St. Olaf College

Financial Statements

May 31, 2023 and 2022

St. Olaf College

Highlights (Unaudited)
Years Ended May 31, 2023 and 2022

Fiscal Year Ending May 31:	**FY 2023**	**FY 2022**
Academic Year	**2022-23**	**2021-22**
Enrollment, Retention, Graduation		
Undergraduate Full Time (Fall)	3,022	2,964
Undergraduate FTE (Fall)	3,030	2,972
Undergraduate Headcount (Fall)	3,046	2,988
% Men/Women	42/58	42/58
% Who Are In-State/Out-of-State	45/55	43/57
% White/Domestic Minority/International	67/22/11	67/23/10
1st Year to Sophomore	90.1%	90.7%
Sophomore to Junior	85.1%	86.3%
Junior to Senior	83.9%	84.5%
Four-Year Graduation Rate	76.9%	78.5%
Five-Year Graduation Rate	83.2%	84.1%
Number of Seniors (May)	709	709
Number of Declared Majors	990	1,020
Top Five Majors:		
1st	Biology 8.8%	Biology 11.2%
2nd	Mathematics 8.1%	Economics 8.6%
3rd	Economics 7.9%	Mathematics 7.9%
4th	Psychology 7.6%	Psychology 7.7%
5th	Music 6.9%	Music 6.6%
Post-Graduation Activities	Class of 2022	Class of 2021
Responses/Response Rate	601/88%	601/89%
Activities:		
Working (Full or Part-Time)/percent	467/78%	452/75%
Furthering Education/percent	120/20%	120/20%
Other Activities/percent	14/2%	29/5%
New Student Admissions (Fall)		
Applications (1st Year/Transfer)	5,524/133	6,480/155
Acceptances (1st Year/Transfer)	3,116/33	3,073/78
Acceptance Rate (1st Year/Transfer)	56%/25%	47%/50%
Matriculants (1st Year/Transfer)	869/18	752/38
Yield Rate (1st Year/Transfer)	28%/55%	25%/49%
% 1st Year Men/Women/Nonbinary	43/56/1	42/58
% 1st Year In-State/Out-of-State	47/53	43/57
% 1st Year 1st Generation to College	20	18
Median ACT - 1st Year	30	31
Median SAT - 1st Year	1360	1360
Faculty and Staff Employed (Fall)		
Faculty/Staff/Total - FTE	252/430/682	248/423/671
Faculty/Staff/Total - Full-time Headcount	221/379/600	219/376/595
Faculty/Staff/Total - Part-time Headcount	92/154/246	87/140/227
Tuition and Fees Per Student		
Tuition	$ 54,650	$ 52,670
Room & Board	12,450	12,000
Total comprehensive fee	$ 67,100	$ 64,670
Financial Aid, Scholarships & Grants		
Federal Grants	$ 3,778,657	$ 3,361,428
State Grants	3,460,898	3,083,667
Institutional Scholarships & Grants	112,835,206	102,532,105
Outside Scholarships & Grants	3,162,406	2,800,140
Total	$ 123,237,167	$ 111,777,340
Total per student FTE	$ 40,672	$ 37,610
Endowment		
Fair Market Value at Fiscal Year End	$ 711,741,089	$ 696,676,006
Fair Market Value per Full Time Student	$ 235,520	$ 235,046
Fair Market Value per FTE Student	$ 234,898	$ 234,413
Total return on investments	4.6%	-0.7%

Independent Auditors' Report

To the Board of Regents of
St. Olaf College

Opinion

We have audited the financial statements of St. Olaf College (the College), which comprise the statements of financial position as of May 31, 2023 and 2022, and the related statements of activities and changes in net assets, functional expenses, 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 the College as of May 31, 2023 and 2022, 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 (GAAP).

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 Auditors' Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the College 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.

Other Matter

Our audits were conducted for the purpose of forming an opinion on the financial statements as a whole. The Highlights on page 1, which is the responsibility of management, is presented for purposes of additional analysis and is not a required part of the financial statements. Such information has not been subjected to the auditing procedures applied in the audit of the financial statements and, accordingly, we do not express an opinion or provide any assurance on it.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with GAAP, 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 the College's ability to continue as a going concern within one year after the date that the financial statements are issued.

Auditors' 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 auditors' 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 the College'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 the College'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.

Baker Tilly US, LLP

Minneapolis, Minnesota
October 11, 2023

	2023	2022
Assets		
Cash and cash equivalents	$ 11,491,993	$ 25,035,444
Receivables		
Accounts, net (Note 4)	2,469,308	295,978
Contributions, net (Note 5)	9,327,312	8,539,118
Student loans, net (Note 6)	2,978,045	3,587,943
Notes receivable (Note 1)	750,000	750,000
Investments (Note 7)	740,371,940	718,281,226
Other assets	2,326,758	2,244,403
Deposits held by trustee (Note 7)	7,539,753	28,627,404
Beneficial interest in trusts held by others (Note 7)	2,018,634	2,145,691
Property, plant and equipment, net (Note 10)	296,150,305	275,475,657
Total assets	$ 1,075,424,048	$ 1,064,982,864
Liabilities and Net Assets		
Liabilities		
Accounts payable	$ 7,724,046	$ 10,759,052
Accrued and other liabilities (Note 11)	15,796,132	15,169,909
Deferred revenue	4,900,974	3,311,556
Annuities payable (Note 17)	8,777,304	10,077,697
Long-term debt (Note 15)	130,205,413	134,392,549
U.S. government grants refundable	1,220,502	1,793,828
Deposits held in trust for others	612,952	316,312
Total liabilities	169,237,323	175,820,903
Net Assets		
Without donor restrictions (Note 2)	414,891,479	408,403,255
With donor restrictions (Note 2)	491,295,246	480,758,706
Total net assets	906,186,725	889,161,961
Total liabilities and net assets	$ 1,075,424,048	$ 1,064,982,864

	Without Donor Restrictions	With Donor Restrictions	Total	2022
Operating Revenues, Gains and Other Support				
Tuition, room and board, net of scholarships (Note 1)	$ 83,644,809	$ -	$ 83,644,809	$ 79,206,865
Other tuition and fees	3,451,857	-	3,451,857	1,330,619
Government grants	6,550,743	-	6,550,743	10,110,941
Private gifts and grants	3,126,628	9,947,157	13,073,785	10,865,084
Long-term investment income and gains allocated for operations	11,086,517	17,667,556	28,754,073	26,329,141
Other sources	3,643,120	70,805	3,713,925	2,256,467
Investment income	1,062,051	30,952	1,093,003	118,593
Net losses on investments and capital assets	(1,155,039)	-	(1,155,039)	(865,595)
Capital gifts allocated	2,097,433	-	2,097,433	2,172,166
Auxiliary enterprises, sales and services	659,613	-	659,613	402,787
	114,167,732	27,716,470	141,884,202	131,927,068
Net assets released from restrictions (Notes 1 and 3)	25,886,503	(25,886,503)	-	-
Total operating revenues, gains and other support	140,054,235	1,829,967	141,884,202	131,927,068
Operating Expenses				
Program expenses	121,360,540	-	121,360,540	109,910,611
Support expenses	16,577,385	-	16,577,385	16,315,489
Total operating expenses	137,937,925	-	137,937,925	126,226,100
Change in net assets from operating activities	2,116,310	1,829,967	3,946,277	5,700,968
Nonoperating Activities				
Long-term investment activities	11,958,810	19,515,443	31,474,253	(4,737,344)
Less long-term investment income and gains allocated for operations	(11,086,517)	(17,667,556)	(28,754,073)	(26,329,141)
	872,293	1,847,887	2,720,180	(31,066,485)
Student loan income, net of expenses	(9,109)	12,204	3,095	(77,422)
Deferred giving activities, gifts	606	54,549	55,155	144,276
Capital giving activities, gifts and grants	2,387,872	7,828,714	10,216,586	19,767,442
Capital related gifts released from restrictions (Notes 1 and 3)	409,262	(409,262)	-	-
Capital gifts allocated to operations	(2,097,433)	-	(2,097,433)	(2,172,166)
Adjustment to actuarial liability for annuities payable	(61,385)	(732,774)	(794,159)	(2,015,097)
Adjustment to prior service cost and actuarial liability for retiree health plan	45,020	-	45,020	(64,894)
Gain from sale of asset	2,930,043	-	2,930,043	2,331,981
Change in net assets from nonoperating activities	4,477,169	8,601,318	13,078,487	(13,152,365)
Change in net assets before reclassification of net assets	6,593,479	10,431,285	17,024,764	(7,451,397)
Reclassification of Prior Year Net Assets	(105,255)	105,255	-	-
Change in net assets	6,488,224	10,536,540	17,024,764	(7,451,397)
Net Assets, Beginning	408,403,255	480,758,706	889,161,961	896,613,358
Net Assets, Ending	$ 414,891,479	$ 491,295,246	$ 906,186,725	$ 889,161,961

St. Olaf College

Statement of Activities and Change in Net Assets
Year Ended May 31, 2022

	Without Donor Restrictions	With Donor Restrictions	Total
Operating Revenues, Gains and Other Support			
Tuition, room and board, net of scholarships (Note 1)	$ 79,206,865	$ -	$ 79,206,865
Other tuition and fees	1,330,619	-	1,330,619
Government grants	10,110,941	-	10,110,941
Private gifts and grants	2,997,637	7,867,447	10,865,084
Long-term investment income and gains allocated for operations	10,159,767	16,169,374	26,329,141
Other sources	2,178,577	77,890	2,256,467
Investment income	85,381	33,212	118,593
Net losses on investments and capital assets	(865,595)	-	(865,595)
Capital gifts allocated	2,172,166	-	2,172,166
Auxiliary enterprises, sales and services	402,787	-	402,787
	107,779,145	24,147,923	131,927,068
Net assets released from restrictions (Notes 1 and 3)	21,664,305	(21,664,305)	-
Total operating revenues, gains and other support	129,443,450	2,483,618	131,927,068
Operating Expenses			
Program expenses	109,910,611	-	109,910,611
Support expenses	16,315,489	-	16,315,489
Total operating expenses	126,226,100	-	126,226,100
Change in net assets from operating activities	3,217,350	2,483,618	5,700,968
Nonoperating Activities			
Long-term investment activities	(1,223,651)	(3,513,693)	(4,737,344)
Less long-term investment income and gains allocated for operations	(10,159,767)	(16,169,374)	(26,329,141)
	(11,383,418)	(19,683,067)	(31,066,485)
Student loan income net of expenses	(9,170)	(68,252)	(77,422)
Deferred giving activities, gifts	606	143,670	144,276
Capital giving activities, gifts and grants	4,635,326	15,132,116	19,767,442
Capital related gifts released from restrictions (Notes 1 and 3)	838,704	(838,704)	-
Capital gifts allocated to operations	(2,172,166)	-	(2,172,166)
Adjustment to actuarial liability for annuities payable	(152,634)	(1,862,463)	(2,015,097)
Adjustment to prior service cost and actuarial liability for retiree health plan	(64,894)	-	(64,894)
Gain from sale of asset	2,331,981	-	2,331,981
Change in net assets from nonoperating activities	(5,975,665)	(7,176,700)	(13,152,365)
Change in net assets before reclassification of net assets	(2,758,315)	(4,693,082)	(7,451,397)
Reclassification of Prior Year Net Assets	(386,852)	386,852	-
Change in net assets	(3,145,167)	(4,306,230)	(7,451,397)
Net Assets, Beginning	411,548,422	485,064,936	896,613,358
Net Assets, Ending	$ 408,403,255	$ 480,758,706	$ 889,161,961

See notes to financial statements

Statements of Functional Expenses
Years Ended May 31, 2023 and 2022

May 31, 2023

	Program Expenses							Support Expenses			
	Instruction	Research	Public Service	Academic Support	Student Services	Auxiliary Enterprises	Total Program	Institutional Support	Fundraising	Total Support	Total
Compensation	$ 39,337,779	$ 1,000,474	$ 186,503	$ 8,658,831	$ 13,854,590	$ 4,357,578	$ 67,395,755	$ 5,878,808	$ 3,997,456	$ 9,876,264	$ 77,272,019
Depreciation, amortization and accretion	3,905,855	121,611	2,416	2,144,541	4,151,208	2,346,548	12,672,179	661,457	318,637	980,094	13,652,273
General operating expenses	2,383,949	107,255	48,481	2,100,288	3,366,390	171,330	8,177,693	1,078,415	415,016	1,493,431	9,671,124
Food services	269,602	5,605	53,199	58,659	440,571	8,756,511	9,584,147	96,696	236,674	333,370	9,917,517
Travel and meals	5,778,624	99,099	(7,188)	386,002	1,536,140	27,245	7,819,922	331,548	236,721	568,269	8,388,191
Contract, professional services, insurance, and taxes	2,272,959	462,925	123,981	244,511	1,230,204	196,462	4,531,042	2,494,285	523,964	3,018,249	7,549,291
Facilities, repairs, maintenance, utilities, fuel	1,672,655	100,981	17,983	496,111	1,124,664	3,227,894	6,640,288	94,981	81,995	176,976	6,817,264
Interest	679,539	12,217	32	10,163	412,352	3,425,211	4,539,514	129,813	919	130,732	4,670,246
Total expenses	$ 56,300,962	$ 1,910,167	$ 425,407	$ 14,099,106	$ 26,116,119	$ 22,508,779	$ 121,360,540	$ 10,766,003	$ 5,811,382	$ 16,577,385	$ 137,937,925

May 31, 2022

	Program Expenses							Support Expenses			
	Instruction	Research	Public Service	Academic Support	Student Services	Auxiliary Enterprises	Total Program	Institutional Support	Fundraising	Total Support	Total
Compensation	$ 37,797,423	$ 945,475	$ 80,985	$ 8,121,771	$ 12,892,112	$ 3,951,870	$ 63,789,636	$ 5,408,551	$ 3,789,016	$ 9,197,567	$ 72,987,203
Depreciation, amortization and accretion	3,753,835	126,326	2,512	2,251,602	2,825,724	2,445,657	11,405,656	699,647	319,011	1,018,658	12,424,314
General operating expenses	2,219,829	204,968	33,117	2,077,996	3,237,210	140,691	7,913,811	1,184,256	460,034	1,644,290	9,558,101
Food services	103,403	3,411	655	61,372	384,911	7,831,488	8,385,240	55,320	81,974	137,294	8,522,534
Travel and meals	2,146,418	40,328	2,460	238,928	1,252,141	10,302	3,690,577	138,258	110,682	248,940	3,939,517
Contract, professional services, insurance, and taxes	2,996,977	324,749	149,841	175,127	1,525,503	113,494	5,285,691	3,191,452	510,317	3,701,769	8,987,460
Facilities, repairs, maintenance, utilities, fuel	1,619,203	96,641	8,092	458,633	1,286,784	2,964,039	6,433,392	164,429	64,887	229,316	6,662,708
Interest	1,208,917	13,261	37	11,335	422,155	1,350,903	3,006,608	136,591	1,064	137,655	3,144,263
Total expenses	$ 51,846,005	$ 1,755,159	$ 277,699	$ 13,396,764	$ 23,826,540	$ 18,808,444	$ 109,910,611	$ 10,978,504	$ 5,336,985	$ 16,315,489	$ 126,226,100

St. Olaf College

Statements of Cash Flows
Years Ended May 31, 2023 and 2022

	2023	2022
Cash Flows From (Used in) Operating Activities		
Change in net assets	$ 17,024,764	$ (7,451,397)
Adjustments to reconcile change in net assets to net cash flows from operating activities:		
Depreciation, amortization and accretion expense	13,652,273	12,424,314
Net (gains)/losses on investments	(22,895,006)	9,635,284
Change in allowance for uncollectible student loans	90,925	70,000
Loans cancelled, assigned to government or written off	35,891	-
Gain on dispositions of property, plant and equipment	(1,772,855)	(1,466,315)
Actuarial adjustment of annuities payable	(292,144)	(85,650)
Adjustment to prior service cost and actuarial liability for retiree health plan	(45,020)	64,894
Gifts of property, plant and equipment	(305,999)	(33,850)
Change in:		
Accounts receivable	(2,173,330)	133,603
Contributions receivable for operations	(70,755)	115,845
Contributions receivable for plant	(43,647)	112,838
Other assets	(82,355)	(1,074,289)
Beneficial interest in trusts held by others	127,057	153,126
Change in:		
Accounts payable	62,689	(570,660)
Accrued and other liabilities	510,561	301,942
Deferred revenue	1,589,418	1,278,292
Deposits held in trust for others	296,640	(43,225)
Gifts and grants received for long-term investment and plant, net	(10,216,586)	(19,767,442)
Nonoperating investment income	(7,101,860)	(2,405,913)
Net cash flows used in operating activities	(11,609,339)	(8,608,603)
Cash Flows From (Used in) Investing Activities		
Purchases of property, plant and equipment	(39,836,567)	(41,828,492)
Purchases of investments	(187,900,466)	(217,753,901)
Proceeds from sales of investments	188,704,758	216,605,538
Proceeds from sale of property, plant and equipment	3,686,959	2,387,981
Disbursements of loans to students	(302,751)	(316,828)
Repayments of loans by students	776,758	1,033,046
Net cash flows used in investing activities	(34,871,309)	(39,872,656)
Cash Flows From Financing Activities		
Principal repayments of indebtedness	(3,212,082)	(3,066,477)
Gifts and grants received for long-term investment and plant, net	10,216,586	19,767,442
Change in nonoperating contributions receivable	(664,717)	(1,244,163)
Change in U.S. government grants refundable, net	(573,326)	(885,980)
Increase in annuities payable from new gifts	55,155	180,275
Payments to annuitants	(1,063,404)	(1,120,602)
Nonoperating investment income	7,101,860	2,405,913
Change in deposits held by trustee related to debt proceeds	21,077,125	34,308,471
Net cash flows from financing activities	32,937,197	50,344,879
Net change in cash and cash equivalents	(13,543,451)	1,863,620
Cash and Cash Equivalents, Beginning	25,035,444	23,171,824
Cash and Cash Equivalents, Ending	$ 11,491,993	$ 25,035,444
Supplemental Disclosure		
Interest paid	$ 4,335,120	$ 2,370,239
Property, plant and equipment acquired through accounts payable	$ 4,594,459	$ 7,692,154

See notes to financial statements

1. Significant Accounting Policies

Organization

Founded in 1874, St. Olaf College (the College) is a private, four-year, residential, liberal arts college located in Northfield, Minnesota. Affiliated with the Evangelical Lutheran Church in America, the College is coeducational and enrolls approximately 3,000 students. The College confers the degrees of Bachelor of Arts and Bachelor of Music.

Basis of Financial Statements

The accounting policies of the College reflect practices common to universities and colleges and the financial statements are prepared in accordance with accounting principles generally accepted in the United States of America. The more significant accounting policies are summarized below:

Net Asset Classifications

For the purposes of financial reporting, the College classifies resources into two net asset categories pursuant to any donor-imposed restrictions and applicable law. The Board of Regents has adopted practices that affect the presentation of board designations on net assets without donor restrictions. It has been the College's practice that bequests without donor restrictions under $25,000 are distributed to current unrestricted funds. The same methodology is applied to matured deferred gifts. The Board's practice has been to designate year-end operating surpluses to the board designated endowment. Accordingly, the net assets of the College are classified in the accompanying financial statements in the categories that follow:

Without Donor Restrictions - Net assets that are not subject to donor-imposed restrictions. (See Note 2)

With Donor Restrictions - Net assets subject to donor-imposed restrictions that will be met by action of the College and/or the passage of time or are restricted in perpetuity. (See Note 2)

Releases From Restrictions

Expirations of temporary restrictions on net assets (i.e., the donor-imposed purpose has been fulfilled and/or the stipulated time period has elapsed) are reported on the statements of activities as net assets released from restrictions (See Note 3). Occasionally donor restrictions related to net assets may be clarified or changed, at which time they are reflected as a reclassification of prior year net assets on the statements of activities. Conditional grants restricted by donors whose restrictions are met in the same year are reported as changes in net assets without donor restrictions.

Revenue Recognition

The timing and classification of revenue are summarized below:

Tuition, Room and Board Revenue

The College provides academic instruction toward baccalaureate degrees. Tuition and fee revenue is recognized in the fiscal year in which the academic programs are delivered. Institutional scholarships awarded to students reduce the amount of revenue recognized. In addition, students who adjust their course load or withdraw completely within the first four weeks of the semester may receive a partial refund in accordance with the College's refund policy. Refunds issued reduce the amount of revenue recognized. Payments for services are due August 1st for Fall semester and February 1st for the Spring semester. Performance obligations for certain ancillary services are satisfied when the service is performed. The College applies the practical expedient as allowed for within the accounting standards and, therefore, does not disclose information about remaining performance obligations that have original expected durations of one year or less. All remaining performance obligations will be satisfied in connection with the completion of the fiscal 2024 year.

The College also provides auxiliary services, such as residence and food services. Revenue from these services is recognized in the fiscal year in which the goods and services are provided. Students that withdraw from the College within the first 12 weeks of the semester may receive a partial refund for board plans in accordance with the College's refund policy. Students that withdraw from the College before the first day of class may receive a full refund for room plans in accordance with the College's refund policy. Tuition will be refunded at 80% if a student withdraws by the end of 10th day and 40% if a student withdraws within two weeks after 10th day. Refunds issued reduce the amount of revenue recognized. Tuition, room and board are included within a single comprehensive contract, as the College has determined that on campus residency (room and board) is part of the educational requirements. The College determines the transaction price based on standard charges for goods and services provided, reduced by discounts relating to institutional scholarships, both funded and unfunded, in accordance with the College's policies.

The College's revenue associated to tuition, room and board, net of scholarships and grants, were allocated as follows:

	2023	2022
Tuition	$ 163,320,417	$ 154,537,625
Room and board	33,491,182	30,181,685
Tuition, room and board	196,811,599	184,719,310
Unfunded scholarships and grants	(96,937,560)	(89,287,755)
Funded scholarships and grants	(16,229,230)	(16,224,690)
Tuition, room and board, net of scholarships	$ 83,644,809	$ 79,206,865

Deferred Revenue

Deferred revenue represents deposits paid by students that will be refunded upon graduation, tuition credit balances owed to students and payments received for conferences, events or travel study programs that have not yet started as of May 31, 2023. Summer academic terms begin after May 31, 2023, thus all tuition revenue relating to the 2023 summer terms will be included in the fiscal year 2024 statement of activities.

Government Grants

The College provides various services for state and federal agencies connected to government grants. Under the terms of the grants, the College is reimbursed for services performed and revenue is recognized in the fiscal year in which the services are performed.

The Higher Education Emergency Relief Fund III is authorized by the American Rescue Plan and was signed into law on March 11, 2021. In total, the ARP authorizes $40 billion in support to institutes of higher education to serve students and ensure learning continues during the COVID-19 pandemic. The College was awarded approximately $5,638,000 of HEERF III funding. Of this amount, $2,819,000 related to the student portion and $2,819,000 related to the institutional portion. As of May 31, 2022, the entire amount of the student relief portion of the grant was expended and recognized as revenue and student aid expense (within student services). As of May 31, 2022, the entire amount of the institutional portion of the grant was expended and recognized as revenue and as an offset to lost revenue incurred as a result of the pandemic.

Contribution Revenue

Unconditional contributions are recognized as revenue when the donor's commitments are received, as increases in net assets without donor restrictions unless their use is limited by donor-imposed restrictions or time. Conditional promises to give are not recognized until they become unconditional, that is, when the conditions on which they depend are substantially met. During the year ended May 31, 2016, the College received a conditional promise to give up to $15,000,000 to create an endowment to support a new program. The contribution is conditional upon the amount of other donations received for the program through 2025. Based on the terms of the agreement, the contribution will not be recognized as revenue until the end of the agreement. As of May 31, 2023, $6,628,000 of other donations have been received for the program.

Gifts of assets other than cash are recorded at their estimated fair value at the date of gift.

Contributions received with donor-imposed restrictions that are met in the same year as received are reported as revenues within the net assets with donor restrictions class, and a release to net assets without donor restrictions is made to reflect the expiration of such restrictions.

Contributions of exhaustible long-lived assets, or of cash and other assets to be used to acquire them, with donor stipulations concerning the use of such long-lived assets are reported as revenues of the net asset with donor restriction class. Gifts received for long-lived assets are released from net assets with donor restrictions when the assets are placed in service.

Operating Measure

The College's operating revenues in excess of expenses and transfers includes support for operating activities from both donor-restricted net assets and net assets without donor restrictions designated for long-term investment (the donor-restricted and quasi endowment) according to the College's spending policy, which is detailed in Note 8. The measure of operations excludes endowment support for non-operating activities, investment return in excess of amounts made available for current support, capital gifts, retiree health plan changes, changes in the actuarial value of annuities payable, gains (losses) from the sale of assets and student loan income.

Investment Gains and Losses

Gains and losses on investments and other assets or liabilities are reported as increases or decreases in net assets without donor restrictions or with donor restrictions if their use is restricted by explicit donor stipulation or by law. Losses from investments on board designated endowment funds are reported as decreases in net assets without donor restrictions.

Income and net gains or losses on investments of endowment and similar funds are reported in the statements of activities as follows:

- as increases or decreases in net assets without donor restrictions for board designated endowment funds;
- as increases or decreases in net assets with donor restrictions to restore donor restricted endowment funds in accordance with the stipulations of the donor, reported as with deficiencies; and
- as increases or decreases in net assets with donor restrictions in all other cases.

Impairment of Long-Lived Assets

The College reviews long-lived assets, including property and equipment and intangible assets, for impairment whenever events or changes in business circumstances indicate that the carrying amount of an asset may not be fully recoverable. An impairment loss would be recognized when the estimated future cash flows from the use of the asset are less than the carrying amount of that asset. As of May 31, 2023 and 2022, there have been no such losses.

Cash and Cash Equivalents

The College considers all highly liquid investments, except for those held for long-term investment, with a maturity of three months or less when purchased to be cash equivalents. Certain cash held by the College is restricted for the Perkins Loan Fund.

Receivables

Accounts and notes receivable are carried at cost, less an allowance for doubtful accounts (See Notes 4 and 6). During the year ended May 31, 2017, the College entered into a subordinated promissory note agreement with Northfield Hotel Properties LLC for $750,000. The loan is to be paid back in 2027 with 5.5% interest to be paid quarterly.

Investments

Investments in publicly traded securities are stated at quoted fair market value. Other investments, for which no such quoted fair market values or valuations are readily available, are carried at fair value as estimated by management using values provided by external investment managers. Changes in fair value are recorded as unrealized gains or losses in the period of change. (See Note 7)

Other Assets

Prepaid expenses and inventories are included in other assets. Inventories are valued at the lower of cost or market.

Deposits Held by Trustee

Cash, U.S. Government securities, private debt obligations and short-term investments held by the trustee are amounts restricted for debt service as required by the related trust indentures and also include proceeds from the issuance of the Series 2021 bonds. (See Note 15)

Beneficial Interest in Trusts Held by Others

The beneficial interest in trusts held by others and related contribution revenue are recognized at the date the trusts are established for the present value of estimated future payments to be received.

Property, Plant and Equipment

Physical plant assets are stated at cost at the date of acquisition or fair market value if donated, less accumulated depreciation. The College typically depreciates its assets on the straight-line basis over estimated useful lives ranging from 15 to 50 years for buildings and improvements and 5 to 15 years for furnishings, library materials and equipment. The College has developed a schedule of the estimated funding required for significant repairs and maintenance of its facilities based on a forty-year life cycle. Normal repair and maintenance expenses are charged to operations as incurred. Certain property and equipment purchased with government grant funds are subject to certain requirements and limitations. Generally, the College capitalizes physical plant additions and equipment in excess of $5,000. (See Note 10)

Annuities Payable

Annuities payable represent the College's liability under annuity contracts with donors and irrevocable charitable remainder trusts for which the College serves as the trustee. Assets held under these agreements are included in investments. (See Note 17)

U.S. Government Grants Refundable

Funds provided by the United States Government under the Federal Perkins Loan Program are loaned to qualified students and may be reloaned after collections. These funds are ultimately refundable to the government and are included as liabilities on the statements of financial position. Revenues from other government grants are recognized as they are earned in accordance with the agreement. Any funding received before it is earned is recorded as a refundable advance. Expenses incurred before cash is received are shown as a reduction in the government grants refundable liability on the statements of financial position.

Deposits Held in Trust for Others

The College acts as trustee for funds transferred from various organizations for investment management and administrative purposes. The funds are to be distributed back to these organizations as they request them. The College recognizes the funds as a liability in the accompanying statements of financial position.

Expenses

The financial statements report certain categories of expenses that are attributable to program and support functions. These expenses require allocation on a reasonable basis that is consistently applied. These expenses include depreciation, amortization and accretion, interest, health and dental expenses, tuition and benefit expenses and operation and maintenance of plant. Depreciation, amortization and accretion is allocated based on square footage, whereby interest expense is allocated based on the program and/or supporting function that benefit from the related debt issuances. Operation and maintenance of plant is allocated based on square footage.

Advertising Expenses

Advertising costs are expensed when incurred.

Use of Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

Contingencies

In order to participate in the various Federal Title IV financial aid programs, the U.S. Department of Education requires private nonprofit institutions to demonstrate financial responsibility by meeting certain ratio requirements. The College was following these requirements at May 31, 2023 and 2022.

The College is contingently liable in connection with claims and contracts, including those currently in litigation arising in the normal course of its activities. In the opinion of management, the results of these matters, if any, will not have a significant impact on the financial statements.

Income Tax Status

The Internal Revenue Service has determined that the College is exempt from federal income tax under Section 501(c)(3) of the Internal Revenue Code. The College is also exempt from state income taxes. However, any unrelated business income may be subject to taxation.

The College follows the accounting standards for contingencies in evaluating uncertain tax positions. This guidance prescribes recognition threshold principles for the financial statement recognition of tax positions taken or expected to be taken on a tax return that are not certain to be realized. No liability has been recognized by the College for uncertain tax positions as of May 31, 2023 and 2022. The College's tax returns are subject to review and examination by federal and state authorities.

2. Restrictions and Limitations on Net Asset Balances

Net assets (deficit) without donor restrictions were allocated as follows:

	2023	2022
Plant	$ 164,147,581	$ 157,360,336
Operations	(7,901,387)	(5,018,168)
Endowment funds	255,150,160	252,011,702
Deferred gifts	3,413,282	3,877,822
Student loan programs, matching federal government	81,843	171,563
	$ 414,891,479	$ 408,403,255

Net assets with donor restrictions consist of the following:

	2023	2022
Gifts and other unexpended revenues and gains available for:		
Scholarships, instruction and other support	$ 16,607,560	$ 16,160,171
Acquisition of buildings and equipment	780,825	542,210
	17,388,385	16,702,381
Endowment funds	456,590,929	444,664,304
Deferred gifts	14,281,544	16,389,261
Student loan funds	3,034,388	3,002,760
	$ 491,295,246	$ 480,758,706

Total net assets consist of the following:

	2023	2022
Plant	$ 164,928,406	$ 157,902,546
Operations	8,706,173	11,142,003
Endowment funds (Note 8)	711,741,089	696,676,006
Deferred gifts (Note 17)	17,694,826	20,267,083
Student loan funds	3,116,231	3,174,323
	$ 906,186,725	$ 889,161,961

3. Net Assets Released From Restrictions

Net assets were released by incurring expenses satisfying the restricted purposes or by occurrence of events specified by the donors as follows for the years ended May 31, 2023 and 2022:

	2023	2022
Capital related gifts for projects placed in service	$ 409,262	$ 838,704
Scholarships, instruction and other departmental support	25,886,503	21,664,305
	$ 26,295,765	$ 22,503,009

4. Accounts Receivable

Accounts receivable, and the related allowance for doubtful accounts, was as follows at May 31, 2023 and 2022:

	2023		
	Receivable	Allowance	Net
Federal Emergency Management Agency	$ 1,665,058	$ -	$ 1,665,058
Student accounts	459,477	(200,000)	259,477
Other accounts	544,773	-	544,773
Total accounts receivable	$ 3,667,321	$ (200,000)	$ 2,469,308

	2022		
	Receivable	Allowance	Net
Student accounts	$ 319,662	$ (200,000)	$ 119,662
Other accounts	176,316	-	176,316
Total accounts receivable	$ 1,473,795	$ (200,000)	$ 295,978

An allowance for doubtful accounts is recorded annually based on historical experience and management's evaluation of receivables at the end of each year. Bad debts are written-off when deemed uncollectible. Receivables are generally unsecured.

5. Contributions Receivable

Contributions receivable include the following unconditional promises to give at May 31, 2023 and 2022:

	2023	2022
Unconditional promises expected to be collected in:		
Less than one year	$ 4,124,569	$ 2,961,941
One to five years	6,042,164	6,956,511
Over five years	1,025,000	60,000
Gross unconditional promises to give	11,191,733	9,978,452
Less unamortized discount	(673,004)	(238,842)
Allowance for uncollectible promises	(1,191,417)	(1,200,492)
	$ 9,327,312	$ 8,539,118

Contributions receivable due within one year are not discounted. Contributions receivable expected to be collected in more than one year have been discounted using historic rates, ranging from 0.9% to 4.8%. As of May 31, 2023, net contributions receivable consisted of $8,610,793 for endowments, $67,816 for plant and $648,703 for operations. As of May 31, 2022, net contributions receivable consisted of $7,882,325 for endowments, $67,870 for plant and $588,923 for operations.

6. Credit Quality of Student Loans Receivable

The College issues uncollateralized loans to students based on financial need. Loans to students are funded through Federal government loan programs or institutional resources. Allowances for doubtful accounts are established based on prior collection experience and current economic factors which, in management's judgment, could influence the ability of loan recipients to repay the amounts per the loan terms. Interest income on student loan receivables is recognized when received, and fees and costs are recognized when incurred. Government student loan program receivables (Perkins) that become uncollectible can be assigned to the federal government. At May 31, 2023 and 2022, student loans receivable represented 0.28% and 0.34% of total assets, respectively.

At May 31, 2023 and 2022 student loans receivable consisted of the following:

	2023	2022
Federal government programs	$ 1,334,545	$ 1,827,425
Institutional programs	2,245,300	2,262,318
	3,579,845	4,089,743
Less allowance for doubtful accounts:		
Beginning of year	(501,800)	(431,800)
Change to allowance	(97,991)	(117,470)
Write-offs		47,470
Write-off recoveries	(2,009)	-
End of year	(601,800)	(501,800)
Student loans receivable, net	$ 2,978,045	$ 3,587,943

Funds advanced by the Federal government of $1,507,956 and $2,093,971 at May 31, 2023 and 2022, respectively, are ultimately refundable to the government and are classified as liabilities in the statements of financial position. These amounts are partially offset by related receivables from the Federal government.

At May 31, 2023 and 2022, the past due and current amounts under student loan programs were as follows:

	2023	2022
Past due student loans receivable:		
0 - 240 days past due	$ 195,271	$ 334,871
240 days - 2 years past due	96,173	135,265
2 - 5 years past due	370,554	392,323
5+ years past due	166,353	99,878
Total past due	828,351	962,337
Current student loans receivable	2,751,494	3,127,406
Total student loans receivable, gross	$ 3,579,845	$ 4,089,743

7. Investments and Fair Value Measurements

Fair Value Hierarchy

Fair value is defined in the accounting guidance as the exchange price that would be received to sell an asset or paid to transfer a liability (an exit price) in the principal or most advantageous market for the assets or liability in an orderly transaction between market participants at the measurement date. Under this guidance, a three-level hierarchy is used for fair value measurements which are based on the transparency of information, such as the pricing source, used in the valuation of an asset or liability as of the measurement date.

Financial instruments measured and reported at fair value are classified and disclosed in one of the following three categories.

Level 1 - Inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the reporting entity can access at the measurement date.

Level 2 - Inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly or indirectly. This includes quoted prices for similar assets or liabilities in active markets, quoted prices for identical or similar assets or liabilities in markets that are not active, inputs other than quoted prices that are observable for the asset or liability or market-corroborated inputs.

Level 3 - Inputs are unobservable for the asset or liability. Unobservable inputs reflect the assumptions that market participants would use in pricing the asset or liability (including assumptions about risk) using the best information available in the circumstances, which may include using the reporting entity's own data.

Valuation Techniques and Inputs

Level 1 assets include:

Investments in cash and short-term investments (consisting primarily of money market funds), exchange traded funds, mutual funds, stocks, bonds and deposits held by trustee (consisting primarily of money market funds) for which quoted prices are readily available.

Level 2 assets include:

Investments in certain fixed income securities (U.S. treasuries, U.S. government agency bonds, municipal bonds, government and commercial mortgage-backed securities, corporate bonds and notes and private debt obligations) for which quoted prices are not readily available. The fair values are estimated using Level 2 inputs based on multiple sources of information, which may include market data and/or quoted market prices from either markets that are not active or are for the same or similar assets in active markets.

Level 3 assets include:

Investments in real estate for which fair value is based on inputs such as appraisals and the county assessed value.

Other investments, which represent ownership interests in insurance contracts. The fair value has been estimated based on information provided by the insurance companies.

Beneficial interest in trusts held by others for which quoted prices are not readily available. The fair values are estimated using an income approach by calculating the present value of the future distributions expected to be received based on a combination of Level 2 inputs (interest rates and yield curves) and significant unobservable inputs (entity specific estimates of cash flows).

Alternative investments are measured at fair value using the net asset value (NAV) per share (or its equivalent) of such investment funds as a practical expedient, without further adjustment, unless it is probable that the investment will be sold at a significantly different value. If not determined as of the College's measurement date, NAV is adjusted to reflect any significant events that would materially affect the security's value. Certain attributes that impact the security's fair value may not be reflected in NAV, including, but not limited to, the investor's ability to redeem the investment at the measurement date and unfunded purchase commitments. If the College sold all or a portion of its alternative investment, it is reasonably possible that the transaction value could differ significantly from the estimated fair value at the measurement date, because of the nature of the investments, changes in market conditions and the overall economic environment.

In certain cases, the inputs used to measure fair value may fall into different levels of the fair value hierarchy. In such cases, the level in the fair value hierarchy within which the fair value measurement in its entirety falls has been determined based on the lowest level input that is significant to the fair value measurement in its entirety. The assessment of the significance of a particular input to the fair value measurement in its entirety requires judgment and considers factors specific to the asset or liability.

There have been no changes in the techniques and inputs used as of May 31, 2023 and 2022.

While the College believes its valuation methods are appropriate and consistent with other market participants, the use of different methodologies or assumptions to determine the fair value of certain financial instruments could result in a different estimate of fair value at the reporting date.

Investments, in general, are subject to various risks, including credit, interest and overall market volatility risks. Due to the level of risk associated with certain investment securities, it is reasonably possible that changes in values of investment securities will occur in the near term and such changes could materially affect the amounts reported in the financial statements.

The following table present information about the College's assets measured at fair value on a recurring basis as of May 31, 2023:

	2023			
	Total	**Level 1**	**Level 2**	**Level 3**
Assets:				
Investments:				
Cash and short-term investments	$ 13,315,001	$ 13,315,001		
Marketable securities:				
Mutual funds and exchange traded funds:				
Fixed income:				
Domestic	5,321,690	5,321,690		
International	1,127,616	1,127,616		
Equity funds:				
Domestic	48,790,235	48,790,235		
International	29,771,601	29,771,601		
Real asset funds	3,314,418	3,314,418		
Bonds	17,917,597	85,041	$ 17,832,556	
Real estate	5,500	-	-	$ 5,500
Other investments	1,888,423	-	-	1,888,423
Subtotal investments	121,452,081	101,725,602	17,832,556	1,893,923
Deposits held by trustee	7,539,753	7,539,753	-	-
Beneficial interest in trusts held by others	2,018,634	-	-	2,018,634
Subtotal by valuation hierarchy	131,010,468	$ 109,265,355	$ 17,832,556	$ 3,912,557
Investments measured using NAV:				
Hedge funds	159,890,382			
Private credit funds	17,188,781			
Private equity funds	145,324,537			
Global equity funds	176,935,800			
Fixed income funds	32,000,000			
Real estate funds	37,238,938			
Commodity funds	50,341,421			
Subtotal investments by NAV	618,919,859			
Total assets at fair value	$ 749,930,327			
Investments by valuation hierarchy	$ 121,452,081			
Investments by NAV	618,919,859			
Total investments	$ 740,371,940			

The following table present information about the College's assets measured at fair value on a recurring basis as of May 31, 2022:

	2022			
	Total	**Level 1**	**Level 2**	**Level 3**
Assets:				
Investments:				
Cash and short-term investments	$ 8,469,029	$ 8,469,029		
Marketable securities:				
Mutual funds and exchange traded funds:				
Fixed income:				
Domestic	5,958,160	5,958,160		
International	1,298,064	1,298,064		
Equity funds:				
Domestic	62,047,265	62,047,265		
International	5,588,432	5,588,432		
Global	7,650,200	7,650,200		
Real asset funds	3,981,049	3,981,049		
Stocks	36,679	36,679		
Bonds	13,476,860	153,209	$ 13,323,651	
Real estate	1,016,500	-	-	$ 1,016,500
Other investments	1,858,299	-	-	1,858,299
Subtotal investments	111,380,537	95,182,087	13,323,651	2,874,799
Deposits held by trustee	28,627,404	1,098,794	27,528,610	-
Beneficial interest in trusts held by others	2,145,691	-	-	2,145,691
Subtotal by valuation hierarchy	142,153,632	$ 96,280,881	$ 40,852,261	$ 5,020,490
Investments measured using NAV:				
Hedge funds	152,029,505			
Private credit funds	3,997,661			
Private equity funds	155,705,848			
Global equity funds	176,214,233			
Fixed income funds	24,670,237			
Real estate funds	37,016,669			
Commodity funds	57,266,536			
Subtotal investments by NAV	606,900,689			
Total assets at fair value	$ 749,054,321			
Investments by valuation hierarchy	$ 111,380,537			
Investments by NAV	606,900,689			
Total investments	$ 718,281,226			

The College uses the NAV as a practical expedient to determine fair value of all underlying investments which (a) do not have a readily determinable fair value; and (b) prepare their financial statements consistent with the measurement principles of an investment company or have the attributes of an investment company.

The following table lists the alternative investments in which NAV was utilized as the practical expedient for estimating fair value by major category as of May 31, 2023 and 2022:

Investment Type	Unfunded Commitments	Fair Value May 31, 2023	Fair Value May 31, 2022	Redemption Frequency	Redemption Notice Period	Estimated Remaining Life
Alternative investments:						
Hedge funds (a)	$ 412,500	$ 159,890,382	$ 152,029,505	Quarterly to not redeemable	45 days to N/A	1-15 years
Private credit funds(b)	11,179,053	17,188,781	3,997,661	Not redeemable	N/A	1-10 years
Private equity funds (c)	61,352,767	145,324,537	155,705,848	Not redeemable	N/A	1-15 years
Global equity funds (d)	-	176,935,800	176,214,233	Monthly to 3 years	30-365 days	N/A
Fixed income funds (e)	-	32,000,000	24,670,237	Daily	2 days	N/A
Real estate funds (f)	15,907,997	37,238,938	37,016,669	Not redeemable	N/A	1-12 years
Commodity funds (g)	9,381,220	50,341,421	57,266,536	Not redeemable	N/A	1-12 years
Total	$ 98,233,537	$ 618,919,859	$ 606,900,689			

(a) Comprised of various hedge funds which primarily focus on absolute return, security selection and hedging. A portion of the investments in this category cannot be redeemed currently because the investments include restrictions that do not allow for redemption in the first 12 to 36 months after acquisition.

(b) Comprised of a private credit fund providing customized and secured debt financing to emerging growth companies. This investment is illiquid and not redeemable. Instead, distributions are received through the liquidation of the underlying assets of the fund.

(c) Comprised of various private equity funds with a broad range of investment objectives which include diversified fund of funds focused on venture, buyout and special situations, as well as smaller direct funds that have more specific niche strategies. These investments are generally not redeemable. Instead, distributions are received through the liquidation of the underlying assets of the fund.

(d) Comprised of limited partnership investments both holding long-only domestic and international equities.

(e) Comprised of one limited partnership investment at the statement of financial position date; the fund invests in international long-only fixed income securities.

(f) Includes funds having diversified investment objectives that focus on domestic commercial properties to apartments and office holdings. The other investments cannot be redeemed, but distributions from each fund will be received as the underlying investments in the funds are liquidated.

(g) Includes fund of funds investments that focus on natural resources and/or energy.

8. Endowment

The College's endowment consists of approximately 2,000 individual funds established for a variety of purposes. The endowment includes both donor-restricted endowment funds and funds designated by the Board of Regents to function as endowments. As required by U.S. generally accepted accounting principles, net assets associated with endowment funds, including funds designated by the Board of Regents as endowments, are classified and reported based on the existence or absence of donor-imposed restrictions.

Interpretation of Relevant Law

The College's Board of Regents has interpreted the Minnesota enacted version of the Uniform Prudent Management of Institutional Funds Act (UPMIFA) as allowing the College to appropriate for expenditure or accumulate so much of an endowment fund as the College determines is prudent for the uses, benefits, purposes and duration for which the endowment fund is established, subject to the intent of the donor as expressed in the gift instrument. The College's Board of Regents has determined it is prudent to preserve the original gift as of the gift date of the donor-restricted endowment funds absent explicit donor stipulations to the contrary. The College classifies as net assets with restrictions (a) the original value of the gifts donated to the permanent endowment, (b) the original value of subsequent gifts to the permanent endowment and (c) accumulated gains and losses 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 a donor-restricted endowment fund is classified as net assets with restriction until those amounts are appropriated for expenditure by the College through the Board of Regents' approval of the annual budget, which is inclusive of the spending rate for its endowment funds established pursuant to the College's spending policy. See Note 1 for further information on net asset classifications.

Endowment net asset composition by type of fund consists of the following as of May 31, 2023 and 2022:

	2023			
		With Donor Restrictions		
	Without Donor Restrictions	Accumulated Gains	Original Gifts	Total
Donor-restricted endowment funds	$ -	$ 181,720,436	$ 274,870,493	$ 456,590,929
Board-designated endowment funds	255,150,160	-	-	255,150,160
Total endowment net assets	$ 255,150,160	$ 181,720,436	$ 274,870,493	$ 711,741,089

	2022			
		With Donor Restrictions		
	Without Donor Restrictions	Accumulated Gains	Original Gifts	Total
Donor-restricted endowment funds	$ -	$ 179,050,336	$ 265,613,968	$ 444,664,304
Board-designated endowment funds	252,011,702	-	-	252,011,702
Total endowment net assets	$ 252,011,702	$ 179,050,336	$ 265,613,968	$ 696,676,006

Changes in endowment net assets for the years ended May 31, 2023 and 2022 are as follows:

	2023			
		With Donor Restrictions		
	Without Donor Restrictions	Accumulated Gains	Original Gifts	Total
Endowment net assets, May 31, 2022	$ 252,011,702	$ 179,050,336	$ 265,613,968	$ 696,676,006
Total investment return	11,958,810	19,337,657	177,786	31,474,253
Contributions	2,021,205	-	7,563,414	9,584,619
Appropriation of endowment assets for:				
Operating expenditures	(11,122,239)	(17,667,556)	-	(28,789,795)
Non-operating expenditures	(53,547)	-	(19,423)	(72,970)
Other changes:				
Transfers from other funds	-	1,000,000	-	1,000,000
Deferred gift administration	-	-	-	-
Matured deferred gifts	334,228	-	1,534,748	1,868,976
Endowment net assets, May 31, 2023	$ 250,150,159	$ 181,720,436	$ 274,870,493	$ 711,741,089

	2022			
		With Donor Restrictions		
	Without Donor Restrictions	Accumulated Gains	Original Gifts	Total
Endowment net assets, May 31, 2021	$ 253,658,530	$ 197,356,262	$ 250,701,239	$ 701,716,031
Total investment return	(1,223,651)	(3,416,552)	(97,140)	(4,737,343)
Contributions	4,635,326	-	14,151,833	18,787,159
Appropriation of endowment assets for:				
Operating expenditures	(10,159,767)	(16,169,374)	-	(26,329,141)
Non-operating expenditures	(70,508)	-	(18,406)	(88,914)
Other changes:				
Transfers from other funds	4,752,880	1,280,000	297,120	6,330,000
Deferred gift administration	(19,752)	-		(19,752)
Matured deferred gifts	438,644	-	579,322	1,017,966
Endowment net assets, May 31, 2022	$ 252,011,702	$ 179,050,336	$ 265,613,968	$ 696,676,006

Funds With Deficiencies

From time to time, the fair value of assets associated with individual donor-restricted endowment funds may fall below the original value of the gifts contributed to each endowment fund. At May 31, 2023, 63 donor-restricted funds with original gift values of $14,251,732, fair values of $13,643,102 and deficiencies of $608,630 were reported in net assets with donor restrictions. At May 31, 2022, 58 donor-restricted funds with original gift values of $11,231,430, fair values of $10,600,266 and deficiencies of $631,164 were reported in net assets with donor restrictions. These deficiencies resulted from unfavorable market fluctuations that occurred after the investment of new donor-restricted endowment funds and continued appropriation for certain programs that was deemed prudent by the Board of Regents.

The College's endowment spending policy states that, as permitted by UPMIFA, the Investment Committee will decide on a case-by-case basis whether or not to continue spending from the endowments with deficiencies, otherwise known as underwater endowments.

Return Objectives and Risk Parameters

The College has adopted investment and spending policies for endowment assets that strive to provide a source of income for spending that is reasonably stable and predictable from year-to-year, while seeking to preserve capital, maintain the purchasing power of the endowment assets and prudently earn the highest possible rate of return consistent with the College's ability to accommodate risk. Endowment assets include those assets of donor-restricted funds that the College must hold indefinitely or for a donor-specified period(s) as well as board-designated funds. Under this policy, as approved by the Board of Regents, the endowment assets are invested in a manner that is intended to produce results that outperform the appropriate benchmark for each asset class. The College benchmarks against a 65% MSCI ACWI (All Country World Index) and 35% Bloomberg Barclays Aggregate Bond allocation. The College expects its endowment funds, over time, to provide an average real total return of 5%, net of fees. Actual returns in any given year may vary from this amount.

Strategies Employed for Achieving Objectives

To satisfy its long-term rate-of-return objectives, the College relies on a total return strategy in which investment returns are achieved through both capital appreciation (realized and unrealized) and current yield (interest and dividends). The College targets a diversified asset allocation including asset classes such as public equities, fixed income and alternative assets in order to achieve its long-term return objectives within prudent risk constraints.

Spending Policy and How the Investment Objectives Relate to Spending Policy

The Board of Regents designates only a portion of the College's cumulative investment return for support of current operations; the remainder is retained to support operations of future years and to offset potential market declines. In developing its spending policy, the College considers certain of the following factors which it determines relevant:

1. The duration and preservation of the fund
2. The purposes of the College and the donor-restricted endowment fund
3. General economic conditions
4. The possible effect of inflation and deflation
5. The expected total return from income and the appreciation of investments
6. Other resources of the College
7. The investment policies of the College

The Board has adopted a policy to appropriate for distribution during each fiscal year an amount per endowment unit calculated at a rate of 4.7% of the average endowment market value per endowment unit from the preceding 16 quarters established as of the end of the calendar year prior to the beginning of the fiscal year.

9. Liquidity and Availability

The following table reflects the College's financial assets as of May 31, 2023 and 2022, reduced by amounts not available for general expenditures within one year. Financial assets are considered unavailable when illiquid or not convertible to cash within one year. Other financial assets that are excluded from this measure of liquidity include cash and other investments that are restricted by donors, the College's Board of Regents or are restricted for a specific use.

	2023	2022
Financial assets:		
Cash and cash equivalents	$ 11,491,993	$ 25,035,444
Accounts receivable, net	2,469,308	295,978
Contributions receivable, net	9,327,312	8,539,118
Student loan receivables, net	2,978,045	3,587,943
Notes receivable	750,000	750,000
Investments	740,371,940	718,281,226
Deposits held by trustee	7,539,753	28,627,404
Assets held in trust by others	2,018,634	2,145,691
Financial assets at May 31	776,946,985	787,262,804
Less those unavailable for general expenditure within one year:		
Cash restricted for student loans	(4,685,509)	(3,768,667)
Accounts receivable beyond one year	(67,870)	(86,738)
Contributions receivable for endowments	(8,610,793)	(7,882,325)
Contributions receivable for plant	(67,816)	(67,870)
Contributions receivable greater than one year	(384,920)	(298,068)
Student loan receivables restricted for financial aid purposes	(2,978,045)	(3,587,943)
Note receivable beyond one year	(750,000)	(750,000)
Endowment assets restricted by donors, net of appropriation for next year	(428,596,219)	(418,838,977)
Endowment assets restricted by the Board of Regents, net of appropriation for next year	(244,109,893)	(241,659,178)
Cash and other investments held for gift annuitants	(24,444,663)	(28,181,855)
Bond proceeds and reserves restricted by use	(7,539,753)	(28,627,404)
Investments held for others connected to split-interest agreements	(2,018,634)	(2,145,691)
Financial assets not available for expenditure within one year	724,254,115	735,894,716
Financial assets available to meet cash needs for general purposes within one year	$ 52,692,870	$ 51,368,088

As of May 31, 2023, the College had liquid assets on hand to cover approximately five months of operating expenses. The College's practice is to structure its financial assets to be available as its general expenses, liabilities and obligations come due. Cash in excess of daily requirements is typically invested in short-term, liquid securities.

10. Property, Plant and Equipment

At May 31, 2023 and 2022, property, plant and equipment consisted of the following:

	2023	2022
Land	$ 1,242,799	$ 1,286,890
Improvements other than buildings	36,746,520	32,473,753
Buildings	374,464,107	321,937,597
Equipment	63,551,963	61,442,726
Library materials	16,672,380	16,655,250
Art collection	2,299,134	1,964,873
Construction in progress	17,170,989	47,857,551
	512,147,892	483,618,640
Right-of-Use Assets Lease (Note 16)	669,837	814,675
Less accumulated depreciation	(216,667,424)	(208,957,658)
	$ 296,150,305	$ 275,475,657

The majority of the costs included in construction in progress as of May 31, 2023 were for four construction projects, a renovation of an existing residence hall, the construction of a house for the President, a new enterprise information system and a climate controlled library vault totaling approximately $16,284,000. The residence hall renovation will be completed over the next few years and is being funded by the Series 2021 debt proceeds and the capital budget. The President's House will be completed during fiscal year 2024 and is being funded by gifts and the sale of property. The enterprise information system implementation will be completed during fiscal year 2025 and is being funded by operations. The climate controlled library vault project will be completed in fiscal year 2024 and is being funded by contributions, grant funding and operations.

11. Accrued and Other Liabilities

At May 31, 2023 and 2022, accrued and other liabilities consisted of the following:

	2023	2022
Payroll	$ 9,417,567	$ 8,815,818
Self-insurance reserve (Note 12)	485,000	445,000
Post-retirement benefit obligations (Note 13)	572,749	688,087
Interest	1,372,627	1,444,377
Asset retirement obligations (Note 14)	3,369,978	3,213,645
Other	578,211	562,982
	$ 15,796,132	$ 15,169,909

12. Self-Insurance

The College provides medical benefits through a self-insurance plan, which is available to all employees of the College who meet the eligibility requirements for certain medical expenses. Accrued and other liabilities include an incurred but not reported reserve of approximately $485,000 at May 31, 2023 and $445,000 at May 31, 2022, an estimate of amounts due and payable on existing claims for which the College is self-insured and which are expected to be settled currently. The College is self-insured for the first $225,000 per claim with an aggregate stop loss of approximately $10,235,000.

As of May 31, 2023 and 2022, the College had net assets without donor restrictions of $790,469 and $854,870, respectively, designated for health insurance benefits, which consists of the cumulative amount that employee and college contributions towards health premiums have exceeded expenses over the life of the plan.

13. Retirement Plans and Postretirement Benefit Plan

The College has certain defined contribution retirement plans for employees. All employees are eligible to participate after meeting certain eligibility requirements. College contributions are based upon a percentage of salaries. The College's contributions to the retirement plans approximated $4,210,000 and $4,090,000 for the years ended May 31, 2023 and 2022, respectively.

The College also provides postretirement health care benefits for current or retired employees and covered dependents, which are recorded on the accrual basis. Two voluntary employee benefit association (VEBA) trusts were established in fiscal year 2006. The Employee After-Tax-Contributions VEBA Trust (funded solely by employee after tax contributions) and the Employer Contribution VEBA Trust (funded solely by employer pre-tax contributions) were established to provide employee welfare benefit plans providing certain insured and/or self-insured health and life benefits for eligible retired employees and their eligible spouses and dependents. The trusts are managed by a trustee, who invests in money market and mutual funds (Level 1 assets). The trusts are exempt from taxation to the extent permitted under section 501(c)(9) and 512 of the Internal Revenue Code of 1986.

The following tables set forth the postretirement health care benefit plan's status with amounts reported in the College's financial statements at May 31, 2023 and 2022:

	2023	2022
Change in benefit obligation:		
Benefit obligation at beginning of year	$ 15,489,761	$ 15,177,599
Service cost	50,473	58,701
Interest cost	618,123	347,413
Plan participants' VEBA contributions	48,787	41,117
Employer VEBA contributions	694,415	920,598
Actuarial gain	(1,764,643)	(63,774)
Benefits paid	(1,070,378)	(991,893)
Benefit obligation at end of year	$ 14,066,538	$ 15,489,761
Change in plan assets:		
Fair value of plan assets at beginning of year	$ 14,801,674	$ 14,183,483
Actual return on plan assets	(979,539)	580,506
Employer contributions	693,245	988,461
Plan participants' contributions	48,787	41,117
Benefits paid	(1,070,378)	(991,893)
Fair value of plan assets at end of year	$ 13,493,789	$ 14,801,674
Funded status:		
Funded status at end of year	$ (572,749)	$ (688,087)
Amounts recognized in the statements of financial position consist of:		
Current liabilities	$ (61,357)	$ (73,372)
Noncurrent liabilities	(511,392)	(614,715)
Net amount recognized (Note 11)	$ (572,749)	$ (688,087)

	2023	2022
Amounts recognized in change in net assets consist of:		
Prior service cost	$ -	$ -
Loss	99,834	144,854
Accumulated change in net assets	$ 99,834	$ 144,854
Components of net periodic benefit cost:		
Service cost	$ 50,473	$ 58,701
Interest cost	618,123	347,413
Expected return on plan assets	(740,084)	(709,174)
Amortization of prior service cost	-	-
Net periodic postretirement benefit cost	$ (71,488)	$ (303,060)
Changes in net assets:		
Net (gain)/loss	$ (45,020)	$ 64,894
Amortization of prior service cost	-	-
Total amount (gain) loss recognized in change in net assets	$ (45,020)	$ 64,894
Total amount recognized net periodic benefit cost and change in net assets	$ (116,508)	$ (238,166)
Weighted-average assumptions used to determine benefit obligations at May 31:		
Discount rate	4.80%	4.00%
Expected return on plan assets	5.00%	5.00%
Rate of compensation increase	0.00%	0.00%
Weighted-average assumptions used to determine net periodic benefit cost at May 31:		
Discount rate	4.00%	2.30%
Assumed health care cost trend rates at May 31:		
Healthcare cost trend rate assumed for next year:		
Post 65	6.50%	6.50%
Pre 65	6.50%	6.50%
Rate to which the cost trend rate is assumed to decline (the ultimate trend)	4.00%	4.00%
Year that the rate reaches the ultimate rate	2076	2076

Plan assets are invested primarily in mutual funds, which are classified as Level 1 in the fair value hierarchy, as of May 31, 2023 and 2022.

During the year ending May 31, 2024, the College expects to contribute approximately $61,000 in benefit payments for the postretirement medical plan, which includes the liability for post-65 retiree VEBA and the present value of the projected future liability for the pre-65 retiree health plan. The College also expects to contribute approximately $630,000 to the VEBA for current employees during the year ending

May 31, 2024.

The following estimated benefit payments for the postretirement medical plan, which reflect expected future service, as appropriate, are expected to be paid during the years ending May 31:

Years ending May 31:		
2024	$	61,357
2025		54,410
2026		51,516
2027		50,711
2028		51,855
2029 - 2033		194,726

It is reasonably possible that changes in these estimates could occur in the near term and that actual results could differ from these estimates and could have a material impact on the financial statements.

14. Asset Retirement Obligations

The College owns certain buildings that contain encapsulated asbestos material and as such records a liability for the reasonably estimated fair value of the conditional asset retirement obligation.

The following shows the activity in the College's asset retirement obligations:

	2023	2022
Balance at beginning of the year	$ 3,213,645	$ 3,062,655
Abatement costs	(4,350)	(2,143)
Accretion expense	160,683	153,133
Balance at end of the year (Note 11)	$ 3,369,978	$ 3,213,645

15. Long-Term Debt

Long-term debt at May 31, 2023 and 2022 consisted of the following bonds issued by the Minnesota Higher Education Facilities Authority (MHEFA) on behalf of the College:

	Interest	Principal Payment	Fiscal Year of Maturity	Outstanding Balance 2023	Outstanding Balance 2022
MHEFA Revenue Bonds, Series Eight-G, issued to finance construction and advance refunding	Bonds bear rates from 3.25% to 5.00%	Annual payments range from $2,930,000 to $4,495,000	2033	$ 36,700,000	$ 39,490,000
MHEFA Revenue Bonds, Series Eight-N, issued to advance refund previous issuance	Bonds bear rates from 2.25% to 4.00%	Annual payments range from $420,000 to $5,760,000	2036	21,690,000	22,090,000
MHEFA Revenue Bonds, Series 2021, issued to finance construction	Bonds bear rates from 3.00% to 4.00%	Annual payments range from $2,980,000 to $4,935,000	2051	57,335,000	57,335,000
Principal outstanding on bonds				115,725,000	118,915,000
Plus:					
Long-term leases liability (see Note 16)				620,196	776,590
Unamortized premium:					
Series Eight-G Revenue Bonds				3,891,372	4,300,990
Series Eight-N Revenue Bonds				1,743,645	1,885,022
Series 2021 Revenue Bonds				8,627,585	8,943,229
Less unamortized debt issue costs				(402,385)	(428,282)
Total long-term debt				$ 130,205,413	$ 134,392,549

On July 1, 2015, the College issued $53,745,000 in tax-exempt bonds, Series Eight-G, through the Minnesota Higher Education Facilities Authority (MHEFA). A portion of the Series Six-O Revenue Bonds ($28,677,000) was refunded on an advance refunding basis, whereby the Series Five-M2 Revenue Bonds ($8,869,000) were refunded on a current refunding basis. The proceeds were also used to terminate an interest rate swap agreement corresponding to the Series Five-M2 Bonds ($583,000) and to finance various construction and renovate projects to the College's residential facilities and classroom buildings ($25,000,000).

On August 10, 2016, the College issued $22,845,000 in tax-exempt bonds, Series Eight-N, through the Minnesota Higher Education Facilities Authority (MHEFA). A portion of the Series Seven-F Revenue Bonds ($24,465,000) was legally defeased by proceeds from the Series Eight-N Revenue Bonds, as well as a portion of the debt service reserve fund on Series Seven-F ($1,866,000). The proceeds of the Series Eight-N Revenue Bonds related to the defeasance were placed in an escrow until October 1, 2019, at which time the refunded bonds were callable and paid off.

On March 1, 2021, the College issued $57,335,000 in tax-exempt bonds, Series 2021, through the Minnesota Higher Education Facilities Authority (MHEFA). The proceeds of the bonds are being used to construct a residence hall of approximately 300 beds and 14 townhouses totaling approximately 140 beds, as well as renovate an existing residence hall on campus, capitalize interest on the bonds through April 1, 2022 and pay certain issuance costs.

Revenue Bonds Series Eight-G, Eight-N and 2021 are secured by a pledge of loan repayment from the College and require that certain covenants be maintained.

The College maintains cash, U.S. government securities and private debt obligations held by a trustee that totaled $7,539,753 and $28,627,404 as of May 31, 2023 and 2022, respectively. These funds are intended to be used to make principal and interest payments and for construction on the projects related to the Series 2021 bond issuance.

Anticipated principal payments on long-term debt are as follows:

Years ending May 31:	
2024	$ 3,350,000
2025	3,515,000
2026	3,690,000
2027	3,875,000
2028	4,070,000
Thereafter	97,225,000
Total	$ 115,725,000

16. Leases

The College leases certain equipment under noncancelable operating leases expiring through July 2026, and a noncancelable financing lease expiring in August 2023. The right-of-use assets are included in property and equipment (Note 10). The lease liability is included in long-term debt (Note 15). The weighted-average discount rate used for the years ending May 31, 2023 and 2022 was 2.78%. Total rental expense was $284,456 and $266,162 for the years ended May 31, 2023 and 2022, respectively. Future payments for the years ended May 31, are as follows:

	Financing	Operating
Years ending May 31:		
2024	$ 5,644	$ 240,492
2025	-	178,035
2026	-	156,654
2027	-	17,188
2028	-	17,188
Thereafter	-	17,188
Present value discount	(26)	(5,222)
Total	$ 5,618	$ 621,523

17. Deferred Gift (Split-Interest) Agreements

The College has arrangements with donors classified as charitable lead trusts, charitable remainder trusts, charitable gift annuities and pooled life income funds. In general, under these arrangements the College receives a gift from a donor in which it has an interest and agrees to pay the donor stipulated amounts. The arrangement may cover one or more lives. The College invests and administers the related assets and makes distributions to the beneficiaries as required. When the agreement reaches the end of its term, remaining assets are retained by the College as net assets with restrictions or net assets without restrictions, or in some instances, distributed to third-party beneficiaries.

When a gift is received under one of these arrangements, it is split into the amount representing the actuarial present value of future distributions back to the donor and the remaining gift value to be retained for the benefit of the College or third-party beneficiaries. The actuarial liability is adjusted annually using actuarial tables appropriate for the type of arrangement, number of lives covered and age and gender characteristics of the beneficiary. The College used historical discount rates ranging from 0.4% to 11.0% for the years ended May 31, 2023 and 2022 in making the actuarial and gift calculations. In some cases, there can be a time delay in the recording of the asset because of the time needed for discovery, verification of the College's rights and the determination of the valuation of future payments.

Information pertaining to the College's deferred gift agreements for the years ended May 31, 2023 and 2022 is as follows:

	2023	2022
Cash and investments	$ 24,444,663	$ 28,181,855
Interfund payable	(24,191)	(19,140)
Accounts receivable	-	19,167
Beneficial interest in trusts held by others	2,018,634	2,145,691
Deposits held in trust for others	33,024	17,207
Annuities payable	(8,777,304)	(10,077,697)
	$ 17,694,826	$ 20,267,083
Net assets:		
Without donor restrictions	$ 3,413,282	$ 3,877,822
With donor restrictions	14,281,544	16,389,261
Total	$ 17,694,826	$ 20,267,083

18. Concentrations

Financial instruments that potentially subject the College to concentrations of credit risk consist principally of cash and cash equivalents, investments, accounts receivable, notes receivable and derivatives. Cash, cash equivalents and investment holdings are concentrated in a limited number of financial institutions and amounts in excess of FDIC and similar coverage are subject to the usual risks of balances in excess of those limits. Investments are diversified in order to reduce credit risk. Student loans, student receivables and other receivables are due from a variety of sources concentrated primarily in the Midwestern United States. In addition, the College's students receive a substantial amount of support from state and federal student financial assistance programs which are subject to audit by governmental agencies. A significant reduction in the level of this support, if this were to occur, could have an adverse effect on the College's programs and activities.

19. Related-Party Transactions

The College has various signed contracts with a construction company owned by a former member of the Board of Regents. The contracts were approved unanimously by the Board of Regents in accordance with the College's conflict of interest policy. Amounts payable to the construction company totaled $3,141,556 and $3,218,419 as of May 31, 2023 and 2022, respectively. Total payments to this construction company were approximately $21,600,000 and $34,580,000 for the years ended May 31, 2023 and 2022, respectively. The approximate total contracted amount remaining to the construction company was $144,000 and $13,368,000 as of May 31, 2023 and May 31, 2022, respectively.

As of May 31, 2023 and 2022, approximately $2,880,000 and $508,000, respectively, of contributions receivable were due from members of the Board of Regents. Contribution revenue from members of the Board of Regents totaled approximately $4,676,000 and $1,660,000 for the years ending May 31, 2023 and 2022, respectively. Board members are not compensated.

The College has invested in various private equity investments, in which members of the Investment Committee and Board of Regents have an affiliation. The individuals fully disclosed their interests in these investments when they were discussed, did not receive a commission or referral fee and did not participate in the voting regarding these investments. As of May 31, 2023 and 2022, the College's total value of these funds was approximately $1,013,000 and $2,653,000, respectively. The College's cumulative contributions, net of distributions, to these investments as of May 31, 2023 totaled approximately $7,519,000. The College's cumulative contributions, net of distributions, to these investments as of May 31, 2022 totaled approximately $6,884,000. The College had no outstanding future commitments to these investments at May 31, 2023 and 2022.

20. Department of Education Financial Responsibility Information

The Department of Education (ED) revised the regulations for financial responsibility which are required to be implemented for reports issued after July 1, 2020. The regulations require the College to provide additional disclosures, including a financial responsibility supplemental schedule, to assist ED in measuring financial responsibility through the composite score of financial ratios. The financial responsibility supplemental schedule must contain all financial elements required to calculate the composite score ratios, with a cross-reference to the financial statement line or note that contains the element.

Note 10 provides information on the College's property, plant and equipment, net, but does not provide a breakout by the implementation date of June 1, 2019. The following table provides a breakdown of property, plant and equipment, net, at May 31, 2023 based on the June 1, 2019 implementation date.

Pre-implementation:	
Property, plant and equipment, net	$ 191,920,576
Post-implementation:	
Property, plant and equipment, net, with outstanding debt for original purchase	58,910,851
Property, plant and equipment, net, without outstanding debt for original purchase	28,147,888
Construction in progress	17,170,989
Total property, plant and equipment, net, at May 31, 2023	$ 296,150,304

Note 15 provides information on the College's long-term debt but does not provide a breakout by the implementation date of June 1, 2019. The following table provides a breakdown of long-term debt for long-term purposes, at May 31, 2023 based on the June 1, 2019 implementation date.

Pre-implementation:	
Long-term debt, pre-implementation	$ 63,829,381
Post-implementation:	
Debt issued in 2021 and spent on construction in progress and property, plant and equipment	59,916,385
Debt proceeds remaining in escrow to be spent on capital projects in future years – therefore not reflected in the supplemental schedule	6,459,647
Total long-term debt at May 31, 2023	$ 130,205,413

Note 2 provides information on the College's breakdown of net assets with either time or purpose restrictions. The following table provides a breakdown of those net assets with donor restrictions at May 31, 2023.

Scholarships, instruction and other support (Note 2)	$ 16,607,560
Acquisition of buildings and equipment (Note 2)	780,825
Student loan funds (Note 2)	3,034,388
Accumulated gains, endowment funds (Note 8)	181,720,436
Net assets with donor restrictions, time or purpose	$ 202,143,209

The following table summarizes non-operating revenues and other gains at May 31, 2023.

Long-term investment activities, less long-term investment income and gains allocated to operations	$ 872,293
Student loan income, net expenses	(9,109)
Deferred giving activities, gifts	606
Capital giving activities, gifts and grants	2,387,872
Capital gifts allocated to operations	409,262
Adjustment to prior service cost and actuarial liability for retiree health plan	45,020
Gain from sale of asset	2,930,043
Reclassification of prior year net assets	(105,255)
Non-operating revenue and other gains	$ 6,530,732

21. Subsequent Events

The College has evaluated subsequent events through October 11, 2023, which is the date that the financial statements were issued.