

Form 5500 Department of the Treasury Internal Revenue Service Department of Labor Employee Benefits Security Administration Pension Benefit Guaranty Corporation	Annual Return/Report of Employee Benefit Plan This form is required to be filed for employee benefit plans under sections 104 and 4065 of the Employee Retirement Income Security Act of 1974 (ERISA) and sections 6057(b) and 6058(a) of the Internal Revenue Code (the Code). <p style="text-align: center;">▶ Complete all entries in accordance with the instructions to the Form 5500.</p>	OMB Nos. 1210-0110 1210-0089 <div style="text-align: center; font-size: 1.2em; font-weight: bold;">2020</div> This Form is Open to Public Inspection
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Part I	Annual Report Identification Information
For calendar plan year 2020 or fiscal plan year beginning <u>01/01/2020</u> and ending <u>12/31/2020</u>	
A This return/report is for:	☐ a multiemployer plan ☐ a multiple-employer plan (Filers checking this box must attach a list of participating employer information in accordance with the form instructions.) ☒ a single-employer plan ☐ a DFE (specify) _____
B This return/report is:	☐ the first return/report ☐ the final return/report ☒ an amended return/report ☐ a short plan year return/report (less than 12 months)
C If the plan is a collectively-bargained plan, check here.	☒
D Check box if filing under:	☒ Form 5558 ☐ automatic extension ☐ the DFVC program ☐ special extension (enter description)

Part II	Basic Plan Information —enter all requested information				
1a Name of plan <u>UNIVERSITY OF RIO GRANDE RETIREMENT SAVINGS PLAN AND TRUST</u>	<table border="1" style="width: 100%; border-collapse: collapse;"> <tr> <td style="width: 80%;">1b Three-digit plan number (PN) ▶</td> <td style="width: 20%; text-align: center;"><u>002</u></td> </tr> <tr> <td colspan="2">1c Effective date of plan <u>01/01/2003</u></td> </tr> </table>	1b Three-digit plan number (PN) ▶	<u>002</u>	1c Effective date of plan <u>01/01/2003</u>	
1b Three-digit plan number (PN) ▶	<u>002</u>				
1c Effective date of plan <u>01/01/2003</u>					
2a Plan sponsor's name (employer, if for a single-employer plan) Mailing address (include room, apt., suite no. and street, or P.O. Box) City or town, state or province, country, and ZIP or foreign postal code (if foreign, see instructions) <u>UNIVERSITY OF RIO GRANDE</u> <u>218 N COLLEGE AVENUE</u> <u>RIO GRANDE, OH 45674-3100</u>	<table border="1" style="width: 100%; border-collapse: collapse;"> <tr> <td>2b Employer Identification Number (EIN) <u>31-4379537</u></td> </tr> <tr> <td>2c Plan Sponsor's telephone number <u>800-282-7201</u></td> </tr> <tr> <td>2d Business code (see instructions) <u>611000</u></td> </tr> </table>	2b Employer Identification Number (EIN) <u>31-4379537</u>	2c Plan Sponsor's telephone number <u>800-282-7201</u>	2d Business code (see instructions) <u>611000</u>	
2b Employer Identification Number (EIN) <u>31-4379537</u>					
2c Plan Sponsor's telephone number <u>800-282-7201</u>					
2d Business code (see instructions) <u>611000</u>					

Caution: A penalty for the late or incomplete filing of this return/report will be assessed unless reasonable cause is established.

Under penalties of perjury and other penalties set forth in the instructions, I declare that I have examined this return/report, including accompanying schedules, statements and attachments, as well as the electronic version of this return/report, and to the best of my knowledge and belief, it is true, correct, and complete.

SIGN HERE	Filed with authorized/valid electronic signature.	04/12/2023	MEGHANN FRALEY
	Signature of plan administrator	Date	Enter name of individual signing as plan administrator
SIGN HERE			
	Signature of employer/plan sponsor	Date	Enter name of individual signing as employer or plan sponsor
SIGN HERE			
	Signature of DFE	Date	Enter name of individual signing as DFE

For Paperwork Reduction Act Notice, see the Instructions for Form 5500.

Form 5500 (2020)
v. 200204

3a Plan administrator's name and address ☒ Same as Plan Sponsor		3b Administrator's EIN	
		3c Administrator's telephone number	
4 If the name and/or EIN of the plan sponsor or the plan name has changed since the last return/report filed for this plan, enter the plan sponsor's name, EIN, the plan name and the plan number from the last return/report: a Sponsor's name c Plan Name		4b EIN 4d PN	
5 Total number of participants at the beginning of the plan year		5	254
6 Number of participants as of the end of the plan year unless otherwise stated (welfare plans complete only lines 6a(1) , 6a(2) , 6b , 6c , and 6d).			
a(1) Total number of active participants at the beginning of the plan year.....		6a(1)	188
a(2) Total number of active participants at the end of the plan year		6a(2)	379
b Retired or separated participants receiving benefits.....		6b	3
c Other retired or separated participants entitled to future benefits		6c	92
d Subtotal. Add lines 6a(2) , 6b , and 6c		6d	474
e Deceased participants whose beneficiaries are receiving or are entitled to receive benefits.		6e	0
f Total. Add lines 6d and 6e		6f	474
g Number of participants with account balances as of the end of the plan year (only defined contribution plans complete this item)		6g	237
h Number of participants who terminated employment during the plan year with accrued benefits that were less than 100% vested		6h	0
7 Enter the total number of employers obligated to contribute to the plan (only multiemployer plans complete this item).....		7	
8a If the plan provides pension benefits, enter the applicable pension feature codes from the List of Plan Characteristics Codes in the instructions: 2E 2F 2G 2J 2T 3D			
b If the plan provides welfare benefits, enter the applicable welfare feature codes from the List of Plan Characteristics Codes in the instructions:			
9a Plan funding arrangement (check all that apply) (1) ☒ Insurance (2) ☐ Code section 412(e)(3) insurance contracts (3) ☒ Trust (4) ☐ General assets of the sponsor		9b Plan benefit arrangement (check all that apply) (1) ☒ Insurance (2) ☐ Code section 412(e)(3) insurance contracts (3) ☒ Trust (4) ☐ General assets of the sponsor	
10 Check all applicable boxes in 10a and 10b to indicate which schedules are attached, and, where indicated, enter the number attached. (See instructions)			
a Pension Schedules (1) ☒ R (Retirement Plan Information) (2) ☐ MB (Multiemployer Defined Benefit Plan and Certain Money Purchase Plan Actuarial Information) - signed by the plan actuary (3) ☐ SB (Single-Employer Defined Benefit Plan Actuarial Information) - signed by the plan actuary		b General Schedules (1) ☒ H (Financial Information) (2) ☐ I (Financial Information – Small Plan) (3) ☒ <u>1</u> A (Insurance Information) (4) ☒ C (Service Provider Information) (5) ☐ D (DFE/Participating Plan Information) (6) ☐ G (Financial Transaction Schedules)	

Part III Form M-1 Compliance Information (to be completed by welfare benefit plans)

11a If the plan provides welfare benefits, was the plan subject to the Form M-1 filing requirements during the plan year? (See instructions and 29 CFR 2520.101-2.) ☐ Yes ☐ No

If "Yes" is checked, complete lines 11b and 11c.

11b Is the plan currently in compliance with the Form M-1 filing requirements? (See instructions and 29 CFR 2520.101-2.) ☐ Yes ☐ No

11c Enter the Receipt Confirmation Code for the 2020 Form M-1 annual report. If the plan was not required to file the 2020 Form M-1 annual report, enter the Receipt Confirmation Code for the most recent Form M-1 that was required to be filed under the Form M-1 filing requirements. (Failure to enter a valid Receipt Confirmation Code will subject the Form 5500 filing to rejection as incomplete.)

Receipt Confirmation Code _____

<div>SCHEDULE A (Form 5500) <div>Department of the Treasury Internal Revenue Service</div><div>Department of Labor Employee Benefits Security Administration</div><div>Pension Benefit Guaranty Corporation</div></div>	<div>Insurance Information</div> <div>This schedule is required to be filed under section 104 of the Employee Retirement Income Security Act of 1974 (ERISA).</div> <div>▶ File as an attachment to Form 5500.</div> <div>▶ Insurance companies are required to provide the information pursuant to ERISA section 103(a)(2).</div>	<div>OMB No. 1210-0110</div> <div>2020</div> <div>This Form is Open to Public Inspection</div>
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For calendar plan year 2020 or fiscal plan year beginning 01/01/2020 and ending 12/31/2020		
A Name of plan UNIVERSITY OF RIO GRANDE RETIREMENT SAVINGS PLAN AND TRUST	B Three-digit plan number (PN) ▶	002
C Plan sponsor's name as shown on line 2a of Form 5500 UNIVERSITY OF RIO GRANDE	D Employer Identification Number (EIN) 31-4379537	

Part I	Information Concerning Insurance Contract Coverage, Fees, and Commissions	Provide information for each contract on a separate Schedule A. Individual contracts grouped as a unit in Parts II and III can be reported on a single Schedule A.
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1 Coverage Information:

(a) Name of insurance carrier
VOYA RETIREMENT INSURANCE AND ANNUITY COMPANY

(b) EIN	(c) NAIC code	(d) Contract or identification number	(e) Approximate number of persons covered at end of policy or contract year	Policy or contract year	
				(f) From	(g) To
71-0294708	86509	664076	474	01/01/2020	12/31/2020

2 Insurance fee and commission information. Enter the total fees and total commissions paid. List in line 3 the agents, brokers, and other persons in descending order of the amount paid.

(a) Total amount of commissions paid 2424	(b) Total amount of fees paid 0
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3 Persons receiving commissions and fees. (Complete as many entries as needed to report all persons).

(a) Name and address of the agent, broker, or other person to whom commissions or fees were paid
SIDERS JAMES W
138 WATTS BLEVINS RD
JACKSON, OH 45640

(b) Amount of sales and base commissions paid	Fees and other commissions paid		(e) Organization code
	(c) Amount	(d) Purpose	
2424			3

(a) Name and address of the agent, broker, or other person to whom commissions or fees were paid

(b) Amount of sales and base commissions paid	Fees and other commissions paid		(e) Organization code
	(c) Amount	(d) Purpose	

(a) Name and address of the agent, broker, or other person to whom commissions or fees were paid

(b) Amount of sales and base commissions paid	Fees and other commissions paid		(e) Organization code
	(c) Amount	(d) Purpose	

(a) Name and address of the agent, broker, or other person to whom commissions or fees were paid

(b) Amount of sales and base commissions paid	Fees and other commissions paid		(e) Organization code
	(c) Amount	(d) Purpose	

(a) Name and address of the agent, broker, or other person to whom commissions or fees were paid

(b) Amount of sales and base commissions paid	Fees and other commissions paid		(e) Organization code
	(c) Amount	(d) Purpose	

(a) Name and address of the agent, broker, or other person to whom commissions or fees were paid

(b) Amount of sales and base commissions paid	Fees and other commissions paid		(e) Organization code
	(c) Amount	(d) Purpose	

(a) Name and address of the agent, broker, or other person to whom commissions or fees were paid

(b) Amount of sales and base commissions paid	Fees and other commissions paid		(e) Organization code
	(c) Amount	(d) Purpose	

Part II Investment and Annuity Contract Information

Where individual contracts are provided, the entire group of such individual contracts with each carrier may be treated as a unit for purposes of this report.

4 Current value of plan's interest under this contract in the general account at year end **4** 1069663**5** Current value of plan's interest under this contract in separate accounts at year end..... **5****6** Contracts With Allocated Funds:**a** State the basis of premium rates ▶**b** Premiums paid to carrier **6b****c** Premiums due but unpaid at the end of the year **6c****d** If the carrier, service, or other organization incurred any specific costs in connection with the acquisition or retention of the contract or policy, enter amount. **6d**
Specify nature of costs ▶**e** Type of contract: (1) ☐ individual policies (2) ☐ group deferred annuity(3) ☐ other (specify) ▶**f** If contract purchased, in whole or in part, to distribute benefits from a terminating plan, check here ▶ ☐**7** Contracts With Unallocated Funds (Do not include portions of these contracts maintained in separate accounts)**a** Type of contract: (1) ☐ deposit administration (2) ☐ immediate participation guarantee(3) ☐ guaranteed investment (4) ☒ other ▶ GROUP PENSION FUNDING**b** Balance at the end of the previous year **7b** 902533**c** Additions: (1) Contributions deposited during the year **7c(1)** 29186
(2) Dividends and credits..... **7c(2)**
(3) Interest credited during the year..... **7c(3)** 13216
(4) Transferred from separate account..... **7c(4)**
(5) Other (specify below)..... **7c(5)** 309694
▶ *(6) Total additions **7c(6)** 352096**d** Total of balance and additions (add lines **7b** and **7c(6)**). **7d** 1254629**e** Deductions:(1) Disbursed from fund to pay benefits or purchase annuities during year **7e(1)** 176415(2) Administration charge made by carrier..... **7e(2)** 8551(3) Transferred to separate account..... **7e(3)**(4) Other (specify below)..... **7e(4)**
▶(5) Total deductions **7e(5)** 184966**f** Balance at the end of the current year (subtract line **7e(5)** from line **7d**)..... **7f** 1069663

Part III Welfare Benefit Contract Information

If more than one contract covers the same group of employees of the same employer(s) or members of the same employee organizations(s), the information may be combined for reporting purposes if such contracts are experience-rated as a unit. Where contracts cover individual employees, the entire group of such individual contracts with each carrier may be treated as a unit for purposes of this report.

8 Benefit and contract type (check all applicable boxes)

- a** ☐ Health (other than dental or vision)
b ☐ Dental
c ☐ Vision
d ☐ Life insurance
e ☐ Temporary disability (accident and sickness)
f ☐ Long-term disability
g ☐ Supplemental unemployment
h ☐ Prescription drug
i ☐ Stop loss (large deductible)
j ☐ HMO contract
k ☐ PPO contract
l ☐ Indemnity contract
m ☐ Other (specify) ▶

9 Experience-rated contracts:

a Premiums: (1) Amount received	9a(1)		
(2) Increase (decrease) in amount due but unpaid	9a(2)		
(3) Increase (decrease) in unearned premium reserve	9a(3)		
(4) Earned ((1) + (2) - (3))		9a(4)	
b Benefit charges (1) Claims paid	9b(1)		
(2) Increase (decrease) in claim reserves	9b(2)		
(3) Incurred claims (add (1) and (2))		9b(3)	
(4) Claims charged		9b(4)	
c Remainder of premium: (1) Retention charges (on an accrual basis) --			
(A) Commissions	9c(1)(A)		
(B) Administrative service or other fees	9c(1)(B)		
(C) Other specific acquisition costs	9c(1)(C)		
(D) Other expenses	9c(1)(D)		
(E) Taxes	9c(1)(E)		
(F) Charges for risks or other contingencies	9c(1)(F)		
(G) Other retention charges	9c(1)(G)		
(H) Total retention		9c(1)(H)	
(2) Dividends or retroactive rate refunds. (These amounts were ☐ paid in cash, or ☐ credited.)		9c(2)	
d Status of policyholder reserves at end of year: (1) Amount held to provide benefits after retirement		9d(1)	
(2) Claim reserves		9d(2)	
(3) Other reserves		9d(3)	
e Dividends or retroactive rate refunds due. (Do not include amount entered in line 9c(2).)		9e	

10 Nonexperience-rated contracts:

a Total premiums or subscription charges paid to carrier	10a	
b If the carrier, service, or other organization incurred any specific costs in connection with the acquisition or retention of the contract or policy, other than reported in Part I, line 2 above, report amount. Specify nature of costs.	10b	

Part IV Provision of Information

11 Did the insurance company fail to provide any information necessary to complete Schedule A? ☐ Yes ☒ No

12 If the answer to line 11 is "Yes," specify the information not provided. ▶

SCHEDULE C (Form 5500) Department of the Treasury Internal Revenue Service Department of Labor Employee Benefits Security Administration Pension Benefit Guaranty Corporation	Service Provider Information This schedule is required to be filed under section 104 of the Employee Retirement Income Security Act of 1974 (ERISA). ▶ File as an attachment to Form 5500.	OMB No. 1210-0110
		2020
		This Form is Open to Public Inspection.

For calendar plan year 2020 or fiscal plan year beginning 01/01/2020 and ending 12/31/2020		
A Name of plan UNIVERSITY OF RIO GRANDE RETIREMENT SAVINGS PLAN AND TRUST	B Three-digit plan number (PN) ▶	002
C Plan sponsor's name as shown on line 2a of Form 5500 UNIVERSITY OF RIO GRANDE	D Employer Identification Number (EIN) 31-4379537	

Part I	Service Provider Information (see instructions)
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You must complete this Part, in accordance with the instructions, to report the information required for **each person** who received, directly or indirectly, \$5,000 or more in total compensation (i.e., money or anything else of monetary value) in connection with services rendered to the plan or the person's position with the plan during the plan year. If a person received **only** eligible indirect compensation for which the plan received the required disclosures, you are required to answer line 1 but are not required to include that person when completing the remainder of this Part.

1 Information on Persons Receiving Only Eligible Indirect Compensation

- a** Check "Yes" or "No" to indicate whether you are excluding a person from the remainder of this Part because they received only eligible indirect compensation for which the plan received the required disclosures (see instructions for definitions and conditions).. ☒ Yes ☐ No
- b** If you answered line 1a "Yes," enter the name and EIN or address of each person providing the required disclosures for the service providers who received only eligible indirect compensation. Complete as many entries as needed (see instructions).

(b) Enter name and EIN or address of person who provided you disclosures on eligible indirect compensation
VOYA RETIREMENT INSURANCE & ANNUITY
71-0294708

(b) Enter name and EIN or address of person who provided you disclosures on eligible indirect compensation

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(b) Enter name and EIN or address of person who provided you disclosures on eligible indirect compensation

2. Information on Other Service Providers Receiving Direct or Indirect Compensation. Except for those persons for whom you answered "Yes" to line 1a above, complete as many entries as needed to list each person receiving, directly or indirectly, \$5,000 or more in total compensation (i.e., money or anything else of value) in connection with services rendered to the plan or their position with the plan during the plan year. (See instructions).

(a) Enter name and EIN or address (see instructions)

VOYA RETIREMENT INSURANCE & ANNUITY

71-0294708

(b) Service Code(s)	(c) Relationship to employer, employee organization, or person known to be a party-in-interest	(d) Enter direct compensation paid by the plan. If none, enter -0-.	(e) Did service provider receive indirect compensation? (sources other than plan or plan sponsor)	(f) Did indirect compensation include eligible indirect compensation, for which the plan received the required disclosures?	(g) Enter total indirect compensation received by service provider excluding eligible indirect compensation for which you answered "Yes" to element (f). If none, enter -0-.	(h) Did the service provider give you a formula instead of an amount or estimated amount?
64	SERVICE PROVIDER	14615	Yes ☒ No ☐	Yes ☒ No ☐	0	Yes ☐ No ☒

(a) Enter name and EIN or address (see instructions)

UNIVERSITY OF RIO GRANDE

31-4379537

(b) Service Code(s)	(c) Relationship to employer, employee organization, or person known to be a party-in-interest	(d) Enter direct compensation paid by the plan. If none, enter -0-.	(e) Did service provider receive indirect compensation? (sources other than plan or plan sponsor)	(f) Did indirect compensation include eligible indirect compensation, for which the plan received the required disclosures?	(g) Enter total indirect compensation received by service provider excluding eligible indirect compensation for which you answered "Yes" to element (f). If none, enter -0-.	(h) Did the service provider give you a formula instead of an amount or estimated amount?
99	SERVICE PROVIDER	8029	Yes ☐ No ☒	Yes ☐ No ☐		Yes ☐ No ☐

(a) Enter name and EIN or address (see instructions)

SIDERS JAMES W

138 WATTS BLEVINS RD
JACKSON, OH 45640

(b) Service Code(s)	(c) Relationship to employer, employee organization, or person known to be a party-in-interest	(d) Enter direct compensation paid by the plan. If none, enter -0-.	(e) Did service provider receive indirect compensation? (sources other than plan or plan sponsor)	(f) Did indirect compensation include eligible indirect compensation, for which the plan received the required disclosures?	(g) Enter total indirect compensation received by service provider excluding eligible indirect compensation for which you answered "Yes" to element (f). If none, enter -0-.	(h) Did the service provider give you a formula instead of an amount or estimated amount?
55	BROKER/DEALER	0	Yes ☒ No ☐	Yes ☐ No ☒	32035	Yes ☐ No ☒

Part I Service Provider Information (continued)

3. If you reported on line 2 receipt of indirect compensation, other than eligible indirect compensation, by a service provider, and the service provider is a fiduciary or provides contract administrator, consulting, custodial, investment advisory, investment management, broker, or recordkeeping services, answer the following questions for (a) each source from whom the service provider received \$1,000 or more in indirect compensation and (b) each source for whom the service provider gave you a formula used to determine the indirect compensation instead of an amount or estimated amount of the indirect compensation. Complete as many entries as needed to report the required information for each source.

(a) Enter service provider name as it appears on line 2	(b) Service Codes (see instructions)	(c) Enter amount of indirect compensation
SIDERS JAMES W	55	32035
(d) Enter name and EIN (address) of source of indirect compensation	(e) Describe the indirect compensation, including any formula used to determine the service provider's eligibility for or the amount of the indirect compensation.	
VOYA FINANCIAL PARTNERS 06-1371577	OTHER COMMISSIONS	
(a) Enter service provider name as it appears on line 2	(b) Service Codes (see instructions)	(c) Enter amount of indirect compensation
(d) Enter name and EIN (address) of source of indirect compensation	(e) Describe the indirect compensation, including any formula used to determine the service provider's eligibility for or the amount of the indirect compensation.	
(a) Enter service provider name as it appears on line 2	(b) Service Codes (see instructions)	(c) Enter amount of indirect compensation
(d) Enter name and EIN (address) of source of indirect compensation	(e) Describe the indirect compensation, including any formula used to determine the service provider's eligibility for or the amount of the indirect compensation.	

Part II Service Providers Who Fail or Refuse to Provide Information

4 Provide, to the extent possible, the following information for each service provider who failed or refused to provide the information necessary to complete this Schedule.

(a) Enter name and EIN or address of service provider (see instructions)	(b) Nature of Service Code(s)	(c) Describe the information that the service provider failed or refused to provide
(a) Enter name and EIN or address of service provider (see instructions)	(b) Nature of Service Code(s)	(c) Describe the information that the service provider failed or refused to provide
(a) Enter name and EIN or address of service provider (see instructions)	(b) Nature of Service Code(s)	(c) Describe the information that the service provider failed or refused to provide
(a) Enter name and EIN or address of service provider (see instructions)	(b) Nature of Service Code(s)	(c) Describe the information that the service provider failed or refused to provide
(a) Enter name and EIN or address of service provider (see instructions)	(b) Nature of Service Code(s)	(c) Describe the information that the service provider failed or refused to provide
(a) Enter name and EIN or address of service provider (see instructions)	(b) Nature of Service Code(s)	(c) Describe the information that the service provider failed or refused to provide

Part III Termination Information on Accountants and Enrolled Actuaries (see instructions)
(complete as many entries as needed)

a Name:	b EIN:
c Position:	
d Address:	e Telephone:

Explanation:

a Name:	b EIN:
c Position:	
d Address:	e Telephone:

Explanation:

a Name:	b EIN:
c Position:	
d Address:	e Telephone:

Explanation:

a Name:	b EIN:
c Position:	
d Address:	e Telephone:

Explanation:

a Name:	b EIN:
c Position:	
d Address:	e Telephone:

Explanation:

SCHEDULE H (Form 5500) <small>Department of the Treasury Internal Revenue Service</small> <small>Department of Labor Employee Benefits Security Administration Pension Benefit Guaranty Corporation</small>	Financial Information This schedule is required to be filed under section 104 of the Employee Retirement Income Security Act of 1974 (ERISA), and section 6058(a) of the Internal Revenue Code (the Code). ► File as an attachment to Form 5500.	<small>OMB No. 1210-0110</small> 2020 This Form is Open to Public Inspection
For calendar plan year 2020 or fiscal plan year beginning 01/01/2020 and ending 12/31/2020		
A Name of plan UNIVERSITY OF RIO GRANDE RETIREMENT SAVINGS PLAN AND TRUST	B Three-digit plan number (PN) ►	002
C Plan sponsor's name as shown on line 2a of Form 5500 UNIVERSITY OF RIO GRANDE	D Employer Identification Number (EIN) 31-4379537	

Part I Asset and Liability Statement			
1 Current value of plan assets and liabilities at the beginning and end of the plan year. Combine the value of plan assets held in more than one trust. Report the value of the plan's interest in a commingled fund containing the assets of more than one plan on a line-by-line basis unless the value is reportable on lines 1c(9) through 1c(14). Do not enter the value of that portion of an insurance contract which guarantees, during this plan year, to pay a specific dollar benefit at a future date. Round off amounts to the nearest dollar. MTIAs, CCTs, PSAs, and 103-12 IEs do not complete lines 1b(1), 1b(2), 1c(8), 1g, 1h, and 1i. CCTs, PSAs, and 103-12 IEs also do not complete lines 1d and 1e. See instructions.			
Assets		(a) Beginning of Year	(b) End of Year
a Total noninterest-bearing cash.....	1a		
b Receivables (less allowance for doubtful accounts):			
(1) Employer contributions	1b(1)		
(2) Participant contributions.....	1b(2)		
(3) Other	1b(3)		
c General investments:			
(1) Interest-bearing cash (include money market accounts & certificates of deposit)	1c(1)		
(2) U.S. Government securities	1c(2)		
(3) Corporate debt instruments (other than employer securities):			
(A) Preferred	1c(3)(A)		
(B) All other	1c(3)(B)		
(4) Corporate stocks (other than employer securities):			
(A) Preferred	1c(4)(A)		
(B) Common	1c(4)(B)		
(5) Partnership/joint venture interests	1c(5)		
(6) Real estate (other than employer real property)	1c(6)		
(7) Loans (other than to participants)	1c(7)		
(8) Participant loans	1c(8)	41374	27078
(9) Value of interest in common/collective trusts	1c(9)		
(10) Value of interest in pooled separate accounts	1c(10)		
(11) Value of interest in master trust investment accounts	1c(11)		
(12) Value of interest in 103-12 investment entities	1c(12)		
(13) Value of interest in registered investment companies (e.g., mutual funds)	1c(13)	12403762	13660486
(14) Value of funds held in insurance company general account (unallocated contracts).....	1c(14)	902533	1069663
(15) Other.....	1c(15)		

		(a) Beginning of Year	(b) End of Year
1d	Employer-related investments:		
(1)	Employer securities.....	1d(1)	
(2)	Employer real property.....	1d(2)	
e	Buildings and other property used in plan operation	1e	
f	Total assets (add all amounts in lines 1a through 1e)	1f	13347669 14757227
Liabilities			
g	Benefit claims payable	1g	
h	Operating payables	1h	
i	Acquisition indebtedness.....	1i	
j	Other liabilities.....	1j	
k	Total liabilities (add all amounts in lines 1g through 1j)	1k	0 0
Net Assets			
l	Net assets (subtract line 1k from line 1f).....	1l	13347669 14757227

Part II Income and Expense Statement

2 Plan income, expenses, and changes in net assets for the year. Include all income and expenses of the plan, including any trust(s) or separately maintained fund(s) and any payments/receipts to/from insurance carriers. Round off amounts to the nearest dollar. MTIAs, CCTs, PSAs, and 103-12 IEs do not complete lines 2a, 2b(1)(E), 2e, 2f, and 2g.

		(a) Amount	(b) Total
Income			
a	Contributions:		
(1)	Received or receivable in cash from: (A) Employers	2a(1)(A)	136107
	(B) Participants	2a(1)(B)	402537
	(C) Others (including rollovers).....	2a(1)(C)	159680
(2)	Noncash contributions	2a(2)	
(3)	Total contributions. Add lines 2a(1)(A) , (B) , (C) , and line 2a(2)	2a(3)	698324
b	Earnings on investments:		
(1)	Interest:		
	(A) Interest-bearing cash (including money market accounts and certificates of deposit).....	2b(1)(A)	
	(B) U.S. Government securities	2b(1)(B)	
	(C) Corporate debt instruments	2b(1)(C)	
	(D) Loans (other than to participants)	2b(1)(D)	
	(E) Participant loans.....	2b(1)(E)	2047
	(F) Other	2b(1)(F)	13216
	(G) Total interest. Add lines 2b(1)(A) through (F)	2b(1)(G)	15263
(2)	Dividends: (A) Preferred stock.....	2b(2)(A)	
	(B) Common stock	2b(2)(B)	
	(C) Registered investment company shares (e.g. mutual funds).....	2b(2)(C)	631131
	(D) Total dividends. Add lines 2b(2)(A) , (B) , and (C)	2b(2)(D)	631131
(3)	Rents	2b(3)	
(4)	Net gain (loss) on sale of assets: (A) Aggregate proceeds	2b(4)(A)	
	(B) Aggregate carrying amount (see instructions).....	2b(4)(B)	
	(C) Subtract line 2b(4)(B) from line 2b(4)(A) and enter result	2b(4)(C)	0
(5)	Unrealized appreciation (depreciation) of assets: (A) Real estate	2b(5)(A)	
	(B) Other	2b(5)(B)	
	(C) Total unrealized appreciation of assets. Add lines 2b(5)(A) and (B)	2b(5)(C)	0

		(a) Amount	(b) Total
(6) Net investment gain (loss) from common/collective trusts.....	2b(6)		
(7) Net investment gain (loss) from pooled separate accounts.....	2b(7)		
(8) Net investment gain (loss) from master trust investment accounts	2b(8)		
(9) Net investment gain (loss) from 103-12 investment entities	2b(9)		
(10) Net investment gain (loss) from registered investment companies (e.g., mutual funds)	2b(10)		1076535
c Other income	2c		-595
d Total income. Add all income amounts in column (b) and enter total.....	2d		2420658

Expenses**e** Benefit payment and payments to provide benefits:

(1) Directly to participants or beneficiaries, including direct rollovers.....	2e(1)	996485	
(2) To insurance carriers for the provision of benefits	2e(2)		
(3) Other.....	2e(3)		
(4) Total benefit payments. Add lines 2e(1) through (3)	2e(4)		996485
f Corrective distributions (see instructions)	2f		
g Certain deemed distributions of participant loans (see instructions).....	2g		
h Interest expense.....	2h		
i Administrative expenses: (1) Professional fees	2i(1)		
(2) Contract administrator fees	2i(2)		
(3) Investment advisory and management fees	2i(3)		
(4) Other.....	2i(4)	14615	
(5) Total administrative expenses. Add lines 2i(1) through (4)	2i(5)		14615
j Total expenses. Add all expense amounts in column (b) and enter total.....	2j		1011100

Net Income and Reconciliation

k Net income (loss). Subtract line 2j from line 2d	2k		1409558
l Transfers of assets:			
(1) To this plan.....	2l(1)		
(2) From this plan	2l(2)		

Part III Accountant's Opinion

3 Complete lines 3a through 3c if the opinion of an independent qualified public accountant is attached to this Form 5500. Complete line 3d if an opinion is not attached.

a The attached opinion of an independent qualified public accountant for this plan is (see instructions):

(1) ☐ Unmodified (2) ☐ Qualified (3) ☒ Disclaimer (4) ☐ Adverse

b Check the appropriate box(es) to indicate whether the IQPA performed an ERISA section 103(a)(3)(C) audit. Check both boxes (1) and (2) if the audit was performed pursuant to both 29 CFR 2520.103-8 and 29 CFR 2520.103-12(d). Check box (3) if pursuant to neither.

(1) ☒ DOL Regulation 2520.103-8 (2) ☐ DOL Regulation 2520.103-12(d) (3) ☐ neither DOL Regulation 2520.103-8 nor DOL Regulation 2520.103-12(d).

c Enter the name and EIN of the accountant (or accounting firm) below:

(1) Name: **PLANTE MORAN, PLLC**

(2) EIN: **38-1357951**

d The opinion of an independent qualified public accountant is **not attached** because:

(1) ☐ This form is filed for a CCT, PSA, or MTIA. (2) ☐ It will be attached to the next Form 5500 pursuant to 29 CFR 2520.104-50.

Part IV Compliance Questions

4 CCTs and PSAs do not complete Part IV. MTIAs, 103-12 IEs, and GIAs do not complete lines 4a, 4e, 4f, 4g, 4h, 4k, 4m, 4n, or 5. 103-12 IEs also do not complete lines 4j and 4l. MTIAs also do not complete line 4l.

During the plan year:

a Was there a failure to transmit to the plan any participant contributions within the time period described in 29 CFR 2510.3-102? Continue to answer "Yes" for any prior year failures until fully corrected. (See instructions and DOL's Voluntary Fiduciary Correction Program.)

	Yes	No	Amount
4a		X	

	Yes	No	Amount
b Were any loans by the plan or fixed income obligations due the plan in default as of the close of the plan year or classified during the year as uncollectible? Disregard participant loans secured by participant's account balance. (Attach Schedule G (Form 5500) Part I if "Yes" is checked.)			
4b		X	
c Were any leases to which the plan was a party in default or classified during the year as uncollectible? (Attach Schedule G (Form 5500) Part II if "Yes" is checked.)			
4c		X	
d Were there any nonexempt transactions with any party-in-interest? (Do not include transactions reported on line 4a. Attach Schedule G (Form 5500) Part III if "Yes" is checked.)			
4d		X	
e Was this plan covered by a fidelity bond?	X		1400000
f Did the plan have a loss, whether or not reimbursed by the plan's fidelity bond, that was caused by fraud or dishonesty?		X	
4f		X	
g Did the plan hold any assets whose current value was neither readily determinable on an established market nor set by an independent third party appraiser?			
4g		X	
h Did the plan receive any noncash contributions whose value was neither readily determinable on an established market nor set by an independent third party appraiser?			
4h		X	
i Did the plan have assets held for investment? (Attach schedule(s) of assets if "Yes" is checked, and see instructions for format requirements.)	X		
4i	X		
j Were any plan transactions or series of transactions in excess of 5% of the current value of plan assets? (Attach schedule of transactions if "Yes" is checked and see instructions for format requirements.)			
4j		X	
k Were all the plan assets either distributed to participants or beneficiaries, transferred to another plan, or brought under the control of the PBGC?			
4k		X	
l Has the plan failed to provide any benefit when due under the plan?			
4l		X	
m If this is an individual account plan, was there a blackout period? (See instructions and 29 CFR 2520.101-3.)			
4m		X	
n If 4m was answered "Yes," check the "Yes" box if you either provided the required notice or one of the exceptions to providing the notice applied under 29 CFR 2520.101-3.			
4n			

5a Has a resolution to terminate the plan been adopted during the plan year or any prior plan year? ☐ Yes ☒ No
If "Yes," enter the amount of any plan assets that reverted to the employer this year _____.

5b If, during this plan year, any assets or liabilities were transferred from this plan to another plan(s), identify the plan(s) to which assets or liabilities were transferred. (See instructions.)

5b(1) Name of plan(s)	5b(2) EIN(s)	5b(3) PN(s)

5c Was the plan a defined benefit plan covered under the PBGC insurance program at any time during this plan year? (See ERISA section 4021 and instructions.) ☐ Yes ☐ No ☐ Not determined
If "Yes" is checked, enter the My PAA confirmation number from the PBGC premium filing for this plan year _____.

<div>SCHEDULE R (Form 5500) Department of the Treasury Internal Revenue Service Department of Labor Employee Benefits Security Administration Pension Benefit Guaranty Corporation</div>	<div>Retirement Plan Information</div> <div>This schedule is required to be filed under sections 104 and 4065 of the Employee Retirement Income Security Act of 1974 (ERISA) and section 6058(a) of the Internal Revenue Code (the Code).</div> <div>▶ File as an attachment to Form 5500.</div>	<div>OMB No. 1210-0110</div> <div>2020</div> <div>This Form is Open to Public Inspection.</div>
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For calendar plan year 2020 or fiscal plan year beginning 01/01/2020 and ending 12/31/2020

<div>A Name of plan UNIVERSITY OF RIO GRANDE RETIREMENT SAVINGS PLAN AND TRUST</div>	<div>B Three-digit plan number (PN) ▶ 002</div>
<div>C Plan sponsor's name as shown on line 2a of Form 5500 UNIVERSITY OF RIO GRANDE</div>	<div>D Employer Identification Number (EIN) 31-4379537</div>

Part I	Distributions
--------	---------------

All references to distributions relate only to payments of benefits during the plan year.

<div>1 Total value of distributions paid in property other than in cash or the forms of property specified in the instructions.....</div>	<div>1</div>
<div>2 Enter the EIN(s) of payor(s) who paid benefits on behalf of the plan to participants or beneficiaries during the year (if more than two, enter EINs of the two payors who paid the greatest dollar amounts of benefits): EIN(s): 71-0294708</div> <div>Profit-sharing plans, ESOPs, and stock bonus plans, skip line 3.</div>	
<div>3 Number of participants (living or deceased) whose benefits were distributed in a single sum, during the plan year</div>	<div>3</div>

Part II	Funding Information (If the plan is not subject to the minimum funding requirements of section 412 of the Internal Revenue Code or ERISA section 302, skip this Part.)
---------	--

<div>4 Is the plan administrator making an election under Code section 412(d)(2) or ERISA section 302(d)(2)?</div> <div>If the plan is a defined benefit plan, go to line 8.</div>	<div>☐ Yes ☐ No ☐ N/A</div>
<div>5 If a waiver of the minimum funding standard for a prior year is being amortized in this plan year, see instructions and enter the date of the ruling letter granting the waiver. Date: Month _____ Day _____ Year _____ If you completed line 5, complete lines 3, 9, and 10 of Schedule MB and do not complete the remainder of this schedule.</div>	
<div>6 a Enter the minimum required contribution for this plan year (include any prior year accumulated funding deficiency not waived)</div>	<div>6a</div>
<div>b Enter the amount contributed by the employer to the plan for this plan year</div>	<div>6b</div>
<div>c Subtract the amount in line 6b from the amount in line 6a. Enter the result (enter a minus sign to the left of a negative amount).....</div>	<div>6c</div>
<div>If you completed line 6c, skip lines 8 and 9.</div>	
<div>7 Will the minimum funding amount reported on line 6c be met by the funding deadline?</div>	<div>☐ Yes ☐ No ☐ N/A</div>
<div>8 If a change in actuarial cost method was made for this plan year pursuant to a revenue procedure or other authority providing automatic approval for the change or a class ruling letter, does the plan sponsor or plan administrator agree with the change?</div>	<div>☐ Yes ☐ No ☐ N/A</div>

Part III	Amendments
----------	------------

<div>9 If this is a defined benefit pension plan, were any amendments adopted during this plan year that increased or decreased the value of benefits? If yes, check the appropriate box. If no, check the "No" box.....</div>	<div>☐ Increase ☐ Decrease ☐ Both ☐ No</div>
--	--

Part IV	ESOPs (see instructions). If this is not a plan described under section 409(a) or 4975(e)(7) of the Internal Revenue Code, skip this Part.
---------	--

<div>10 Were unallocated employer securities or proceeds from the sale of unallocated securities used to repay any exempt loan?</div>	<div>☐ Yes ☐ No</div>
<div>11 a Does the ESOP hold any preferred stock?</div>	<div>☐ Yes ☐ No</div>
<div>b If the ESOP has an outstanding exempt loan with the employer as lender, is such loan part of a "back-to-back" loan? (See instructions for definition of "back-to-back" loan.)</div>	<div>☐ Yes ☐ No</div>
<div>12 Does the ESOP hold any stock that is not readily tradable on an established securities market?</div>	<div>☐ Yes ☐ No</div>

For Paperwork Reduction Act Notice, see the Instructions for Form 5500.

Schedule R (Form 5500) 2020
v. 200204

Part V Additional Information for Multiemployer Defined Benefit Pension Plans

13 Enter the following information for each employer that contributed more than 5% of total contributions to the plan during the plan year (measured in dollars). See instructions. *Complete as many entries as needed to report all applicable employers.*

a Name of contributing employer

b EIN

c Dollar amount contributed by employer

d Date collective bargaining agreement expires (If employer contributes under more than one collective bargaining agreement, check box ☐ and see instructions regarding required attachment. Otherwise, enter the applicable date.) Month _____ Day _____ Year _____

e Contribution rate information (If more than one rate applies, check this box ☐ and see instructions regarding required attachment. Otherwise, complete lines 13e(1) and 13e(2).)

(1) Contribution rate (in dollars and cents) _____

(2) Base unit measure: ☐ Hourly ☐ Weekly ☐ Unit of production ☐ Other (specify): _____

a Name of contributing employer

b EIN

c Dollar amount contributed by employer

d Date collective bargaining agreement expires (If employer contributes under more than one collective bargaining agreement, check box ☐ and see instructions regarding required attachment. Otherwise, enter the applicable date.) Month _____ Day _____ Year _____

e Contribution rate information (If more than one rate applies, check this box ☐ and see instructions regarding required attachment. Otherwise, complete lines 13e(1) and 13e(2).)

(1) Contribution rate (in dollars and cents) _____

(2) Base unit measure: ☐ Hourly ☐ Weekly ☐ Unit of production ☐ Other (specify): _____

a Name of contributing employer

b EIN

c Dollar amount contributed by employer

d Date collective bargaining agreement expires (If employer contributes under more than one collective bargaining agreement, check box ☐ and see instructions regarding required attachment. Otherwise, enter the applicable date.) Month _____ Day _____ Year _____

e Contribution rate information (If more than one rate applies, check this box ☐ and see instructions regarding required attachment. Otherwise, complete lines 13e(1) and 13e(2).)

(1) Contribution rate (in dollars and cents) _____

(2) Base unit measure: ☐ Hourly ☐ Weekly ☐ Unit of production ☐ Other (specify): _____

a Name of contributing employer

b EIN

c Dollar amount contributed by employer

d Date collective bargaining agreement expires (If employer contributes under more than one collective bargaining agreement, check box ☐ and see instructions regarding required attachment. Otherwise, enter the applicable date.) Month _____ Day _____ Year _____

e Contribution rate information (If more than one rate applies, check this box ☐ and see instructions regarding required attachment. Otherwise, complete lines 13e(1) and 13e(2).)

(1) Contribution rate (in dollars and cents) _____

(2) Base unit measure: ☐ Hourly ☐ Weekly ☐ Unit of production ☐ Other (specify): _____

a Name of contributing employer

b EIN

c Dollar amount contributed by employer

d Date collective bargaining agreement expires (If employer contributes under more than one collective bargaining agreement, check box ☐ and see instructions regarding required attachment. Otherwise, enter the applicable date.) Month _____ Day _____ Year _____

e Contribution rate information (If more than one rate applies, check this box ☐ and see instructions regarding required attachment. Otherwise, complete lines 13e(1) and 13e(2).)

(1) Contribution rate (in dollars and cents) _____

(2) Base unit measure: ☐ Hourly ☐ Weekly ☐ Unit of production ☐ Other (specify): _____

a Name of contributing employer

b EIN

c Dollar amount contributed by employer

d Date collective bargaining agreement expires (If employer contributes under more than one collective bargaining agreement, check box ☐ and see instructions regarding required attachment. Otherwise, enter the applicable date.) Month _____ Day _____ Year _____

e Contribution rate information (If more than one rate applies, check this box ☐ and see instructions regarding required attachment. Otherwise, complete lines 13e(1) and 13e(2).)

(1) Contribution rate (in dollars and cents) _____

(2) Base unit measure: ☐ Hourly ☐ Weekly ☐ Unit of production ☐ Other (specify): _____

- 14** Enter the number of deferred vested and retired participants (inactive participants), as of the beginning of the plan year, whose contributing employer is no longer making contributions to the plan for:

a The current plan year. Check the box to indicate the counting method used to determine the number of inactive participants: ☐ last contributing employer ☐ alternative ☐ reasonable approximation (see instructions for required attachment).....

14a

b The plan year immediately preceding the current plan year. ☐ Check the box if the number reported is a change from what was previously reported (see instructions for required attachment).....

14b

c The second preceding plan year. ☐ Check the box if the number reported is a change from what was previously reported (see instructions for required attachment).....

14c

- 15** Enter the ratio of the number of participants under the plan on whose behalf no employer had an obligation to make an employer contribution during the current plan year to:

a The corresponding number for the plan year immediately preceding the current plan year.....

15a

b The corresponding number for the second preceding plan year.....

15b

- 16** Information with respect to any employers who withdrew from the plan during the preceding plan year:

a Enter the number of employers who withdrew during the preceding plan year.....

16a

b If line 16a is greater than 0, enter the aggregate amount of withdrawal liability assessed or estimated to be assessed against such withdrawn employers.....

16b

- 17** If assets and liabilities from another plan have been transferred to or merged with this plan during the plan year, check box and see instructions regarding supplemental information to be included as an attachment. ☐

Part VI Additional Information for Single-Employer and Multiemployer Defined Benefit Pension Plans

- 18** If any liabilities to participants or their beneficiaries under the plan as of the end of the plan year consist (in whole or in part) of liabilities to such participants and beneficiaries under two or more pension plans as of immediately before such plan year, check box and see instructions regarding supplemental information to be included as an attachment..... ☐

- 19** If the total number of participants is 1,000 or more, complete lines (a) through (c)

a Enter the percentage of plan assets held as:

Stock: _____% Investment-Grade Debt: _____% High-Yield Debt: _____% Real Estate: _____% Other: _____%

b Provide the average duration of the combined investment-grade and high-yield debt:

☐ 0-3 years ☐ 3-6 years ☐ 6-9 years ☐ 9-12 years ☐ 12-15 years ☐ 15-18 years ☐ 18-21 years ☐ 21 years or more

c What duration measure was used to calculate line 19(b)?

☐ Effective duration ☐ Macaulay duration ☐ Modified duration ☐ Other (specify): _____

- 20 PBGC missed contribution reporting requirements.** If this is a multiemployer plan or a single-employer plan that is not covered by PBGC, skip line 20.

a Is the amount of unpaid minimum required contributions for all years from Schedule SB (Form 5500) line 40 greater than zero? ☐ Yes ☐ No

b If line 20a is "Yes," has PBGC been notified as required by ERISA sections 4043(c)(5) and/or 303(k)(4)? Check the applicable box:

☐ Yes.

☐ No. Reporting was waived under 29 CFR 4043.25(c)(2) because contributions equal to or exceeding the unpaid minimum required contribution were made by the 30th day after the due date.

☐ No. The 30-day period referenced in 29 CFR 4043.25(c)(2) has not yet ended, and the sponsor intends to make a contribution equal to or exceeding the unpaid minimum required contribution by the 30th day after the due date.

☐ No. Other. Provide explanation _____

Report on Internal Control Over Financial Reporting and on Compliance and Other Matters Based on an Audit of
Financial Statements Performed in Accordance with *Government Auditing Standards*

Independent Auditor's Report

To Management and the Board of Trustees
University of Rio Grande

We have audited, in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the consolidated financial statements of the University of Rio Grande and its subsidiary (the "University"), which comprise the consolidated statement of financial position as of June 30, 2020 and the related consolidated statements of activities and changes in net assets and cash flows for the year then ended, and the related notes to the consolidated financial statements and have issued our report thereon dated December 21, 2020.

Internal Control Over Financial Reporting

In planning and performing our audit of the consolidated financial statements, we considered the University's internal control over financial reporting (internal control) as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinion on the consolidated financial statements, but not for the purpose of expressing an opinion on the effectiveness of the University's internal control. Accordingly, we do not express an opinion on the effectiveness of the University's internal control.

A deficiency in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A material weakness is a deficiency, or a combination of deficiencies, in internal control such that there is a reasonable possibility that a material misstatement of the University's consolidated financial statements will not be prevented, or detected and corrected, on a timely basis. A significant deficiency is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the University's consolidated financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the consolidated financial statements. However, providing an opinion on compliance with those provisions was not an objective of our audit, and, accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

To Management and the Board of Trustees
University of Rio Grande

Purpose of This Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the University's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the University's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Plante & Morse, PLLC

December 21, 2020

Attachment to 2020 Form 5500
Schedule H, line 4i - Schedule of Assets
(Held at End of Year)
NIVERSITY OF RIO GRANDE RETIREMENT SAVINGS
PLAN
EIN#31-4379537
Plan#002
As Of December 31, 2020

(a) (b) Identity of issue, borrower, lessor or similar party	(c) Description of investments including maturity date, rate of interest, collateral, par, or maturity date	(d) Cost	(e) Current Value
AmCen Mid Cap Value Fund Inv	Registered Investment Company		\$295,033
American Funds Cap Inc Bld R4	Registered Investment Company		\$87,282
Columbia Mid Cap Index Fund A	Registered Investment Company		\$298,809
Columbia Small Cap Index Fnd A	Registered Investment Company		\$215,106
Eaton Vance-Atl Cp SMID-Cp F A	Registered Investment Company		\$491,880
Invesco Divrsd Dividend Fd A	Registered Investment Company		\$529,423
Natixis AEW Glob Foc RE Fund Y	Registered Investment Company		\$157,858
Parnassus Core Equity FundSM	Registered Investment Company		\$537,888
TIAA-CREF Core Bond Fund Ret	Registered Investment Company		\$332,043
TIAA-CREF Grw & Income Fnd Ret	Registered Investment Company		\$254,288
TIAA-CREF MdCp Growth Fnd Ret	Registered Investment Company		\$90,008
TIAA-CREF Real Est Secs Fd Ret	Registered Investment Company		\$35,757
TIAA-CREF S&P 500 Indx Fnd Ret	Registered Investment Company		\$1,346,578
TIAA-CREF Soc Choice Eq Fd Ret	Registered Investment Company		\$13,864
TRwPr Blue Chip Growth Fnd Adv	Registered Investment Company		\$1,168,978
TRwPr Retirement 2005 Fund Adv	Registered Investment Company		\$110,053
TRwPr Retirement 2010 Fund Adv	Registered Investment Company		\$362,315
TRwPr Retirement 2015 Fund Adv	Registered Investment Company		\$725
TRwPr Retirement 2020 Fund Adv	Registered Investment Company		\$1,402,358
TRwPr Retirement 2025 Fund Adv	Registered Investment Company		\$328,456
TRwPr Retirement 2030 Fund Adv	Registered Investment Company		\$1,142,864
TRwPr Retirement 2035 Fund Adv	Registered Investment Company		\$39,442
TRwPr Retirement 2040 Fund Adv	Registered Investment Company		\$1,924,491
TRwPr Retirement 2045 Fund Adv	Registered Investment Company		\$91,817
TRwPr Retirement 2050 Fund Adv	Registered Investment Company		\$376,224
TRwPr Retirement 2055 Fund Adv	Registered Investment Company		\$27,516
TRwPr Retirement 2060 Fund Adv	Registered Investment Company		\$70,216
TRwPr Retirement Bal Fund Adv	Registered Investment Company		\$100
Victory Sycmr Sm Comp Opp Fd A	Registered Investment Company		\$276,474
* Voya Fixed Plus Account III	Insurance Company General Account		\$1,069,663
* Voya Intermediate Bond Fund I	Registered Investment Company		\$602,830
* Voya International Ind Prt I	Registered Investment Company		\$458,630
* Voya SmCp Opport Port I	Registered Investment Company		\$487,588
WIIFrg Real Rtn Fd Adm	Registered Investment Company		\$103,592
LOAN FUND	Participant Loans - Rates 4.25% to 6.50%		\$27,078
TOTAL			\$14,757,227

* denotes party-in-interest

Column (d) is not required as the Plan's investments are totally participant directed.

University of Rio Grande

Consolidated Financial Report

June 30, 2020

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Independent Auditor's Report

To the Board of Trustees
University of Rio Grande

Report on the Consolidated Financial Statements

We have audited the accompanying consolidated financial statements of the University of Rio Grande and its subsidiary (the "University"), which comprise the consolidated statement of financial position as of June 30, 2020 and 2019 and the related consolidated statements of activities and changes in net assets and cash flows for the years then ended, and the related notes to the consolidated financial statements.

Management's Responsibility for the Consolidated Financial Statements

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

Auditor's Responsibility

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

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

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

Opinion

In our opinion, the consolidated financial statements referred to above present fairly, in all material respects, the financial position of the University of Rio Grande and its subsidiary as of June 30, 2020 and 2019 and the changes in their net assets and their cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Emphasis of Matter

As described in Note 2 to the consolidated financial statements, the COVID-19 pandemic has impacted operations at the University. Our opinion is not modified with respect to this matter.

To the Board of Trustees
University of Rio Grande

Other Matters

Other Information

Our audit was conducted for the purpose of forming an opinion on the consolidated financial statements that collectively comprise the University's consolidated financial statements. The accompanying financial responsibility supplemental schedule is presented for the purpose of additional analysis, as required by Title 34 U.S. Code of Federal Regulations (CFR) Section 668.172, Department of Education Financial Ratios. The financial responsibility supplemental schedule is not a required part of the consolidated financial statements.

The financial responsibility supplemental schedule is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the consolidated financial statements. Such information has been subjected to the auditing procedures applied in the audit of the consolidated financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the consolidated financial statements or to the consolidated financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the financial responsibility supplemental schedule is fairly stated in all material respects in relation to the consolidated financial statements as a whole.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated December 21, 2020 on our consideration of the University of Rio Grande and its subsidiary's internal control over financial reporting and on our tests of their compliance with certain provisions of laws, regulations, contracts, grant agreements, and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the University of Rio Grande and its subsidiary's internal control over financial reporting and compliance.

Plante & Moran, PLLC

December 21, 2020

University of Rio Grande

Consolidated Statement of Financial Position

June 30, 2020 and 2019

	2020	2019
Assets		
Cash, cash equivalents, and restricted cash	\$ 2,961,049	\$ 2,076,672
Investments (Note 8)	12,412,857	23,682,691
Receivables less allowance for doubtful accounts - \$2,790,404 and \$2,615,404 in 2020 and 2019, respectively:		
Student accounts receivable	1,204,005	732,525
Contributions receivable (Note 5)	462,319	510,334
Other accounts receivable	953,075	97,363
Inventory	394,850	360,888
Other assets	624,342	567,131
Loans and notes receivable (Note 6)	153,921	155,025
Property and equipment - Net (Note 7)	18,453,783	18,907,964
Total assets	\$ 37,620,201	\$ 47,090,593
Liabilities and Net Assets		
Liabilities		
Accounts payable	\$ 1,287,689	\$ 1,563,875
Interest rate swap agreement (Note 9)	848,641	402,617
Deferred revenue (Note 2)	469,030	497,693
Accrued payroll	772,203	764,804
Accrued liabilities and other:		
U.S. government loan funds	14,385	14,385
Other accrued liabilities	-	114,638
Accrued pension cost (Note 13)	-	8,952,242
Capital leases payable (Note 10)	443,665	658,275
Notes payable (Note 9)	7,771,335	8,580,519
Total liabilities	11,606,948	21,549,048
Net Assets		
Without donor restrictions (Note 14)	(681,516)	(999,331)
With donor restrictions (Note 14)	26,694,769	26,540,876
Total net assets	26,013,253	25,541,545
Total liabilities and net assets	\$ 37,620,201	\$ 47,090,593

Consolidated Statement of Activities and Changes in Net Assets

Years Ended June 30, 2020 and 2019

	2020			2019		
	Without Donor Restrictions	With Donor Restrictions	Total	Without Donor Restrictions	With Donor Restrictions	Total
Revenue, Gains, and Other Support						
Student tuition and fees:						
Student tuition and fees	\$ 10,885,869	\$ -	\$ 10,885,869	\$ 11,293,020	\$ -	\$ 11,293,020
Scholarships	(5,148,089)	-	(5,148,089)	(5,274,493)	-	(5,274,493)
Total net student tuition and fees	5,737,780	-	5,737,780	6,018,527	-	6,018,527
Auxiliary activities - Net of waivers	2,899,094	-	2,899,094	4,395,324	-	4,395,324
Service agreement income	8,192,037	-	8,192,037	8,936,403	-	8,936,403
Other income	242,559	-	242,559	394,792	-	394,792
Private gifts, contracts, and grants	69,101	988,197	1,057,298	53,892	841,536	895,428
Government grants, awards, and reimbursements	98,702	-	98,702	142,321	-	142,321
Investment income	-	788,714	788,714	-	661,353	661,353
Federal stimulus funds received	3,628,354	-	3,628,354	-	-	-
Net assets released from restrictions	1,285,904	(1,285,904)	-	1,273,023	(1,273,023)	-
Total revenue, gains, and other support	22,153,531	491,007	22,644,538	21,214,282	229,866	21,444,148
Expenses						
Educational services:						
Instructional	8,214,586	-	8,214,586	8,996,662	-	8,996,662
Academic office	1,521,202	-	1,521,202	1,586,561	-	1,586,561
Auxiliary activities	2,337,082	-	2,337,082	3,178,791	-	3,178,791
Development office	234,188	-	234,188	291,015	-	291,015
Student services	2,555,007	-	2,555,007	2,715,146	-	2,715,146
Scholarship - CARES Act grants	858,523	-	858,523	-	-	-
Management and general expenses:						
Administration	1,802,548	-	1,802,548	1,957,805	-	1,957,805
General institutional	2,500,763	-	2,500,763	2,736,774	-	2,736,774
Total expenses	20,023,899	-	20,023,899	21,462,754	-	21,462,754
Increase (Decrease) in Net Assets - Before nonoperating income (loss)	2,129,632	491,007	2,620,639	(248,472)	229,866	(18,606)
Nonoperating Income (Loss)						
Net unrealized gain (loss) on investments	1,058	(788,520)	(787,462)	(6,948)	(170,325)	(177,273)
Change in fair value of interest rate swap	(446,024)	-	(446,024)	(403,551)	-	(403,551)
Investment income	(175,939)	451,406	275,467	37,101	438,007	475,108
Pension-related changes other than net periodic benefit cost	(1,190,912)	-	(1,190,912)	(1,847,942)	-	(1,847,942)
Total nonoperating (loss) income	(1,811,817)	(337,114)	(2,148,931)	(2,221,340)	267,682	(1,953,658)
Increase (Decrease) in Net Assets	317,815	153,893	471,708	(2,469,812)	497,548	(1,972,264)
Net Assets (Deficiency in Net Assets) - Beginning of year	(999,331)	26,540,876	25,541,545	1,470,481	26,043,328	27,513,809
Net Assets (Deficiency in Net Assets) - End of year	<u>\$ (681,516)</u>	<u>\$ 26,694,769</u>	<u>\$ 26,013,253</u>	<u>\$ (999,331)</u>	<u>\$ 26,540,876</u>	<u>\$ 25,541,545</u>

Consolidated Statement of Cash Flows

Years Ended June 30, 2020 and 2019

	2020	2019
Cash Flows from Operating Activities		
Increase (decrease) in net assets	\$ 471,708	\$ (1,972,264)
Adjustments to reconcile increase (decrease) in net assets to net cash, cash equivalents, and restricted cash from operating activities:		
Depreciation	914,610	896,340
Net gains on investments	(1,252)	(484,080)
Contributions restricted for long-term investments	(427,041)	(164,009)
Pension-related changes other than net periodic benefit cost	1,190,912	1,847,942
Fair value of interest rate swap adjustment	446,024	403,551
Changes in operating assets and liabilities that (used) provided cash, cash equivalents, and restricted cash:		
Accounts receivable	(471,480)	(104,146)
Federal and state funds receivable	(855,712)	(78,924)
Student loans receivable	1,104	652,410
Contributions receivable	48,015	(502,385)
Inventory	(33,962)	259,207
Other assets	(57,211)	6,091
Accounts payable	(276,186)	624,262
Accrued compensation	7,399	(22,550)
Accrued and other liabilities	(143,301)	67,950
Pensions and benefits	(10,143,154)	(1,695,000)
U.S. government loan funds	-	(779,474)
Net cash, cash equivalents, and restricted cash used in operating activities	(9,329,527)	(1,045,079)
Cash Flows from Investing Activities		
Capital expenditures	(365,629)	(136,561)
Purchases of investments	(13,031,007)	(6,479,215)
Proceeds from sales and maturities of investments	24,302,093	7,223,849
Net cash, cash equivalents, and restricted cash provided by investing activities	10,905,457	608,073
Cash Flows from Financing Activities		
Proceeds from debt	4,655,500	3,165,000
Payments on debt	(5,774,094)	(2,587,157)
Proceeds from restricted contributions	427,041	164,009
Net cash, cash equivalents, and restricted cash (used in) provided by financing activities	(691,553)	741,852
Net Increase in Cash, Cash Equivalents, and Restricted Cash	884,377	304,846
Cash, Cash Equivalents, and Restricted Cash - Beginning of year	2,076,672	1,771,826
Cash, Cash Equivalents, and Restricted Cash - End of year	<u>\$ 2,961,049</u>	<u>\$ 2,076,672</u>
Statement of Financial Position Classification of Cash, Cash Equivalents, and Restricted Cash		
Cash and cash equivalents	\$ 1,750,379	\$ 869,444
Restricted cash and cash equivalents	1,210,670	1,207,228
Total cash, cash equivalents, and restricted cash	<u>\$ 2,961,049</u>	<u>\$ 2,076,672</u>
Supplemental Cash Flow Information		
Cash paid during the year for interest	\$ 489,162	\$ 553,606
Capital lease transactions	94,800	311,775

Notes to Consolidated Financial Statements

June 30, 2020 and 2019

Note 1 - Nature of Business

The University of Rio Grande (the "University") is a four-year coeducational university offering a limited number of master's programs. The University is fully accredited by the North Central Association of Colleges and Schools. The University generates its operating revenue primarily from student tuition and gifts. The University is exempt from income taxes under Section 501(c)(3) of the Internal Revenue Code.

On April 24, 2018, the University incorporated Friends of Rio, LLC (Friends of Rio). As a single-member LLC, Friends of Rio is a disregarded entity for tax purposes.

Note 2 - Significant Accounting Policies

Principles of Consolidation

The consolidated financial statements include the accounts of the University and its wholly owned subsidiary, Friends of Rio, LLC. This LLC owns property that was contributed to the University during fiscal year 2018. All material intercompany accounts and transactions have been eliminated in consolidation.

Basis of Presentation

The accounting policies of the University conform to accounting principles generally accepted in the United States of America and reflect practices appropriate for a nonprofit organization. The consolidated financial statements have been prepared on the accrual basis of accounting.

Financial statements of not-for-profit organizations measure aggregate net assets and net asset activity based on the absence or existence of donor-imposed restrictions. Brief definitions of the two net asset classes are presented below:

Net assets without donor restrictions - Net assets that are not subject to donor-imposed restrictions or for which the donor-imposed restrictions have expired or been fulfilled. Net assets in this category may be expended for any purpose in performing the primary objectives of the University.

Net assets with donor restrictions - Net assets subject to stipulations imposed by donors and grantors. Some donor restrictions are temporary in nature; those restrictions will be met by actions of the University or by the passage of time. Other donor restrictions are perpetual in nature, where the donor has stipulated the funds be maintained in perpetuity.

In addition, the University makes certain expanded disclosures relating to (1) the liquidity of financial assets and (2) expenses by both their natural and functional classification in one location within the financial statements.

Revenue is reported as an increase in net assets without donor restrictions unless use of the related assets is limited by donor-imposed restrictions. Expenses are reported as decreases in net assets without donor restrictions. Gains and losses on investments and other assets or liabilities are reported as increases or decreases in net assets without donor restrictions unless their use is restricted by explicit donor stipulation or by law. Expirations of donor restrictions on net assets (i.e., the donor-stipulated purpose has been fulfilled and/or the stipulated time has elapsed) are reported as releases of restrictions between the applicable classes of net assets. Contributions received that are limited by donor restrictions are reported as increases in net assets without donor restrictions if the restrictions are met in the same reporting period.

Management's Plan

Enrollment declines resulted in decreases in student tuition and fee revenue for fiscal years 2020 and 2019. Net assets without donor restrictions declined for fiscal year 2019 and were negative as of June 30, 2020 and 2019. Proceeds from investment sales and additional borrowing from the University's endowment were utilized to terminate the defined benefit pension plan during fiscal year 2020. These factors raised substantial doubt about the University's ability to continue as a going concern.

Notes to Consolidated Financial Statements

June 30, 2020 and 2019

Note 2 - Significant Accounting Policies (Continued)

Management has evaluated the financial condition of the University and believes the actions taken alleviated doubt about the University's ability to continue as a going concern. Management acknowledged that, without remediation, the University would be unable to meet its obligations.

During fiscal years 2020 and 2019, the University approved significant cost reductions that will be fully realized in fiscal year 2021, the most significant of which is the termination of the pension plan, as described in Note 13. Management believes these cost reductions will be achieved, as the University took a zero-based budget approach where all expenditures of the University are reviewed and approved for each new period. The University also has increased its enrollment growth initiatives through the addition of new sports programs and contracting with a student-athlete recruiting service. The contract agreement with Rio Grande Community College (see Note 3) has been extended through December 31, 2021. The substantial doubt about the University's ability to continue as a going concern for a reasonable period of time has been alleviated by management's plans.

Cash Equivalents

The University considers all liquid investments with original maturities of three months or less to be cash equivalents, except for those liquid investments held as part of the University's managed investment portfolio. The financial institutions holding the University's cash accounts are participating in the FDIC's transaction account guarantee program.

Certificates of Deposit

Certificates of deposit in other financial institutions are carried at cost and are considered restricted cash by the University. All certificates of deposit are insured up to \$250,000 by the FDIC as of June 30, 2020 and 2019. The University had restricted cash of \$1,210,670 and \$1,207,228 at June 30, 2020 and 2019, respectively, in the form of certificates of deposit relating to the Evan Davis Endowment.

Accounts and Student Loans Receivable

Accounts receivable primarily consist of tuition and fee charges to students and auxiliary enterprise services provided to students, faculty, staff, and external entities. Accounts receivable also include amounts due from the federal government, state, and local governments. Interest is not charged on student receivables.

Contributions

Contributions received and unconditional promises to give are recorded as support with donor restrictions or without donor restrictions depending on the existence of donor restrictions and the nature of restrictions, if they exist.

Contributions are recognized when the donor makes a promise to give to the University that is, in substance, unconditional. Contributions of land, buildings, and equipment without donor stipulations concerning their use are reported as increases in net assets without donor restrictions. Other contributions restricted by the donor are reported as increases in net assets without donor restrictions if the restrictions expire in the fiscal year in which the contributions are recognized. All other contributions with donor restrictions are reported as increases in net assets with donor restrictions. When a restriction expires, net assets with donor restrictions are reclassified to net assets without donor restrictions.

On April 25, 2018, 316 acres of land were donated by Bob Evans Restaurants, LLC to Friends of Rio, LLC, which were valued at \$854,000. The gift was recorded as a contribution with donor restrictions to the University, as there are restrictions outlined in the agreement.

Notes to Consolidated Financial Statements

June 30, 2020 and 2019

Note 2 - Significant Accounting Policies (Continued)

Allowances

The University uses the allowance method to estimate uncollectible receivables and unconditional promises to give. The allowances are based upon prior experience and management's analyses of specific receivables and promises to give. Balances are charged off to the reserve when management deems further collection efforts will no longer produce additional recoveries.

Inventory

Inventory is valued at the lower of cost or net realizable value using the first in, first out method.

Investments

Investments are carried at fair value in accordance with accounting principles generally accepted in the United States of America. Unrealized gains and losses are included in the net gain on investments in the consolidated statement of activities and changes in net assets. The University's board of trustees has implemented a spending policy that annual income available from endowment assets shall be defined as an amount equal to 5 percent of the average of the market value of the named accounts at June 30 for each of the preceding three years. In October 2019, the board of trustees resolved to decrease the spending rate to 4.5 percent for the year ending June 30, 2021. Earnings, if any, in excess of the expendable amount are retained and reinvested to counter the effects of inflation and potential earnings shortfalls in future years. Endowment income and realized gains (losses) in excess of the spending policy and unrealized gains (losses) on endowments and other investments not considered available for current operations are recognized as nonoperating.

Alternative investments, for which there is no ready market, are valued at fair value, as estimated by management. To estimate fair value, management may rely on valuations reported by the general partners of such investments and the University's independent investment advisor. Because of the inherent uncertainty of valuation in the absence of readily ascertainable market values, the estimated values of the investments may differ from the values that would have been used had a ready market existed for such investments or if the investments were realized, and the differences may be material. Such investments are, by their nature, generally considered to be long-term investments and are not intended to be liquidated on a short-term basis.

Property and Equipment

Acquisitions of land, buildings, equipment, and library books are stated at cost or at fair value for properties acquired by gift. It is the policy of the University to capitalize additions with a unit cost of \$5,000 or more and, for replacements, to capitalize the incremental increase in cost of plant and equipment items. Depreciation is recognized to reflect the decrease in value of the assets because of wear and tear, usage, and the passage of time. The University recognizes depreciation on a straight-line basis beginning in the year of acquisition over the estimated useful life for each major category of assets.

	Depreciable Life - Years
Land	5
Land improvements	15
Buildings	50
Building improvements	10-40
Energy equipment	5
Library books	5
Transportation equipment	5
Furniture and fixtures	5
Computer equipment and software	3-5

Notes to Consolidated Financial Statements

June 30, 2020 and 2019

Note 2 - Significant Accounting Policies (Continued)

Impairment of Long-lived Assets

The University reviews the recoverability of long-lived assets, including buildings, equipment, internal-use software, and other intangible assets, when events or changes in circumstances occur that indicate the carrying value of the asset may not be recoverable. The assessment of possible impairment is based on the ability to recover the carrying value of the asset from the expected future pretax cash flows (undiscounted and without interest charges) of the related operations. If these cash flows are less than the carrying value of such asset, an impairment loss is recognized for the difference between estimated fair value and carrying value. The measurement of impairment requires management to make estimates of these cash flows related to long-lived assets, as well as other fair value determinations. As of June 30, 2020 and 2019, management believes that no impairments existed.

Deferred Tuition and Fees

The University receives advance payments on tuition and fees, which are reported as deferred revenue and recognized when earned. These deferrals were \$469,030 and \$497,693 for the years ended June 30, 2020 and 2019, respectively.

U.S. Government Loan Funds

Funds provided by the United States government under the Federal Perkins Loan Program are loaned to qualified students and reloaned after collections. These funds are ultimately refundable to the government and, therefore, are recorded as a liability in the accompanying consolidated financial statements.

The Federal Perkins Loan Program expired on September 30, 2017. Under current guidance issued by the Department of Education, the University liquidated the loan portfolio and assigned the remaining student loans to the Department of Education, the University will be forgoing its institutional capital contribution and short-term loans not yet received back through loan collections. See Note 6 for more information.

Interest Rate Swap

The University has entered into an interest rate swap agreement in order to convert a certain variable-rate note payable to a fixed rate. The variable interest on the note payable is hedged by forward-starting interest rate swaps. Net interest payments will be effectively fixed at the rates indicated during the period. The University intends to hold these interest rate swaps until maturity. The interest rate swaps are considered derivatives and are recognized on the consolidated statement of financial position at fair value. Changes in the fair value of these derivatives are reported as nonoperating revenue or expense on the consolidated statement of activities and changes in net assets.

Agency Transactions

The University receives resources in certain transactions where it is acting as an intermediary for the resource provider. The resources are then delivered to third-party donors. These transactions are recognized as changes in assets and liabilities and do not affect the consolidated statement of activities and changes in net assets. The Federal Perkins Loan Program is considered an agency relationship. Pell Grants and Federal Direct Loans are also treated as agency transactions.

Tuition Discounts

Tuition discounts represent scholarships and employee tuition remission allowed to students to reduce the student's overall cost for tuition and various other fees. These discounts are given to students in the course of providing educational services, and the amounts of discounts, as well as the individual recipients, are decided by the University. The University utilizes earnings on investments restricted for tuition discounting or scholarships, federal and state grants, and other sources to finance the tuition discounts. Tuition discounts are reported as a reduction to tuition income, as the University does not receive any goods or services in exchange for the discount.

Notes to Consolidated Financial Statements

June 30, 2020 and 2019

Note 2 - Significant Accounting Policies (Continued)

Revenue Recognition

Student tuition and fees services agreement income are recognized ratably over the period during which the related educational services are provided. Revenue from government grant and contract agreements is recognized as it is earned through expenditure, in accordance with the agreement.

Nonoperating Activities

The University reports certain activity in other changes in net assets that is considered nonoperating, separate from the operating revenue and expenses as follows:

Change in fair value of interest rate swap - Changes in the fair value of these derivatives are reported as nonoperating revenue or expense.

Investment income - Endowment income and realized gains (losses) in excess of the spending policy and unrealized gains (losses) on endowments and other investments not considered available for current operations.

Pension charges - Pension-related changes other than periodic cost are reported as nonoperating revenue or expense.

Federal Income Tax

The University has been determined to be exempt from federal income taxes under Section 501(a) of the Internal Revenue Code of 1986 (the "Code") as an organization described in Sections 501(c)(3) and 170(b)(1)(A)(ii) of the Code. Accordingly, no provision for taxes has been made in the consolidated financial statements.

Functional Allocation of Expenses

The University's primary program services are academic and student programs and auxiliaries. The financial statements include certain categories of expenses that are attributable to more than one program or support function. Costs of providing the program and support services have been reported on a functional basis in the consolidated statement of activities and changes in net assets. Costs have been allocated between the various programs and support services based upon the cost centers where the expenses were charged. Although the methods of allocation used are considered appropriate, other methods could be used that would produce different amounts. More detail is provided within Note 17.

Use of Estimates

In preparing financial statements in accordance with accounting principles generally accepted in the United States of America, management must make estimates and assumptions. These estimates and assumptions affect amounts reported for assets, liabilities, revenue, and expenses, as well as affecting the disclosures provided. Future results could differ from the current estimates.

Impact of COVID-19 Pandemic

On March 11, 2020, the World Health Organization declared the outbreak of a respiratory disease caused by a new coronavirus a pandemic, now known as COVID-19. In response to the COVID-19 pandemic, governments have taken preventive or protective actions, such as temporary closures of nonessential businesses and shelter-at-home guidelines for individuals. As a result, the global economy has been negatively affected, and the University's operations were also impacted. Due to the shelter-at-home guidelines during April 2020 and May 2020, the University shifted to a remote online learning environment and sent students home. The University issued room and board refunds to students. The University also had many athletic events canceled or temporarily postponed until the shelter-at-home guidelines were reduced or removed, which resulted in savings for the University for the year ended June 30, 2020.

Notes to Consolidated Financial Statements

June 30, 2020 and 2019

Note 2 - Significant Accounting Policies (Continued)

To offset the financial impact to students and the losses incurred by the University due to the disruption caused by COVID-19, the University received grants and other relief primarily from the Coronavirus Aid, Relief, and Economic Security (CARES) Act. The University was allocated Higher Education Emergency Relief Fund (HEERF) grants totaling \$1,717,045, of which 50 percent was required to be given directly to students. The portion given to students is shown as scholarships - CARES Act grants on the consolidated statement of activities and changes in net assets. For the year ended June 30, 2020, the University recognized HEERF grant revenue totaling \$1,284,854, which is included in federal stimulus funds received on the consolidated statement of activities and changes in net assets. In addition, the University received Coronavirus Relief Funds (CRF) of \$557,616, which were received subsequent to June 30, 2020 and will be recognized in the year ending June 30, 2021.

The University also received a Paycheck Protection Program (PPP) loan of \$2,343,500 granted by the Small Business Administration under the Coronavirus Aid, Relief, and Economic Security Act. PPP loans are considered conditional contributions, with a right of return in the form of an obligation to be repaid if a barrier to entitlement is not met. The barrier is that PPP loan funds must be used to maintain compensation costs and employee headcount and for other qualifying expenses (mortgage interest, rent, and utilities) incurred following receipt of the funds. The University recognized the amount received as federal stimulus funds revenue on the consolidated statement of activities and changes in net assets since qualified expenses occurred and barriers to entitlement were met. Application for forgiveness of the loan was submitted on December 16, 2020, with inclusion of compliance substantiation and certification therein. However, at the time of issuance of the financial statements, notice of forgiveness had not been received from the lender. All documentation supporting program compliance has been made available for the consolidated financial statement audit. All indications are that the loan will be forgiven. However, if a portion of the loan must be repaid, the terms are 1 percent per annum, repayable over a maximum of five years with a six-month deferral period.

The severity of the continued impact of COVID-19 on the University's financial condition, results of operations, or cash flows will depend on a number of factors, including, but not limited to, the duration and severity of the pandemic and the extent and severity of the impact on the University's community, all of which are uncertain and cannot be predicted.

Subsequent Events

The consolidated financial statements and related disclosures include evaluation of events up through and including December 21, 2020, which is the date the consolidated financial statements were available to be issued.

Adoption of New Accounting Pronouncements

In June 2018, the FASB issued ASU No. 2018-08, *Clarifying the Scope and Accounting Guidance for Contributions Received and Contributions Made*, which provides enhanced guidance to assist entities in (1) evaluating whether transactions should be accounted for as contributions (nonreciprocal transactions) or as exchange (reciprocal transactions) and (2) determining whether a contribution is conditional. The accounting guidance results in more governmental contracts being accounted for as contributions and may delay revenue recognition for certain grants and contributions that no longer meet the definition of unconditional. The new guidance was adopted for the University's year ended June 30, 2020 and applied on a modified prospective basis. The standard did not have a significant impact on the timing of revenue recognition for contributions.

Notes to Consolidated Financial Statements

June 30, 2020 and 2019

Note 2 - Significant Accounting Policies (Continued)

In December 2016, the FASB issued ASU No. 2016-18, *Statement of Cash Flows (Topic 230): Restricted Cash*. The new guidance is intended to reduce diversity in the presentation of restricted cash and cash equivalents in the statement of cash flows. The University adopted the standard for the year ended June 30, 2020 and applied the standard on a retrospective basis. The adoption of this standard resulted in restricted cash being included as a component of the total cash and cash equivalents when reconciling the beginning of period and end of period total amounts shown on the consolidated statement of cash flows. A reconciliation for the consolidated statement of financial position has been added to the consolidated statement of cash flows as a result of the adoption of this standard. The new presentation requirements have been adjusted as follows: cash flows from investing activities were increased by \$3,524 at June 30, 2019; cash and cash equivalents at the beginning of 2019 were increased to include restricted cash of \$1,203,704 relating to certificates of deposit held by the Evan Davis Endowment, resulting in beginning of year cash, cash equivalents, and restricted cash of \$1,771,826; and cash and cash equivalents at June 30, 2019 were increased by \$1,207,228, resulting in cash, cash equivalents, and restricted cash of \$2,076,672 at June 30, 2019.

Upcoming Accounting Pronouncements

In May 2014, the FASB issued ASU No. 2014-09, *Revenue from Contracts with Customers (Topic 606)*, which will supersede the current revenue recognition requirements in Topic 605, *Revenue Recognition*. The ASU is based on the principle that revenue is recognized to depict the transfer of goods or services to customers in an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods or services. The ASU also requires additional disclosure about the nature, amount, timing, and uncertainty of revenue and cash flows arising from customer contracts, including significant judgments and changes in judgments and assets recognized from costs incurred to obtain or fulfill a contract. The provisions of this statement were originally effective for the University's financial statements for the year ended June 30, 2020 but were extended to June 30, 2021 with the issuance of ASU No. 2020-05, *Effective Dates for Certain Entities*. The University plans to adopt the new accounting standard effective June 30, 2021. The ASU permits application of the new revenue recognition guidance using one of two retrospective application methods. The University does not believe the implementation of the new standard will have a significant impact on any of its methods and timing of revenue recognition.

The FASB issued ASU No. 2016-02, *Leases*, which will supersede the current lease requirements in ASC 840. The ASU requires lessees to recognize a right-of-use asset and related lease liability for all leases, with a limited exception for short-term leases. Leases will be classified as either finance or operating, with the classification affecting the pattern of expense recognition in the statement of operations. Currently, leases are classified as either capital or operating, with only capital leases recognized on the balance sheet. The reporting of lease-related expenses in the statements of operations and cash flows will be generally consistent with the current guidance. The provisions of this statement were originally effective for the University's financial statements for the year ending June 30, 2022 but were extended to June 30, 2023 with the issuance of ASU No. 2020-05, *Effective Dates for Certain Entities*. The University plans to adopt the new accounting standard using a modified retrospective transition method to the beginning of the earliest period presented. The new lease standard is expected to have an insignificant effect on the University's consolidated financial statements as a result of the University's operating leases, as disclosed in Note 11.

In March 2020, the FASB issued ASU No. 2020-04, *Reference Rate Reform (Topic 848): Facilitation of the Effects of Reference Rate Reform on Financial Reporting*, which addresses the accounting consequences that could result from the global markets' anticipated transition away from the use of the London Interbank Offered Rate (LIBOR). The ASU provides optional expedients and exceptions to contracts, hedging relationships, and other transactions impacted by reference rate reform. The provisions of the ASU are effective upon issuance and generally can be applied through June 30, 2022. The University has not yet been contacted by the bank to change the rate.

Notes to Consolidated Financial Statements

June 30, 2020 and 2019

Note 3 - Contract with Rio Grande Community College

The University has a contract with Rio Grande Community College (RGCC) through December 31, 2021, where the University agreed to perform certain services for RGCC in return for a percentage of tuition of RGCC students on the main campus, fees charged to RGCC students, room and board, bookstore charges to RGCC students, and state appropriations of the main campus of RGCC, plus all tax levy funds received by RGCC.

The University provides to RGCC and its students:

- Instruction in arts and sciences, technical (occupational) studies, adult education, and development courses
- Access to all nonresidential physical facilities of the University on the same basis that such facilities are available to students of the University
- Activities available to students of the University, such as athletics, clubs, dramatics, and other approved activities
- Administrative services, including admissions, management information systems and services, financial aid services, records and registrar services, accounting and payroll services, HR services, and maintenance of buildings and grounds
- Appropriate office space for RGCC's administrative offices

The University recorded revenue of \$8,192,037 and \$8,936,403 related to this contract for the years ended June 30, 2020 and 2019, respectively.

The University and RGCC have also entered into leasehold relationships with respect to approximately 10 of the buildings owned by the University on its campus. With respect to each of these buildings, there exists a lease from the University to RGCC. Two other buildings on the University campus, Bob Evans Farms Hall and Davis Career Center, were constructed by RGCC with funds in part from the State of Ohio. RGCC leases them to the University for \$1 per year. The University, in turn, leases the land upon which the buildings are situated to RGCC for \$1 pursuant to an agreement between RGCC (as grantee) and the University (as grantor) that the buildings thereon be used for the benefit of the students of both parties. The deeds contain a reverter clause, which provides for title to these two buildings to revert to the University if the University and RGCC sever their current relationship or RGCC ceases to operate as a community college, provided the University will be required to pay the fair market value of the improvements thereon.

Note 4 - Liquidity and Availability of Resources

The University's financial assets available within one year of June 30, 2020 and 2019 for general expenditure are as follows:

	2020	2019
Cash and cash equivalents	\$ 1,621,293	\$ 532,501
Accounts and interest receivable	1,636,531	1,020,756
Contributions receivable	56,805	56,805
Federal and state receivables	953,075	75,980
Total	<u>\$ 4,267,704</u>	<u>\$ 1,686,042</u>

None of these financial assets are subject to donor or other contractual restrictions that make them unavailable for general expenditure within one year of the consolidated statement of financial position date.

Notes to Consolidated Financial Statements

June 30, 2020 and 2019

Note 4 - Liquidity and Availability of Resources (Continued)

The University's endowment funds consist of donor-restricted endowments. Income from donor-restricted endowments is restricted for specific purposes and, therefore, is not available for general expenditure.

The University has a policy to structure its financial assets to be available as its general expenditures, liabilities, and other obligations come due. In addition, the University invests cash in excess of daily requirements in short-term investments. To help manage unanticipated liquidity needs, the University has availability on the line of credit agreement in the amount of \$650,000 and \$700,000 as of June 30, 2020 and 2019, respectively, that it could draw upon. In December 2020, the University resolved to modify the line of credit, as further described in Note 9.

The University also realizes there could be unanticipated liquidity needs.

Note 5 - Contributions Receivable

Contributions receivable are unconditional promises to give from various donors. Unconditional promises to give that are expected to be collected within one year are recorded at their net realizable value. Unconditional promises to give that are expected to be collected in future years are recorded at the present value of their estimated future cash flows.

The discounts on those amounts are computed using appropriate discount rates at the time of the gift. The discount rate was 5 percent at June 30, 2020 and 2019. Amortization of the discounts is included in contribution revenue. Conditional promises to give are not included as support until the conditions are substantially met.

Included in contributions receivable are several unconditional promises to give generated from a capital campaign. They are included as follows:

	2020	2019
Gross unconditional promises to give before unamortized discount and allowance for uncollectible pledges	\$ 1,058,790	\$ 1,106,805
Less unamortized discounts and allowance for uncollectible pledges	(596,471)	(596,471)
Net contributions receivable	<u>\$ 462,319</u>	<u>\$ 510,334</u>
Amounts due in:		
Less than one year	\$ 103,675	\$ 51,690
One to five years	200,000	200,000
More than five years	<u>755,115</u>	<u>855,115</u>
Total	<u>\$ 1,058,790</u>	<u>\$ 1,106,805</u>

Note 6 - Financing Receivables

The University provides financing options by issuing uncollateralized loans to students with maturities greater than one year based on financial need. The University assesses these loans and notes receivable for impairment periodically, assessing the student's ability to meet the obligation as it becomes due, and certain other credit quality indicators. The University considers a loan or note to be impaired when, based upon current information and events, it believes it is probable that the University will be unable to collect all amounts due according to the contractual terms of the loan or note agreement.

Notes to Consolidated Financial Statements

June 30, 2020 and 2019

Note 6 - Financing Receivables (Continued)

Student loans are funded through federal government loan programs, other loan programs, or institutional resources. At both June 30, 2020 and 2019, student loans represented approximately 0.4 and 0.3 percent of total assets.

At June 30, student loans consisted of the following:

	2020	2019
Federal government programs	\$ 7,970	\$ 7,970
Institutional and other	163,452	164,556
Total	171,422	172,526
Less allowance for doubtful accounts	(17,501)	(17,501)
Student loans receivable - Net	<u>\$ 153,921</u>	<u>\$ 155,025</u>

In February 2019, the University received notice of loss of eligibility to participate in the Federal Perkins Loan Program. Prior to the year ended June 30, 2019, the University participated in the Federal Perkins Loan Program, which is a revolving loan program. The availability of funds for loans under the program is dependent on reimbursements to the pool from repayments on outstanding loans. Funds advanced by the federal government of \$0 and \$914,399 at June 30, 2020 and 2019, respectively, are ultimately refundable to the government and are classified as liabilities in the consolidated statement of financial position. Outstanding loans canceled under the program result in a reduction of the funds available for loans and a decrease in the liability to the government. The majority of the Perkins loans were assigned to and accepted by the Department of Education. The number of Perkins loans that were not accepted is insignificant. The University liquidated the Federal Perkins Loan Program, with the final liquidation being confirmed by the Department of Education on May 22, 2020, and there were no loan balances outstanding at June 30, 2020. The federal share of the University's final fund capital from the Perkins Loan Program was \$100,829 and was refunded to the Department of Education on June 5, 2020.

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 loan terms. Institutional and other loan balances are written off only when they are deemed to be permanently uncollectible.

Note 7 - Property and Equipment

Property and equipment are summarized as follows:

	2020	2019
Land	\$ 2,127,867	\$ 2,127,867
Land improvements	2,532,676	2,525,676
Buildings	29,738,232	29,738,232
Energy equipment	3,566,888	3,566,888
Library books	1,421,468	1,421,334
Transportation equipment	186,893	170,806
Furniture and fixtures	4,071,748	3,929,771
Computer equipment and software	3,737,625	3,537,143
Construction in progress	92,899	
Total cost	47,476,296	47,017,717
Accumulated depreciation	29,022,513	28,109,753
Net property and equipment	<u>\$ 18,453,783</u>	<u>\$ 18,907,964</u>

Notes to Consolidated Financial Statements

June 30, 2020 and 2019

Note 7 - Property and Equipment (Continued)

Depreciation expense for 2020 and 2019 was \$914,610 and \$896,340, respectively.

Note 8 - Investments

The details of the University's investments in trading securities at June 30 are as follows:

	2020	2019
The Graystone Consulting/Common Fund		
Cash and cash equivalents	\$ 675,848	\$ 18,166
Mutual funds - Domestic equities	1,620,250	3,384,687
Mutual funds - International equities	2,259,166	6,782,345
Mutual funds - Domestic bonds	2,603,564	5,270,778
Mutual funds - Other	195,033	1,654,537
Stocks	1,721,380	2,359,272
Hedge funds	1,350,683	2,542,944
Total	10,425,924	22,012,729
Other Investments		
Money market funds	861,699	539,523
Mutual funds - Domestic equities	464,329	503,160
Mutual funds - Bonds	660,905	627,279
Total	\$ 12,412,857	\$ 23,682,691

During June 30, 2020 and 2019, sales proceeds, gross realized gains, and gross realized losses on securities were as follows:

	2020	2019
Dividends and interest	\$ 347,126	\$ 622,422
Net gains	1,253	484,080
Investment expenses	(71,659)	(147,314)
Total return on investments	276,720	959,188
Investment return designated for current operations	(788,714)	(661,353)
Total	\$ (511,994)	\$ 297,835

Notes to Consolidated Financial Statements

June 30, 2020 and 2019

Note 9 - Debt

Long-term debt at June 30 is as follows:

	2020	2019
Participation loan, bank; variable interest rate of 3.55 percent and 5.87 percent at June 30, 2020 and 2019, respectively, is swapped for a fixed interest rate of 6.22 percent through March 2028. Monthly principal and interest payments of \$50,787 beginning in May 2018 through maturity in April 2033. Secured by dormitories and certificates of deposit accounts held at Ohio Valley Bank	\$ 5,350,839	\$ 5,613,611
Line of credit, bank; \$2,250,000 maximum line through August 24, 2020 with interest payable monthly at prime (4.25 percent and 5.50 percent at June 30, 2020 and 2019, respectively). This note is secured by unrestricted revenue and is due on demand. The line of credit was renewed and modified as detailed below	1,599,999	1,800,000
Note payable, bank; variable interest rate of 3.27 percent and 5.59 percent at June 30, 2020 and 2019, respectively, is swapped for a fixed interest rate of 5.35 percent. Monthly principal and interest payments of \$10,827 beginning in July 2017 through maturity in June 2027. Secured by dormitories and certificates of deposit accounts held at Ohio Valley Bank	755,152	841,510
Note payable, bank; monthly payments of \$16,001 are due through maturity in October 2020, with interest payable monthly at prime plus 1.00 percent (3.75 percent and 5.75 percent at June 30, 2020 and 2019, respectively). The note is secured by a mortgage cross-collateralized	65,345	253,947
Line of credit, bank; \$75,000 maximum line with interest payable monthly at prime (3.25 percent and 5.25 percent at June 30, 2020 and 2019, respectively). This note is unsecured and due on demand	-	71,451
Total	<u>\$ 7,771,335</u>	<u>\$ 8,580,519</u>

The balance of the above debt matures as follows:

Years Ending	Amount
2021	\$ 2,040,980
2022	399,014
2023	423,780
2024	450,169
2025	478,139
Thereafter	3,979,253
Total	<u>\$ 7,771,335</u>

Interest expense for 2020 and 2019 was \$489,162 and \$553,475, respectively.

On April 10, 2018, the participation loan was modified, and the University was advanced \$2,615,232 for a total loan outstanding of \$5,900,000. The variable interest rate was changed to the one-month LIBOR plus 3.4 percent, and the maturity date was extended to April 6, 2033. In connection with the modification, the terms of the related interest rate swap agreement were adjusted, and the fixed interest rate was increased to 6.22 percent.

On December 9, 2020, the University entered into a line of credit in the amount of \$700,000. Interest on the line of credit will accrue on unpaid principal at a rate of 4.25 percent until January 9, 2021, after which time the rate will be variable at prime plus 1 percent. The line of credit is payable upon demand.

Notes to Consolidated Financial Statements

June 30, 2020 and 2019

Note 9 - Debt (Continued)

On December 18, 2020, the University resolved to modify the line of credit from \$2,250,000 to \$1,000,000 expiring on March 30, 2021. The line of credit will carry monthly interest payable at the prime rate.

In May 2017, the University entered into an interest rate swap agreement maturing on April 6, 2028 in order to convert a certain variable rate on its participation loan to a fixed rate. This interest rate swap is recognized in the accompanying consolidated statement of financial position at fair value. Changes in the fair value of the interest rate swap are recognized in nonoperating income (loss). Realized gains and losses are recognized as a component of interest expense, and net realized losses totaling \$58,482 and \$28,175 have been recognized for 2020 and 2019, respectively. The notional amount of the swap is adjusted to coincide with the principal paid on the participation loan. The outstanding notional amount was \$5,350,839 and \$5,613,611 at June 30, 2020 and 2019, respectively.

In May 2017, the University entered into an interest rate swap agreement maturing on June 6, 2027 in order to convert a certain variable rate on its note payable to a fixed rate. This interest rate swap is recognized in the accompanying consolidated statement of financial position at fair value. Changes in the fair value of the interest rate swap are recognized in nonoperating income (loss). Realized gains and losses are recognized as a component of interest expense, and net realized losses (gains) totaling \$3,830 and \$(710) have been recognized for 2020 and 2019, respectively. The notional amount of the swap is adjusted to coincide with the principal paid on the note payable. The outstanding notional amount was \$755,152 and \$841,510 at June 30, 2020 and 2019, respectively.

The fair value of the University's interest rate swap agreements was \$(848,641) and \$(402,617) as of June 30, 2020 and 2019, respectively.

Note 10 - Capital Leases

The University leases equipment under long-term lease arrangements that are classified as capital leases. For financial statement purposes, the present values of the net minimum lease payments have been capitalized and are being amortized over the useful lives of the assets. Under the terms of the lease agreements, payments are due monthly or quarterly through March 2025. The leases have been imputed with interest at annual rates ranging from 1.22 percent to 8.34 percent.

At June 30, 2020 and 2019, property under capital leases consists of computer equipment, storage servers, DataCenter upgrades, fitness center equipment, copier equipment, John Deere tractors, and a campus police car with a gross cost of \$2,775,278 and \$2,720,433 at June 30, 2020 and 2019, respectively. Accumulated depreciation on the property under capital leases was \$2,331,613 and \$2,062,158 at June 30, 2020 and 2019, respectively.

The future minimum lease payments under capital leases are as follows:

Years Ending June 30	Amount
2021	\$ 215,914
2022	154,982
2023	36,969
2024	20,249
2025	15,551
Total	<u>\$ 443,665</u>

Note 11 - Leasing Commitments

The University leases laundry and office equipment under noncancelable operating leases that expire through July 2025. Lease expense totaled approximately \$13,000 and \$16,000 in 2020 and 2019, respectively.

Notes to Consolidated Financial Statements

June 30, 2020 and 2019

Note 11 - Leasing Commitments (Continued)

Future minimum annual commitments under the operating leases are as follows:

<u>Years Ending</u>	<u>Amount</u>
2021	\$ 9,514
2022	9,072
2023	9,072
2024	9,072
2025	9,072
Thereafter	756
Total	<u>\$ 46,558</u>

Note 12 - Fair Value Measurements

Accounting standards require certain assets and liabilities be reported at fair value in the financial statements and provide a framework for establishing that fair value. The framework for determining fair value is based on a hierarchy that prioritizes the inputs and valuation techniques used to measure fair value.

The following tables present information about the University's assets and liabilities measured at fair value on a recurring basis at June 30, 2020 and 2019 and the valuation techniques used by the University to determine those fair values.

Fair values determined by Level 1 inputs use quoted prices in active markets for identical assets and liabilities that the University has the ability to access.

Fair values determined by Level 2 inputs use other inputs that are observable, either directly or indirectly. These Level 2 inputs include quoted prices for similar assets and liabilities in active markets and other inputs, such as interest rates and yield curves, that are observable at commonly quoted intervals.

Level 3 inputs are unobservable inputs, including inputs that are available in situations where there is little, if any, market activity for the related asset or liability. These Level 3 fair value measurements are based primarily on management's own estimates using pricing models, discounted cash flow methodologies, or similar techniques taking into account the characteristics of the asset or liability.

In instances where inputs used to measure fair value fall into different levels in the above fair value hierarchy, fair value measurements in their entirety are categorized based on the lowest level input that is significant to the valuation. The University's assessment of the significance of particular inputs to these fair value measurements requires judgment and considers factors specific to each asset and liability.

Investments that are measured at fair value using net asset value per share (or its equivalent) as a practical expedient are not classified in the fair value hierarchy below.

Notes to Consolidated Financial Statements

June 30, 2020 and 2019

Note 12 - Fair Value Measurements (Continued)

Assets and Liabilities Measured at Fair Value on a Recurring Basis
at June 30, 2020

	Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)	Balance at June 30, 2020
Assets				
The Graystone Consulting investments:				
Cash and cash equivalents	\$ 675,848	\$ -	\$ -	\$ 675,848
Mutual funds - Domestic equities	1,620,250	-	-	1,620,250
Mutual funds - International equities	2,259,166	-	-	2,259,166
Mutual funds - Domestic bonds	2,603,564	-	-	2,603,564
Mutual funds - Other	195,033	-	-	195,033
Stocks:				
Real estate	124,041	-	-	124,041
Communication services	175,425	-	-	175,425
Energy	15,497	-	-	15,497
Materials	85,002	-	-	85,002
Industrials	186,524	-	-	186,524
Consumer discretionary	216,922	-	-	216,922
Health care	200,632	-	-	200,632
Financials	194,455	-	-	194,455
Information technology	421,406	-	-	421,406
Consumer staples	68,029	-	-	68,029
Other	33,447	-	-	33,447
Total stocks	1,721,380	-	-	1,721,380
Other investments:				
Money market funds	861,699	-	-	861,699
Mutual funds - Domestic equities	464,329	-	-	464,329
Mutual funds - Bonds	660,905	-	-	660,905
Total other investments	1,986,933	-	-	1,986,933
Total	\$ 11,062,174	\$ -	\$ -	11,062,174
Investments measured at NAV -				
Hedge funds				1,350,683
Total assets				\$ 12,412,857
Liabilities - Interest rate swap				
	\$ -	\$ (848,641)	\$ -	\$ (848,641)

Notes to Consolidated Financial Statements

June 30, 2020 and 2019

Note 12 - Fair Value Measurements (Continued)

Assets and Liabilities Measured at Fair Value on a Recurring Basis
at June 30, 2019

	Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)	Balance at June 30, 2019
Assets				
The Graystone Consulting investments:				
Cash and cash equivalents	\$ 18,166	\$ -	\$ -	\$ 18,166
Mutual funds - Domestic equities	3,384,687	-	-	3,384,687
Mutual funds - International equities	6,782,345	-	-	6,782,345
Mutual funds - Domestic bonds	5,270,778	-	-	5,270,778
Mutual funds - Other	1,654,537	-	-	1,654,537
Stocks:				
Real estate	138,942	-	-	138,942
Consumer services	256,992	-	-	256,992
Materials	113,318	-	-	113,318
Industrials	142,199	-	-	142,199
Consumer discretionary	256,422	-	-	256,422
Health care	353,636	-	-	353,636
Financials	245,381	-	-	245,381
Information technology	624,872	-	-	624,872
Consumer staples	158,278	-	-	158,278
Other	69,232	-	-	69,232
Total stocks	2,359,272	-	-	2,359,272
Other investments:				
Money market funds	539,523	-	-	539,523
Mutual funds - Domestic equities	503,160	-	-	503,160
Mutual funds - Bonds	627,279	-	-	627,279
Total other investments	1,669,962	-	-	1,669,962
Total	\$ 21,139,747	\$ -	\$ -	21,139,747
Investments measured at NAV -				
Hedge funds				2,542,944
Total assets				\$ 23,682,691
Liabilities - Interest rate swap				
	\$ -	\$ (402,617)	\$ -	\$ (402,617)

Investments in Entities that Calculate Net Asset Value per Share

The University holds shares or interests in investment companies at year end where the fair value of the investment held is estimated based on the net asset value per share (or its equivalent) of the investment company. The redemption period on these investments ranges from quarterly to semiannual, and the redemption notice period on these investments ranges from 65 to 95 days. There are no unfunded commitments on these funds.

Notes to Consolidated Financial Statements

June 30, 2020 and 2019

Note 12 - Fair Value Measurements (Continued)

The investment objectives of the University's hedge funds are as follows:

One fund is a registered fund of hedge funds that seeks capital appreciation by investing in 30 to 35 hedge funds managed by third-party investment managers who employ a variety of strategies in pursuit of attractive, risk-adjusted returns and capital preservation. Series G combines a top-down strategy allocation methodology with bottom-up manager evaluations in an attempt to identify those strategies that the adviser believes provide opportunities to achieve Series G's investment objectives during a three- to five-year investment horizon.

Another fund's investment objective is capital appreciation with limited variability of returns. The firm was founded in 1996, and since that time, it has been exclusively focused on building and managing a low-volatility, multimanager product offering that seeks to have little to no correlation to broader debt and equity markets.

The remaining fund's strategy is global and highly diversified, with a focus on investment strategies that exploit market inefficiencies to produce absolute return with low correlation to global capital markets. The investment seeks to deliver absolute returns with relatively low volatility by focusing on a high level of diversification, tight control of directional market exposures, and a risk management framework that can result in a high level of liquidity and systematic movement of capital based on real-time trading profit and losses. The underlying manager believes that alpha is best achieved by trading professionals who are narrowly focused to maximize expertise and combined on a platform that provides trading and operational economies of scale.

Note 13 - Pension Plans

On October 31, 2019, the board of trustees elected to fully fund and terminate the pension plan. On December 26, 2019, the University executed an annuity agreement to irrevocably transfer the remaining pension plan obligation for participants. As a result of the plan termination, a settlement of the accumulated benefit obligation was recognized in the amount of \$29,515,396, resulting in a loss of \$1,654,228. In the termination process, the Plan made lump-sum distributions to participants of approximately \$16,411,000 from plan assets. The University used the remaining plan assets and proceeds from a loan agreement to borrow funds from the University's endowment funds to fund the annuity agreement. The amount borrowed from the University endowment funds to fund the termination of the pension totaled \$9,544,595. See Note 15 for additional information regarding the endowment loan agreement.

Prior to termination, the University had funded a noncontributory defined benefit pension plan. Pension expense was based on actuarial assumptions about the present value of future benefits and was recorded over the periods of employee service. The University used December 26 and June 30 measurement dates for its plan for the fiscal years ended June 30, 2020 and 2019, respectively. As of January 4, 2003, the University discontinued the benefit accumulations and allowed no further participation in this plan.

The following table sets forth the changes in funded status and amounts recognized in the consolidated statement of financial position for the pension plan for the years ended and measured at June 30, 2020 and 2019:

Obligations and Funded Status

	Pension Benefits	
	2020	2019
Projected benefit obligation	\$ -	\$ 29,595,157
Fair value of plan assets	-	20,642,915
Funded status	\$ -	\$ (8,952,242)

Notes to Consolidated Financial Statements

June 30, 2020 and 2019

Note 13 - Pension Plans (Continued)

The accumulated benefit obligation for all defined benefit pension plans was \$0 and \$29,595,157 at June 30, 2020 and 2019, respectively.

Components of net periodic benefit cost and other amounts:

	2020	2019
Net Periodic Benefit Cost, Employer Contributions, and Benefits Paid		
Net periodic benefit cost	\$ (463,317)	\$ 1,847,942
Employer contributions	10,143,154	1,695,000
Benefits paid	734,817	1,892,661
Other Changes in Plan Assets and Benefit Obligations - Settlement/Plan termination cost	1,654,228	-

There were no service costs for 2020 or 2019. The other components of net periodic benefits cost have been included in nonoperating (loss) income on the consolidated statement of activities and changes in net assets.

Weighted-average assumptions used to determine benefit obligations and net periodic benefit cost for the period ended December 26, 2019 and the year ended June 30, 2019 are as follows:

	Pension Benefits	
	2020	2019
Discount rate	3.75%	3.75%
Expected long-term return on plan assets	7.5%	7.5%
Rate of compensation increase	N/A	N/A

Pension Plan Assets

The goals of the pension plan investment program were to fully fund the obligation to pay retirement benefits in accordance with the plan documents and to provide returns that, along with appropriate funding from the University, maintain an asset/liability ratio that is in compliance with all applicable laws and regulations and assures timely payment of retirement benefits.

The University's overall investment strategy was to achieve a mix of investments for long-term growth and for near-term benefit payments with a wide diversification of asset types, fund strategies, and fund managers.

	2020	2019	Target Allocation
Asset category:			
Equity	- %	63.00 %	65-75 %
Debt	-	31.00	25-35 %
Real estate	-	5.00	0-8 %
Other	-	1.00	0-15%
Total	- %	100.00 %	

Equity securities primarily include investments in large-cap and mid-cap companies primarily located in the United States. Fixed-income securities include corporate bonds of companies from diversified industries, mortgage-backed securities, and U.S. Treasuries. Other types of investments include investments in hedge funds and private equity funds that follow several different strategies.

Notes to Consolidated Financial Statements

June 30, 2020 and 2019

Note 13 - Pension Plans (Continued)

The Plan held no investments at June 30, 2020. The fair values of the Plan's investments at June 30, 2019 by major asset classes are as follows:

Asset Classes	Fair Value Measurements at June 30, 2019	
	Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)
Money market deposit accounts	\$ 482,136	\$ -
Mutual funds, categorized by nature of underlying investments:		
Domestic equity	9,621,570	-
International equity	2,233,075	-
Real estate	997,263	-
Domestic bond	4,874,777	-
International bond	2,434,094	-
Total	\$ 20,642,915	\$ -

The table above presents information about the pension plan assets prior to termination measured at fair value at June 30, 2019 and the valuation techniques used by the University to determine those fair values.

Fair values determined by Level 1 inputs use quoted prices in active markets for identical assets that the University has the ability to access.

Fair values determined by Level 2 inputs use other inputs that are observable, either directly or indirectly. These Level 2 inputs include quoted prices for similar assets in active markets and other inputs, such as interest rates and yield curves, that are observable at commonly quoted intervals.

In instances where inputs used to measure fair value fall into different levels in the above fair value hierarchy, fair value measurements in their entirety are categorized based on the lowest level input that is significant to the valuation. The University's assessment of the significance of particular inputs to these fair value measurements requires judgment and considers factors specific to each plan asset.

Defined Contribution Plan

Effective January 1, 2003, the University established a defined contribution plan with 401(k) employee savings and an employer contribution feature, which provides retirement benefits to employees at age 65. All full-time employees over the age of 21 who have completed 12 consecutive months of service are eligible to participate. Participants may elect to contribute up to the maximum contribution allowable under IRS Code Sections 401(k), 404, and 415.

The University makes two types of annual contributions to the plan. The basic employer contribution is calculated at 2 percent of the eligible participant's compensation, and the contributions are made to the plan throughout the year. The supplemental employer contribution covers participants from the former University of Rio Grande Pension Plan and is equal to any shortfall between the employee's projected benefit under the defined contribution plan and their target benefit under the former pension plan, calculated as of January 1, 2003. The cost to the University amounted to \$158,411 and \$212,189 for the years ended June 30, 2020 and 2019, respectively.

Notes to Consolidated Financial Statements

June 30, 2020 and 2019

Note 14 - Net Assets

Net assets with donor restrictions other than endowments are available for the following purposes as of June 30:

	2020	2019
Scholarships	\$ 17,989,262	\$ 17,836,935
Maintenance	3,392,472	3,380,282
Faculty and education programs	1,598,205	1,598,205
Academic and athletic programs	1,013,253	1,053,724
Library	859,595	882,973
Endowed chair	869,175	869,175
Land donation	854,000	854,000
Capital campaign	118,807	65,582
Total net assets with donor restrictions	\$ 26,694,769	\$ 26,540,876

Net assets released from donor restrictions by incurring expenses satisfying the restricted purpose for the years ended June 30, 2020 and 2019 are as follows:

	2020	2019
Scholarships	\$ 819,381	\$ 648,452
Academic and athletic	233,705	322,863
Maintenance	76,434	98,812
Library	41,414	40,493
Faculty and education	55,676	82,403
Capital campaign	6,425	22,585
Endowed chairs	52,869	57,415
Total net assets released from restrictions	\$ 1,285,904	\$ 1,273,023

Note 15 - Endowment Composition

The University's endowment includes endowment funds with donor restrictions. Net assets associated with endowment funds are classified and reported based on the existence or absence of donor-imposed restrictions.

Interpretation of Relevant Law

The University is subject to the Uniform Prudent Management of Institutional Funds Act (UPMIFA) and, thus, classifies amounts in its donor-restricted endowment funds as net assets with donor restrictions because those net assets are time restricted until the board of trustees appropriates such amounts for expenditures. Most of those net assets also are subject to purpose restrictions that must be met before reclassifying those net assets to net assets without donor restrictions. The board of trustees of the University had interpreted UPMIFA as not requiring the maintenance of purchasing power of the original gift amount contributed to an endowment fund, unless a donor stipulates the contrary. As a result of this interpretation, when reviewing its donor-restricted endowment funds, the University considers a fund to be underwater if the fair value of the fund is less than the sum of (a) the original value of initial and subsequent gift amounts donated to the fund and (b) any accumulations to the fund that are required to be maintained in perpetuity in accordance with the direction of the applicable donor gift instrument. The University has interpreted UPMIFA to permit spending from underwater funds in accordance with the prudent measures required under the law. Additionally, in accordance with UPMIFA, the University considers the following factors in making a determination to appropriate or accumulate donor-restricted endowment funds:

- The duration and preservation of the fund
- The purpose of the University and the donor-restricted endowment fund

Notes to Consolidated Financial Statements

June 30, 2020 and 2019

Note 15 - Endowment Composition (Continued)

- General economic conditions
- The possible effect of inflation and deflation
- The expected total return from income and the appreciation of investments
- Other resources of the University
- The investment policies of the University

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

	With Donor Restrictions
Donor-restricted endowment funds:	
Original donor-restricted gift amount and amounts required to be maintained in perpetuity by the donor	\$ 21,199,528
Accumulated investment gains	3,065,560
Total	<u>\$ 24,265,088</u>

Changes in endowment net assets for the fiscal year ended June 30, 2020 are as follows:

	With Donor Restrictions
Endowment net assets - Beginning of year	\$ 24,175,164
Investment return:	
Investment income	451,406
Net appreciation (realized and unrealized)	191
Total investment return	451,597
Contributions	427,041
Appropriation of endowment assets for expenditure	(788,714)
Endowment net assets - End of year	<u>\$ 24,265,088</u>

Endowment net asset composition by type of fund as of June 30, 2019 is as follows:

	With Donor Restrictions
Donor-restricted endowment funds:	
Original donor-restricted gift amount and amounts required to be maintained in perpetuity by the donor	\$ 20,772,487
Accumulated investment gains	3,402,677
Total	<u>\$ 24,175,164</u>

Notes to Consolidated Financial Statements

June 30, 2020 and 2019

Note 15 - Endowment Composition (Continued)

Changes in endowment net assets for the fiscal year ended June 30, 2019 are as follows:

	With Donor Restrictions
Endowment net assets - Beginning of year	\$ 23,746,352
Investment return:	
Investment income	438,007
Net appreciation (realized and unrealized)	488,149
Total investment return	926,156
Contributions	164,009
Appropriation of endowment assets for expenditure	(661,353)
Endowment net assets - End of year	\$ 24,175,164

In November 2019, the University entered into an internal loan agreement to borrow \$11,331,809 in addition to the existing internal loan at that time of \$3,134,561. This agreement was later modified in May 2020 to bring both borrowings under the same terms. The additional borrowings are secured by three buildings owned by the University. The University made interest-only payments on the internal borrowings beginning November 1, 2019 through June 30, 2020. The University intends to make monthly payments of \$54,124, including interest of 2.09 percent, on the borrowed amounts commencing on July 1, 2020 until the maturity date of October 31, 2050. The University has net internal borrowings of \$14,242,789 and \$3,134,561 at June 30, 2020 and 2019, respectively, of net assets with donor restrictions to fund the termination of the pension plan and other activities (see Note 13).

Underwater Endowment Funds

From time to time, the fair value of assets associated with individual donor-restricted endowment funds may fall below the level that the donor or UPMIFA requires the University to retain as a fund of perpetual duration. Deficiencies of this nature exist in six donor-restricted endowment funds, which together have an original gift value of \$818,539 and \$572,438, a current fair value of \$755,289 and \$498,050, and a deficiency of \$63,250 and \$74,388 as of June 30, 2020 and 2019, respectively. These deficiencies resulted from unfavorable market fluctuations that occurred shortly after the investment of new contributions for donor-restricted endowment funds and continued appropriation for certain programs that was deemed prudent by the board of trustees.

Return Objectives and Risk Parameters

The University has adopted investment and spending policies for endowment assets that attempt to provide a predictable stream of funding to programs supported by its endowment while seeking to maintain the purchasing power of the endowment assets. Endowment assets include those assets of donor-restricted funds that the University must hold in perpetuity or for a donor-specified period, as well as board-designated funds. Under this policy, as approved by the board of trustees, the endowment assets are invested in a manner that is intended to achieve a return of 8 percent, net of inflation and investment expenses. The secondary investment objective is to earn a total return, net of expenses, at least equal to the portfolio's composite benchmark, as defined in its investment policy statement. Actual returns in any given year may vary from this amount.

Notes to Consolidated Financial Statements

June 30, 2020 and 2019

Note 15 - Endowment Composition (Continued)

Strategies Employed for Achieving Objectives

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 capital appreciation (realized and unrealized) and current yield (interest and dividends). 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.

Spending Policy and How the Investment Objectives Relate to Spending Policy

The University has a policy of appropriating for distribution each year 5 percent of its endowment fund's average fair value over the prior 12 quarters through the calendar year end preceding the fiscal year in which the distribution is planned. In October 2019, the board of trustees resolved to decrease the spending rate to 4.5 percent for the year ending June 30, 2021. In establishing this policy, the University considered the long-term expected rate of return on its endowment. Accordingly, over the long term, the University expects the current spending policy to allow its endowment to grow an average of 2 percent annually. The University has a policy that prohibits spending from underwater endowment funds.

Note 16 - Commitments and Contingencies

The University is involved in various legal proceedings, administrative actions, and claims arising in the normal course of business. In the opinion of management, the University's liability, if any, under pending litigation and administrative actions will not materially affect its consolidated financial statements.

The University receives significant financial assistance from governmental agencies in the form of federal student aid. The disbursement of funds received under such programs generally requires compliance with the terms and conditions specified by the U.S. Department of Education and is subject to audit. Any disallowed costs resulting from such audits could become a liability of the University. The amount of expenditures that may be disallowed by granting agencies cannot be determined at this time. The University expects such amounts, if any, to be immaterial. In addition, the University had a letter of credit outstanding for the U.S. Department of Education of \$1,340,174 that was set to expire on May 20, 2020. The letter of credit was modified on April 22, 2020 to an amount of \$1,146,396, with an expiration date of September 15, 2021.

Notes to Consolidated Financial Statements

June 30, 2020 and 2019

Note 17 - Functional Expenses

The University's financial statements report certain categories of expenses that are attributable to one or more programs or functions, such as academic and student programs and auxiliaries. Certain salaries and benefits are allocated on the basis of time and effort. Facilities-related expenses utilized by all employees, such as depreciation, occupancy, utilities, and maintenance, are allocated based on square footage. The following tables provide detail of those expenses by showing both the functional and natural classification (salaries, maintenance, etc.) of each category of expenses as of June 30, 2020 and 2019:

	Program Services			Support Services			2020 Total
	Instructional and Academic Office	Auxiliary Activities	Student Services and Development Office	Administration	General Institutional	Payroll and Plant Maintenance	
Salaries, benefits, and taxes	\$ 6,111,687	\$ 107,159	\$ 1,230,067	\$ 1,071,909	\$ 874,711	\$ 1,893,968	\$11,289,501
Services, supplies, and other	400,058	1,042,453	941,996	440,922	1,289,933	686,525	4,801,887
Occupancy, utilities, and maintenance	1,045	23,864	47,046	479	158,009	1,439,773	1,670,216
Payroll and plant maintenance	2,428,847	746,927	431,514	246,209	166,769	(4,020,266)	-
Depreciation	517,419	271,482	90,285	28,035	7,389	-	914,610
Interest	276,732	145,197	48,287	14,994	3,952	-	489,162
Student aid	-	-	858,523	-	-	-	858,523
Total	\$ 9,735,788	\$ 2,337,082	\$ 3,647,718	\$ 1,802,548	\$ 2,500,763	\$ -	\$20,023,899

	Program Services			Support Services			2019 Total
	Instructional and Academic Office	Auxiliary Activities	Student Services and Development Office	Administration	General Institutional	Payroll and Plant Maintenance	
Salaries, benefits, and taxes	\$ 6,729,294	\$ 137,248	\$ 1,326,537	\$ 1,116,537	\$ 1,029,056	\$ 2,228,057	\$12,566,729
Services, supplies, and other	669,197	1,993,048	1,080,707	535,027	1,346,598	(69,148)	5,555,429
Occupancy, utilities, and maintenance	10,576	7,327	49,670	2,094	162,315	1,658,799	1,890,781
Payroll and plant maintenance	2,353,958	610,822	406,130	259,706	187,092	(3,817,708)	-
Depreciation	507,083	266,059	88,481	27,475	7,242	-	896,340
Interest	313,115	164,287	54,636	16,966	4,471	-	553,475
Total	\$10,583,223	\$ 3,178,791	\$ 3,006,161	\$ 1,957,805	\$ 2,736,774	\$ -	\$21,462,754

Supplemental Information

Financial Responsibility Supplemental Schedule

Year Ended June 30, 2020

Ratio	Section	Cross-reference to the financial statement line or note disclosure	Line item or subsection	Financial element needed to calculate the composite score ratios	Gross Amounts	Net Amounts
Primary Reserve Ratio: Expendable Net Assets:	Statement of Financial Position		Net assets without donor restrictions	Net assets without donor restrictions		\$ (681,516)
			Net assets with donor restrictions	Net assets with donor restrictions		26,694,769
	SFP or FS Notes		Related party receivable, net and receivable from affiliate, net and related party note	Secured and Unsecured related party receivable	\$ -	
			Related party receivable, net and receivable from affiliate, net and related party note	Unsecured related party receivable		-
	Statement of Financial Position		Property, Plant, and Equipment, net	Property, plant, and equipment, net (including construction in progress)	18,453,783	
	Financial Statement Footnotes		Property, Plant, and Equipment, net - Pre-implementation	Property, plant, and equipment, net - Pre-implementation less any construction in progress		18,360,884
			N/A	Property, plant, and equipment, net - Post-implementation less any construction in progress with outstanding debt for original purchase		-
			N/A	Property, plant, and equipment, net - Post-implementation less any construction in progress without outstanding debt for original purchase		-
	Statement of Financial Position		Lease right-of-use asset	Construction in progress		92,869
	Financial Statement Footnotes		Lease right-of-use asset pre-implementation	Lease right-of-use asset - Pre-implementation		-
			Lease right-of-use asset post-implementation	Lease right-of-use asset - Post-implementation		-
	Statement of Financial Position		Goodwill	Intangible assets		-
			Post-employment and pension liability	Post-employment and defined pension plan liabilities		-
			Notes payable and line of credit (both current and long-term) and line of credit for construction in process	Long-term debt - For long-term purposes and construction in process debt	7,771,335	
	Financial Statement Footnotes		Notes payable and line of credit (both current and long-term) and line of credit for construction in process	Long-term debt for long-term purposes - Pre-implementation		7,771,335
			N/A	Qualified long-term debt for long-term purposes - Post-implementation for purchase of property, plant, and equipment		-
	Statement of Financial Position		Notes payable and line of credit for construction in process	Line of credit for construction in process		-
	Financial Statement Footnotes		Lease right-of-use asset liability (both current and long-term)	Lease right-of-use asset liability	443,665	
			Lease right-of-use asset liability (both current and long-term)	Pre-implementation right-of-use asset liability		443,665
			N/A	Post-implementation right-of-use asset liability		-
	Statement of Financial Position		N/A	Annuites with donor restrictions		-
			N/A	Term endowments with donor restrictions		-
			N/A	Life income funds with donor restrictions		-
			Perpetual Funds	Net assets with donor restrictions: restricted in perpetuity		24,265,088
Total Expenses and Losses:				Total expenses without donor restrictions		20,023,899
				Non-operating (investment return appropriated for spending), investments, net of annual spending, gain (loss), other components of net periodic pension costs, pension-related changes other than net periodic pension, change in value of split-interest agreements, and other gains (losses)		(2,148,931)
				Non-operating (investment return appropriated for spending), investments, net of annual spending, gain (loss)		(787,462)
				Pension-related changes other than net periodic pension		1,190,912

Financial Responsibility Supplemental Schedule

Year Ended June 30, 2020

Ratio	Section	Cross-reference to the financial statement line or note disclosure Line item or subsection	Financial element needed to calculate the composite score ratios	Gross Amounts	Net Amounts
Equity Ratio:					
Modified Net Assets:					
	Statement of Financial Position	Net assets without donor restrictions	Net assets without donor restrictions	\$	(681,516)
		Net assets with donor restrictions	Net assets with donor restrictions		26,694,769
	Statement of Financial Position	N/A	Intangible assets		-
	N/A	N/A	Secured and Unsecured related party receivable	\$	-
	N/A	N/A	Unsecured related party receivable		-
Modified Assets:					
	Statement of Financial Position	Total assets	Total assets		37,620,201
	Financial Statement Footnotes	N/A	Lease right-of-use asset - Pre-implementation		-
			Pre-implementation right-of-use liability		443,665
	Statement of Financial Position	N/A	Intangible assets		-
	SFP or FS Notes	N/A	Secured and Unsecured related party receivable		-
	N/A	N/A	Unsecured related party receivable		-
Net Income Ratio:					
Change in Net Assets					
	Statement of Activities	Change in net assets without donor restrictions	Change in net assets without donor restrictions		317,815
Without Donor Restrictions					
	Statement of Activities	Net assets released from restrictions, total operating revenue and other additions and sale of fixed assets, gains (losses)	Net assets released from restrictions, total operating revenue and other additions and sale of fixed assets, gains (losses)		1,285,904
Total revenues and gains					