ 564,266,398	$ 801,652,516

Changes in endowment net assets for the year ended June 30, 2022 were:

	Without Donor Restrictions	With Donor Restrictions	Total
Endowment net assets, beginning of year	$ 237,386,118	$ 564,266,398	$ 801,652,516
Investment loss	(7,591,245)	(21,655,001)	(29,246,246)
Contributions received	-	2,938,859	2,938,859
Change in split-interest agreements	(217,085)	(2,192,478)	(2,409,563)
Appropriation of endowment assets for expenditure	(20,407,276)	(25,717,425)	(46,124,701)
Other changes – write off interfund receivables	(10,408,584)	-	(10,408,584)
Transfer of net assets	1,108,869	2,471,282	3,580,151
Endowment net assets, end of year	$ 199,870,797	$ 520,111,635	$ 719,982,432

Changes in endowment net assets for the year ended June 30, 2021 were:

	Without Donor Restrictions	With Donor Restrictions	Total
Endowment net assets, beginning of year	$ 207,837,137	$ 485,059,244	$ 692,896,381
Investment return	52,850,569	116,194,257	169,044,826
Contributions received	-	6,414,776	6,414,776
Change in allowance for uncollectible pledges	-	(10,854,000)	(10,854,000)
Change in split-interest agreements	151,567	2,385,262	2,536,829
Appropriation of endowment assets for expenditure	(23,440,717)	(35,605,881)	(59,046,598)
Transfer of net assets	(12,438)	672,740	660,302
Endowment net assets, end of year	$ 237,386,118	$ 564,266,398	$ 801,652,516

(Continued)

NOTE 13 - ENDOWMENT (Continued)

From time to time, the fair value of assets associated with individual donor-restricted endowment funds may fall below the level the University is required to retain as a fund of perpetual duration pursuant to donor stipulation or SPMIFA. In accordance with GAAP, deficiencies of this nature are reported in net assets with donor restrictions and aggregated $481,344 and $116,578 at June 30, 2022 and 2021, respectively. These deficiencies resulted from unfavorable market fluctuations that occurred shortly after investment of new with donor restrictions in perpetuity contributions and continued appropriation for certain purposes that was deemed prudent by the governing body. At June 30, 2022, the market value of these funds was $9,825,138 while the book value was $10,306,484.

The University has adopted investment and spending policies for endowment assets that attempt to provide a predictable stream of funding to programs and other items supported by its endowment while seeking to maintain the purchasing power of the endowment. Endowment assets include those assets of donor-restricted endowment funds the University must hold in perpetuity or for donor-specified periods, as well as those of board-designated endowment funds. Under the University's policies, endowment assets are invested in a manner that is intended to produce results that earn an average annual total return, net of all fees and expenses over a rolling five-year period to equal the spending rate plus inflation. The University expects its endowment funds to provide an average rate of return of approximately 8% annually over time. Actual returns in any given year may vary from this amount.

To satisfy its long-term rate of return objectives, the University relies on a total return strategy in which investment returns are achieved through both current yield (investment income such as dividends and interest) and capital appreciation (both realized and unrealized). The University targets a diversified asset allocation that places a greater emphasis on equity-based investments to achieve its long-term return objectives within prudent risk constraints.

The University has a policy (the spending policy) of appropriating for expenditure each year within a range of 4.5% to 6% of its endowment fund's average fair value over the previous twelve quarters. In establishing this policy, the University considered the long-term expected return on its endowment. Accordingly, over the long-term, the University expects the current spending policy to allow its endowment to grow at an average of 3% annually. This is consistent with the University's objective to maintain the purchasing power of endowment assets held in perpetuity or for a specified term, as well as to provide additional real growth through new gifts and investment return.

In addition to the annual operating draw, the Board may approve supplemental draws for various purposes including one-time special needs and capital projects. For the years ended June 30, 2022 and 2021, the Board approved $9,000,000 and $13,462,000 in supplemental draws to be used for capital projects, restructuring costs, and COVID-related expenses.

NOTE 14 - DISCLOSURE ABOUT FAIR VALUE OF FINANCIAL INSTRUMENTS

Fair value is defined as the price that would be received for an asset or paid to transfer a liability (an exit price) in the University's principal or most advantageous market for the asset or liability in an orderly transaction between market participants on the measurement date.

To maximize the use of observable inputs and minimize the use of unobservable inputs when measuring fair value, the University uses the fair value hierarchy. GAAP describes three levels of inputs that may be used to measure fair value:

(Continued)

NOTE 14 - DISCLOSURE ABOUT FAIR VALUE OF FINANCIAL INSTRUMENTS (Continued)

Level 1: Inputs include quoted prices (unadjusted) for identical assets or liabilities in active markets that the entity has the ability to access as of the measurement date.

Level 2: Inputs include significant other observable inputs other than Level 1 prices such as quoted prices for similar assets or liabilities; quoted prices in markets that are not active; or other inputs that are observable or can be corroborated by observable market data.

Level 3: Inputs include significant unobservable inputs that reflect a reporting entity's own assumptions about the assumptions that market participants would use in pricing an asset or liability.

In many cases, a valuation technique used to measure fair value includes inputs from multiple levels of the fair value hierarchy. The lowest level of significant input determines the placement of the entire fair value measurement in the hierarchy.

Investments: Where quoted market prices are available in an active market, securities are classified within Level 1 of the valuation hierarchy. Level 1 securities include short-term investments, government securities, and domestic common stocks. If quoted market prices are not available, then fair values are estimated by a third-party pricing service using pricing models, quoted market prices of securities with similar characteristics, or discounted cash flows. For investments, other than alternative investments, the inputs used by the pricing service to determine fair value may include one, or a combination of, observable inputs such as benchmark yields, reported trades, broker/dealer quotes, issuer spreads, two-sided markets, benchmark securities, bids, offers, and reference data market research publications and are classified within Level 2 of the valuation hierarchy. These Level 2 securities include corporate bonds and government securities.

Alternative investments are valued using the net asset value (NAV) (or its equivalent) provided by the fund as a practical expedient including public equity commingled funds, private equity funds, real assets funds, and diversifying assets. Those investments are excluded from the valuation hierarchy.

Other Investments: The fair value is estimated using appraisals that are observable or that can be corroborated by observable market data, and therefore, are classified within Level 2 (market approach) of the valuation hierarchy.

Beneficial Interest in Lead and Remainder Trusts: Fair value is estimated at the present value of the future distributions expected to be received over the term of the agreement. Due to the nature of the valuation inputs, the interest is classified within Level 3 (income approach) of the hierarchy.

Beneficial Interest in Perpetual Trusts: The fair value of beneficial interest in perpetual trusts is based on a valuation model that calculates the present value of estimated distributed income. The valuation model incorporates assumptions that market participants would use in estimating future distributed income. The University is able to compare the valuation model inputs and results to widely available published industry data for reasonableness. If not readily comparable to published data, then the University would have to develop a model similar to the above for a Level 3 (income approach) input. Since the University does not have the ability to redeem these beneficial interests on a short-term basis, they are classified as Level 3 valuations.

Interest Rate Swap Agreement: The fair values of the interest rate swaps are based on third-party proprietary valuation models that calculate the values based on recognized financial principles and current market rates and are thought to provide a reasonable estimate of fair value using the market approach. The interest rate swap is classified within Level 2 (market approach) of the valuation hierarchy.

(Continued)

NOTE 14 - DISCLOSURE ABOUT FAIR VALUE OF FINANCIAL INSTRUMENTS (Continued)

The following tables present the fair value measurements of assets and liabilities recognized in the accompanying statements of financial position measured at fair value on a recurring basis and the level within the fair value hierarchy in which the fair value measurements fall at June 30, 2022 and 2021:

	2022				
	Fair Value	Level 1	Level 2	Level 3	NAV
Assets					
Securities					
Short-term investments	$ 96,171,303	$ 96,171,303	$ -	$ -	$ -
Government securities	21,436,607	21,436,607	-	-	-
Corporate bonds	30,918,529	-	30,918,529	-	-
Domestic common-stocks	60,435,091	60,435,091	-	-	-
Public equity commingled funds	130,701,047	-	-	-	130,701,047
Total securities	339,662,576	178,043,000	30,918,529	-	130,701,047
Private equity					
Venture capital/buy-out	133,659,631	-	-	306,025	133,353,606
Special situations	7,813,069	-	-	-	7,813,069
Total private equity	141,472,700	-	-	306,025	141,166,675
Real assets					
Real estate	31,114,952	-	-	-	31,114,952
Natural resources	38,915,878	-	-	-	38,915,878
Total real assets	70,030,830	-	-	-	70,030,830
Diversifying assets					
Absolute return Strategies	12,843,794	-	-	-	12,843,794
Direct lending	11,714,996	-	-	-	11,714,996
Equity long/short	97,765,417	-	-	-	97,765,417
Global macro	19,610	-	-	-	19,610
Distressed	30,918,336	-	-	-	30,918,336
Short credit	-	-	-	-	-
Total diversifying assets	153,262,153	-	-	-	153,262,153
Other investments	629,000	-	629,000	-	-
Beneficial interest in lead and remainder trusts	1,203,347	-	-	1,203,347	-
Beneficial interest in perpetual trusts	10,784,059	-	-	10,784,059	-
	$ 717,044,666	$ 178,043,000	$ 31,547,529	$ 12,293,431	$ 495,160,705

(Continued)

NOTE 14 - DISCLOSURE ABOUT FAIR VALUE OF FINANCIAL INSTRUMENTS (Continued)

	2021				
	Fair Value	Level 1	Level 2	Level 3	NAV
Assets					
Securities					
Short-term investments	$ 100,854,275	$ 100,854,275	$ -	$ -	$ -
Government securities	18,380,517	18,380,517	-	-	-
Corporate bonds	29,915,523	-	29,915,523	-	-
Domestic common-stocks	74,951,295	74,951,295	-	-	-
Public equity commingled funds	190,602,845	-	-	-	190,602,845
Total securities	414,704,455	194,186,087	29,915,523	-	190,602,845
Private equity					
Venture capital/buy-out	118,053,927	-	-	645,350	117,408,577
Special situations	9,224,090	-	-	-	9,224,090
Total private equity	127,278,017	-	-	645,350	126,632,667
Real assets					
Real estate	22,236,978	-	-	-	22,236,978
Natural resources	30,776,042	-	-	-	30,776,042
Total real assets	53,013,020	-	-	-	53,013,020
Diversifying assets					
Absolute return Strategies	12,729,631	-	-	-	12,729,631
Direct lending	9,020,817	-	-	-	9,020,817
Equity long/short	102,575,202	-	-	-	102,575,202
Global macro	24,599	-	-	-	24,599
Distressed	40,320,307	-	-	-	40,320,307
Short credit	-	-	-	-	-
Total diversifying assets	164,670,556	-	-	-	164,670,556
Other investments	629,000	-	629,000	-	-
Beneficial interest in lead and remainder trusts	2,642,237	-	-	2,642,237	-
Beneficial interest in perpetual trusts	13,010,260	-	-	13,010,260	-
	$ 775,947,545	$ 194,186,087	$ 30,544,523	$ 16,297,847	$ 534,919,088
Liabilities					
Fair value of interest rate swap	$ (23,080,044)	$ -	$ (23,080,044)	$ -	$ -

NOTE 14 - DISCLOSURE ABOUT FAIR VALUE OF FINANCIAL INSTRUMENTS (Continued)

The following is a reconciliation of the beginning and ending balances of recurring fair value measurements recognized in the accompanying statements of financial position using significant unobservable (Level 3) inputs:

	2022	
	Beneficial Interest in Lead and Remainder Trusts	Beneficial Interest in Perpetual Trusts
Beginning balance	$ 2,642,237	$ 13,010,260
Payment received	(429,949)	-
Change in value of split-interest agreements	(1,008,941)	(2,226,201)
	$ 1,203,347	$ 10,784,059

	2021	
	Beneficial Interest in Lead and Remainder Trusts	Beneficial Interest in Perpetual Trusts
Beginning balance	$ 4,152,777	$ 10,639,065
Payment received	(588,695)	-
Change in value of split-interest agreements	(921,845)	2,371,195
	$ 2,642,237	$ 13,010,260

NOTE 14 - DISCLOSURE ABOUT FAIR VALUE OF FINANCIAL INSTRUMENTS (Continued)

The following table presents information regarding funds with fair value that is determined using the net asset value (or its equivalent) provided by the fund as the practical expedient:

	2022			
	Fair Value	Unfunded Commitments	Redemption Frequency (if Currently Eligible)	Redemption Notice Period
Public equity commingled funds (a)	$ 130,701,047	$ -	Monthly to 3 years	10-90 days
Private equity (b)	141,166,675	50,923,589	Not redeemable	N/A
Real assets (c)	70,030,830	19,705,424	Not redeemable	N/A
Diversifying assets (d)	153,262,153	9,155,841	Monthly to not redeemable	30 days to N/A
	$ 495,160,705	$ 79,784,854		

	2021			
	Fair Value	Unfunded Commitments	Redemption Frequency (if Currently Eligible)	Redemption Notice Period
Public equity commingled funds (a)	$ 190,602,845	$ -	Monthly to 3 years	10-90 days
Private equity (b)	126,632,667	40,023,781	Not redeemable	N/A
Real assets (c)	53,013,020	22,948,205	Not redeemable	N/A
Diversifying assets (d)	164,670,556	15,753,341	Monthly to not redeemable	30 days to N/A
	$ 534,919,088	$ 78,725,327		

(a) Public equity commingled funds: Public equity commingled funds include investments in commingled fund vehicles that include a limited liability company, limited partnerships, a common trust fund, a British Virgin Islands business company, a Cayman Islands limited partnership, and Cayman Islands exempt companies, which invest in U.S., non-U.S., and emerging markets marketable equity securities. These commingled funds have monthly to triennial liquidity subject to certain notice requirements and gate provisions. Additionally, certain public equity commingled funds may hold, directly or indirectly, side pocket investments where no redemptions are permitted until such investments are liquidated or deemed realized.

(b) Private equity: Private equity includes investments in limited partnerships, a limited liability company, Cayman Islands limited partnerships, and England limited partnership, and a British Virgin Islands business company that utilize various strategies including private equity buyout and venture capital, among others. These private equity funds typically have investment terms greater than ten years. The investments cannot be redeemed during the term of the fund. Distributions from each fund are received as the underlying investments of the funds are liquidated, which is expected to occur over the next 5 to 10 years.

(c) Real assets: Real assets includes investments in limited partnerships, limited liability companies, and a Cayman Islands limited partnership which invest in real estate, along with a variety of energy and natural resources related infrastructure, property or companies. These real asset funds typically have investment terms greater than 10 years. The investments cannot be redeemed during the term of the fund. Distributions from each fund are received as the underlying investments of the funds are liquidated, which is expected to occur over the next 5 to 10 years.

(Continued)

NOTE 14 - DISCLOSURE ABOUT FAIR VALUE OF FINANCIAL INSTRUMENTS (Continued)

(d) Diversifying assets: Diversifying assets include investments in commingled fund vehicles including a limited partnership, Cayman Islands limited partnerships, and Cayman Islands exempt companies, which implement a range of alternative investment strategies such as long/short equity, credit, managers investing opportunistically across the capital structure, and other strategies. These funds are open-ended in duration and generally offer quarterly to annual liquidity subject to certain notice requirements and gate provisions. Additionally, certain diversifying assets may hold, directly or indirectly, side pocket investments where no redemptions are permitted until such investments are liquidated or deemed realized.

Diversifying assets also includes investments in limited partnerships and Cayman Island limited partnerships that utilized direct lending, distressed-oriented, and other opportunistic investment strategies. These funds typically have investment terms greater than 10 years. The investments cannot be redeemed during the term of the fund. Distributions from each fund are received as the underlying investments of the funds are liquidated, which is expected to occur over the next 5 to 10 years.

NOTE 15 - LIQUIDITY AND AVAILABILITY

The University's financial assets available within one year of the statement of financial position date for general expenditure are as follows:

	2022	2021
Financial assets at year end:		
Cash and cash equivalents	$ 12,475,598	$ 30,103,565
Cash restricted for capital projects	2,540,114	1,323,983
Account receivable, net	2,211,884	1,639,607
Contributions receivable, net	44,854,279	56,476,762
Investments	704,428,260	759,666,048
Total financial assets	766,510,135	849,209,965
Expected endowment appropriation based on board approved spending policy	43,240,832	44,367,000
Less amounts not available to be used within one year:		
Net assets subject to donor restriction	588,186,804	640,106,368
Less: Non-financial assets subject to donor restriction		
Other notes receivable, mortgages and promissory notes	(70,000)	(110,000)
Other investments	(629,000)	(629,000)
Cash surrender value of life insurance	(5,154,883)	(5,090,342)
Beneficial interest in lead and remainder trusts	(1,203,347)	(2,642,237)
Beneficial interest in perpetual trust	(10,784,059)	(13,010,260)
Financial assets subject to donor restriction	570,345,515	618,624,529
Cash restricted for capital projects	2,540,114	1,323,983
Investments held for annuity and trust liabilities	15,417,770	18,232,927
Board designated endowment fund	199,870,797	237,386,118
Total financial assets not available to be used within one year	788,174,196	875,567,557
Financial assets expected to be available to meet general expenditures within one year	$ 21,576,771	$ 18,009,408

NOTE 15 - LIQUIDITY AND AVAILABILITY (Continued)

As part of the University's liquidity management, the University invests its financial assets to be available as its general expenditures, liabilities, and other obligations come due. Donor-restricted endowment funds are not available for general operating expenditure. The University has a Board-designated endowment of approximately $200 million and $237 million at June 30, 2022 and 2021, respectively, subject to an annual 4.5 to 6 percent spending rate.

Although the University generally does not spend from Board-designated endowments (other than amounts appropriated for general expenditure as part of the Board's annual budget approval and appropriation), the Board may appropriate funding beyond the stated spending rate for operating and/or capital needs of the University from time to time. As described in Note 13, during the years ended June 30, 2022 and 2021, additional draws were approved by the Board for restructuring costs and COVID-related expenses, totaling $9,000,000 and $13,462,000, respectively. Distributions from the endowment are estimated based on the anticipated operating spending rate to be approved by the Board at its fall meeting.

As described in Note 10, the University maintains an unsecured line of credit agreement with a bank in the amount of $15 million. The line is available for general operating liquidity and may be drawn on at any time. As of June 30, 2022 and 2021, there were no outstanding borrowings on the agreement.

Liquidity monitoring procedures include daily review of operating cash balances and an 18-month rolling operating cash forecast which is updated monthly by the Finance Office.

(Continued)

NOTE 16 - EXPENSES BY NATURE

The statements of activities report certain categories of expenses attributable to the programs and supporting functions of the University. Program Activities include instruction, student services, academic support and library, and the costs of other academic programs. The table below presents these functional expenses by their natural classification for the year ended June 30, 2022 and 2021.

	2022						
	Instruction	Student Services	Academic Support and Library	Auxiliary Services	Management and General	Fundraising and Alumni Support	Total
Salaries and wages	$ 20,639,084	$ 7,627,986	$ 3,605,674	$ 1,023,214	$ 4,888,876	$ 1,812,161	$ 39,596,995
Fringe benefits	6,313,926	1,857,583	1,749,229	303,121	1,310,532	736,441	12,270,832
Outside services	1,449,054	1,947,696	32,336	7,306,037	1,175,853	77,457	11,988,433
Physical plant	2,524,590	1,164,936	785,646	3,057,439	1,156,328	405,834	9,094,773
Depreciation	5,958,614	2,513,973	873,598	5,033,851	529,243	174,135	15,083,414
Debt service	2,187,621	922,990	320,729	2,161,432	192,970	71,223	5,856,965
Other	3,015,013	4,651,337	6,743,868	372,623	2,657,859	391,890	17,832,590
Total expenses	$ 42,087,902	$ 20,686,501	$ 14,111,080	$ 19,257,717	$ 11,911,661	$ 3,669,141	$ 111,724,002

	2021						
	Instruction	Student Services	Academic Support and Library	Auxiliary Services	Management and General	Fundraising and Alumni Support	Total
Salaries and wages	$ 20,501,574	$ 7,045,065	$ 3,211,813	$ 990,542	$ 4,769,266	$ 1,659,890	$ 38,178,150
Fringe benefits	5,800,747	1,706,604	1,607,056	278,484	1,030,818	694,486	11,118,195
Outside services	495,360	2,571,077	204,525	4,500,476	1,095,197	67,780	8,934,415
Physical plant	1,880,324	869,392	596,648	2,362,485	909,594	282,096	6,900,539
Depreciation	5,757,519	2,429,130	844,116	4,880,226	506,744	168,258	14,585,993
Debt service	2,129,005	898,420	312,136	2,117,474	188,445	63,267	5,708,747
Other	1,574,619	2,770,111	4,972,855	848,156	4,252,783	288,288	14,706,812
Total expenses	$ 38,139,148	$ 18,289,799	$ 11,749,149	$ 15,977,843	$ 12,752,847	$ 3,224,065	$ 100,132,851

The allocations of certain categories of expenses attributable to more than one program or supporting function are described in Note 1.