
***DONALD DANFORTH PLANT
SCIENCE CENTER AND SUBSIDIARY
CONSOLIDATED FINANCIAL STATEMENTS
DECEMBER 31, 2020***



D O N A L D D A N F O R T H
P L A N T S C I E N C E C E N T E R

DISCOVERY | COMMUNITY | IMPACT

Contents

	Page
Independent Auditors' Report	1 - 2
 Consolidated Financial Statements	
Consolidated Statement Of Financial Position	3
Consolidated Statement Of Activities.....	4
Consolidated Statement Of Cash Flows	5
Notes To Consolidated Financial Statements	6 - 30



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CERTIFIED PUBLIC ACCOUNTANTS & BUSINESS CONSULTANTS

Independent Auditors' Report

Board of Directors
Donald Danforth Plant Science Center
St. Louis, Missouri

Report On The Consolidated Financial Statements

We have audited the accompanying consolidated financial statements of the Donald Danforth Plant Science Center and Subsidiary (collectively, the Center), which comprise the consolidated statement of financial position as of December 31, 2020 and 2019, and the related consolidated statements of activities and cash flows for the years then ended, and the related notes to the consolidated financial statements.

Management's Responsibility For The 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 financial statements that are free from material misstatement, whether due to fraud or error.

Auditors' Responsibility

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

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the 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 consolidated financial position of the Donald Danforth Plant Science Center and Subsidiary as of December 31, 2020 and 2019 and 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 discussed in Note 1, the Donald Danforth Plant Science Center and Subsidiary adopted Financial Accounting Standards Board (FASB) Accounting Standards Update (ASU) 2014-09, *Revenue from Contracts with Customers*. Our opinion was not modified with respect to this matter.

Other Reporting Required By Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated July 30, 2021 on our consideration of Donald Danforth Plant Science Center's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is 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 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 Donald Danforth Plant Science Center's internal control over financial reporting and compliance.

RubinBrown LLP

July 30, 2021

**DONALD DANFORTH PLANT SCIENCE CENTER
AND SUBSIDIARY**

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

Assets

	December 31,	
	2020	2019
Cash and cash equivalents	\$ 4,864,195	\$ 3,945,263
Contributions receivable - net (Note 6)	26,322,153	7,955,042
Grants receivable	2,956,468	3,356,345
Other accounts receivable	3,332,730	1,341,435
Prepaid expenses and deposits	1,434,458	1,478,051
Investments (Notes 2 and 3)	362,731,274	335,150,037
Property and equipment (Note 8)	101,879,517	101,578,615
Total Assets	\$ 503,520,795	\$ 454,804,788

Liabilities And Net Assets

Liabilities

Accounts payable and accrued expenses	\$ 4,338,673	\$ 4,092,632
Retainage payable (Note 15)	513,728	58,973
Bonds and promissory note payable (Note 7)	7,863,000	6,347,000
Liabilities under gift annuity agreements (Note 1)	182,487	198,305
Deferred revenue	3,426,042	4,866,317
Total Liabilities	16,323,930	15,563,227

Net Assets (Note 13)

Without donor restrictions	178,773,580	174,820,293
With donor restrictions	308,423,285	264,421,268
Total Net Assets	487,196,865	439,241,561
Total Liabilities And Net Assets	\$ 503,520,795	\$ 454,804,788

DONALD DANFORTH PLANT SCIENCE CENTER AND SUBSIDIARY

CONSOLIDATED STATEMENT OF ACTIVITIES For The Years Ended December 31, 2020 And 2019

	2020			2019		
	Without Donor Restrictions	With Donor Restrictions	Total	Without Donor Restrictions	With Donor Restrictions	Total
Support And Revenues						
Contributions (Note 6)	\$ 2,465,867	\$ 27,509,525	\$ 29,975,392	\$ 2,225,533	\$ 13,620,485	\$ 15,846,018
Private grants	6,320,208	—	6,320,208	7,866,660	—	7,866,660
Government grants	17,720,022	—	17,720,022	18,390,348	—	18,390,348
Service fees and rental income (Note 10)	2,616,339	—	2,616,339	2,939,794	—	2,939,794
Other	1,754,238	—	1,754,238	246,050	—	246,050
Net assets released from restrictions (Note 13)	16,648,376	(16,648,376)	—	22,383,163	(22,383,163)	—
Total Support And Revenues	47,525,050	10,861,149	58,386,199	54,051,548	(8,762,678)	45,288,870
Expenses (Note 14)						
Research and scientific programs	40,391,372	—	40,391,372	41,470,673	—	41,470,673
General and administration	5,191,040	—	5,191,040	5,551,361	—	5,551,361
Development and public relations	2,033,017	—	2,033,017	2,065,523	—	2,065,523
Total Expenses	47,615,429	—	47,615,429	49,087,557	—	49,087,557
Increase (Decrease) In Net Assets Before Net Investment	(90,379)	10,861,149	10,770,770	4,963,991	(8,762,678)	(3,798,687)
Income, Gains And Losses						
Net Investment Income, Gains And Losses						
Net investment income (Note 2)	4,348,366	33,131,264	37,479,630	8,341,512	26,478,494	34,820,006
Unrealized gain on gift annuity assets (Note 2)	—	26,708	26,708	—	46,359	46,359
Change in value of gift annuity (Note 1)	—	(13,200)	(13,200)	—	(16,639)	(16,639)
Loss on disposal of fixed assets	(304,700)	—	(304,700)	(16,705)	—	(16,705)
Loss on write-off of contributions receivable	—	(3,904)	(3,904)	—	(10,462)	(10,462)
Total Net Investment Income, Gains And Losses	4,043,666	33,140,868	37,184,534	8,324,807	26,497,752	34,822,559
Increase In Net Assets	3,953,287	44,002,017	47,955,304	13,288,798	17,735,074	31,023,872
Net Assets - Beginning Of Year	174,820,293	264,421,268	439,241,561	161,531,495	246,686,194	408,217,689
Net Assets - End Of Year	\$ 178,773,580	\$ 308,423,285	\$ 487,196,865	\$ 174,820,293	\$ 264,421,268	\$ 439,241,561

See the notes to consolidated financial statements.

**DONALD DANFORTH PLANT SCIENCE CENTER
AND SUBSIDIARY**

CONSOLIDATED STATEMENT OF CASH FLOWS

	For The Years	
	Ended December 31,	
	2020	2019
Cash Flows From Operating Activities		
Increase in net assets	\$ 47,955,304	\$ 31,023,872
Adjustments to reconcile increase in net assets to net cash from operating activities:		
Amortization of discount on pledges	(371,374)	(574,394)
Depreciation	7,194,417	7,393,009
Loss on disposal of fixed assets	304,700	16,705
Loss on write-off of contributions receivable	3,904	10,462
Realized and unrealized gains on investments	(38,845,035)	(37,573,773)
Unrealized gain on gift annuity assets	(26,708)	(46,359)
Change in value of gift annuities	13,200	16,639
Contributions restricted for investments in property and equipment	(4,000,000)	—
Contributions restricted for endowment	(20,841,383)	(154,942)
Changes in assets and liabilities:		
Contributions receivable	3,585,376	104,986
Grants receivable	399,877	1,565,804
Other assets	590,664	(628,707)
Accounts payable and accrued expenses	(528,089)	(1,432,074)
Deferred revenue	(1,440,275)	776,968
Net Cash Provided By (Used In) Operating Activities	(6,005,422)	498,196
Cash Flows From Investing Activities		
Purchases of investment securities	(31,731,256)	(34,397,856)
Proceeds from sale and maturities of investments	43,038,208	35,029,145
Proceeds from sale of property and equipment	1,000	158,573
Purchases of property and equipment	(6,572,134)	(1,821,731)
Net Cash Provided By (Used In) Investing Activities	4,735,818	(1,031,869)
Cash Flows From Financing Activities		
Principal payments on bonds payable	(484,000)	(378,000)
Proceeds from promissory note payable	2,000,000	1,000,000
Payments on gift annuity	(45,464)	(24,055)
Proceeds from contributions restricted for endowment	718,000	779,085
Net Cash Provided By Financing Activities	2,188,536	1,377,030
Net Increase In Cash And Cash Equivalents	918,932	843,357
Cash And Cash Equivalents - Beginning Of Year	3,945,263	3,101,906
Cash And Cash Equivalents - End Of Year	\$ 4,864,195	\$ 3,945,263

Supplemental Disclosure Of Cash Flow Information (Note 15)

DONALD DANFORTH PLANT SCIENCE CENTER AND SUBSIDIARY

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

December 31, 2020 And 2019

1. Significant Accounting Policies

General

The Donald Danforth Plant Science Center (the Danforth Center) is a nonprofit corporation, organized under the laws of the State of Missouri on January 20, 1998. Under the Danforth Center's by-laws, each of the following organizations is entitled to representation on the Board of Directors: Missouri Botanical Garden, University of Illinois-Urbana/Champaign, University of Missouri-Columbia, Washington University in St. Louis, and Monsanto Company. The Danforth Center's purpose is to promote research in the plant sciences, to provide practical applications of new technology, and to provide educational opportunities to graduate and post-doctoral students.

Investment Partnership

DSC Investment Holdings, LP (the Partnership) commenced operations on April 1, 2016, and is a private investment partnership offering an endowment-style investment program for the Danforth Center. The Danforth Center holds a 100% share of the profits and losses of the Partnership through a limited partnership interest. The Danforth Center also holds the rights to remove the general partner of the Partnership, without substantial financial burden, provided that proper notice is given under the terms of the Partnership agreement. The Danforth Center's financial statements have been consolidated with the Partnership (collectively, the Center).

The Partnership invests with a long-term horizon, seeking varied and non-traditional investment opportunities in an effort to provide a diversified, single-portfolio investment strategy for the investor. This strategy is paired with the investor's own legacy portfolio of investments (the Legacy Investments) which are pooled accounts managed by unaffiliated third parties. The Legacy Investments are Private Equity and Real Asset Funds with capital commitments that predate the formation of the Partnership (Note 3).

Global Endowment Management, LP, a Delaware limited partnership (the Management Company or GEM), manages the Partnership. The Management Company is registered with the United States Securities and Exchange Commission (SEC) as a Registered Investment Adviser (RIA) under the Investment Advisers Act of 1940, as amended.

DONALD DANFORTH PLANT SCIENCE CENTER AND SUBSIDIARY

Notes To Consolidated Financial Statements *(Continued)*

The Partnership originally invested its assets in DSC Fund, a Series of the Global Endowment Targeted Strategy Fund, LP, a private investment partnership, along with its own portfolio of Legacy Investments and cash equivalents. Each Series of the Global Endowment Targeted Strategy Fund, LP represents a separate portfolio to facilitate the issuance of interests to investors with differing investment objectives, such as the Partnership. This structure allows GEM to customize asset allocations for its clients through these individual series within the overall Targeted Strategy Fund. This is accomplished through investments in Sub-Partnerships owned by GEM (the Global Endowment Funds) which invest in pooled accounts managed by unaffiliated third parties, but also invest directly in securities, forward contracts, future contracts, swap contracts, option contracts and other assets.

On January 1, 2019, DSC Investments Holdings, LP redeemed its entire interest in the DSC Fund, a Series of Global Endowment Targeted Strategy Fund, LP (DSC Fund) and invested all of the proceeds into GEM Endowment Fund, LP (GEM Fund), formerly Global Endowment Fund II, LP, an affiliated private investment partnership managed by GEM. The redemption and contribution did not generate a realization transaction but represented a change in the Partnership's master fund in the master-feeder relationship. The DSC Fund was fully liquidated as of April 30, 2019. For reporting purposes, the Partnership, the DSC Fund, the GEM Fund and Sub-Partnerships herein after together are referred to as the "Funds." The Partnership owned 99.99% of the DSC Fund. The consolidated financial statements of the Center should be read in conjunction with the December 31, 2020 and 2019 audited financial statements of the DSC Investments Holdings, LP, which are an integral part of these consolidated financial statements.

GEF GP, LP, a Delaware limited partnership, (the General Partner) is the sole general partner of the Partnership, GEM Fund and the DSC Fund and has no direct equity interest in the Partnership. The Partnership's day-to-day investment and other operations are managed by GEM, which has authority over the Funds' direct investments into securities and other assets, as well as the selection of third party managers or investment vehicles, and makes all decisions relating to the administration of the Partnership.

DONALD DANFORTH PLANT SCIENCE CENTER AND SUBSIDIARY

Notes To Consolidated Financial Statements (*Continued*)

New Accounting Pronouncements

During 2020, the Center adopted Accounting Standards Update (ASU) 2014-09, *Revenue from Contracts with Customers*, which supersedes the revenue recognition requirements in ASC 605, *Revenue Recognition*, and requires the recognition of revenue when promised goods and services are transferred to customers in an amount that reflects the consideration to which an entity expects to be entitled in exchange for those goods or services. FASB ASU No. 2014-09 had no material impact on the Center's consolidated financial statements, since substantially all of the Center's revenues are contributions, and are therefore exempt from the provisions of ASU No. 2014-09.

Estimates And Assumptions

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

Financial Statement Format

The following is a description of the two classes of net assets of the Center:

Net Assets Without Donor Restrictions

This category includes net assets that are not subject to donor-imposed restrictions, as well as investments and cash designated by the Center's Board of Directors to function as endowments.

Net Assets With Donor Restrictions

This category includes net assets that are subject to explicit donor-imposed restrictions. When restrictions expire due to the passage of time or the incurrence of expenditures that satisfy the donor-imposed restrictions, net assets are reclassified to net assets without donor restrictions. Certain net assets in this category are subject to donor-imposed stipulations that they be invested perpetually as endowments to provide a source of income to be used for general or specific purposes.

**DONALD DANFORTH PLANT SCIENCE CENTER
AND SUBSIDIARY**

Notes To Consolidated Financial Statements (*Continued*)

Contributions

The Center accounts for contributions by recognizing support when contributions are unconditionally promised. All contributions are considered to be available for use unless specifically restricted by the donor. Amounts pledged that are restricted for future periods or restricted by the donor for specific purposes are reported as donor restricted support. Contributions receivable are reviewed periodically by management for collectability. Based on management's assessment, no allowance for uncollectible contributions is considered necessary.

Conditional contributions are those with a measurable performance or other barrier and a right of return. Conditional contributions are recognized as support when the conditions upon which they depend have been met.

Grants

The Center accounts for private and government grant revenues pursuant to Accounting Standard Update 2018-08 (ASU 2018-08), *Clarifying the Scope and Accounting Guidance for Contributions Received and Contributions Made*. Management has determined that a majority of the Center's grant revenues are considered conditional contributions while some are considered unconditional contributions with donor imposed restrictions under ASU 2018-08. Grant revenues that are defined as conditional contributions are recognized as revenue during the period to which the underlying conditions of the grant have been met. At December 31, 2020, the Center had approximately \$831,400 of conditional contributions. There were no conditional contributions recorded as of December 31, 2019.

Grants receivable are reviewed periodically by management for collectability. Based on management's assessment, no allowance for uncollectible grants receivable is considered necessary.

Other Accounts Receivable

Other accounts receivable are stated at the amount management expects to collect from balances outstanding at year end. Based on management's assessment of collectability, it believes that no allowances are necessary for the other accounts receivable balance at December 31, 2020 and 2019.

DONALD DANFORTH PLANT SCIENCE CENTER AND SUBSIDIARY

Notes To Consolidated Financial Statements *(Continued)*

Cash And Cash Equivalents

The Center considers all demand deposits and overnight investments to be cash equivalents. Cash equivalents are stated at cost, which approximates market. The Center invests its cash with financial institutions with strong credit ratings. Such accounts are subject to Federal Deposit Insurance Corporation (FDIC) insurance coverage up to \$250,000. At December 31, 2020 and 2019, the Center had deposits in its operating checking account which exceeded the FDIC insurance limit by \$5,452,992 and \$3,861,867, respectively. Cash includes deposits restricted for donor purpose yet to be transferred to the Center's endowment.

Investments

Investments are comprised of money market accounts, equity and fixed income mutual funds, other debt instruments, equity securities, and alternative investments such as hedge funds, real asset funds, and private equity funds. Marketable investments are carried at market value as quoted on major securities exchanges plus accrued income. Investments for which quoted market prices are not available are carried at net asset value as determined by the investment managers or fund managers, and reviewed by management. Investment securities, in general, are exposed to various risks, such as interest rate, credit, and overall market volatility. Due to the level of risk associated with certain investment securities, it is reasonably possible that changes in the values of investment securities will occur in the near term and those changes could materially affect the amounts reported in the consolidated statement of financial position. Investment securities received as gifts are recorded at estimated fair value at the date of donation. Dividend and interest income are recognized when earned.

Investment Valuation - Investment In GEM Endowment Fund

The Investment Manager's Valuation Committee (the Committee) is responsible for valuing the Funds' assets. The Committee will ensure that positions are valued in accordance with the requirements of the governing documents of the managed funds and applicable accounting standards. The Committee members include the following GEM employees: the Chief Executive Officer, the Chief Operating Officer (Committee Chair), the Chief Financial Officer, the Chief Compliance Officer, the Compliance Associate, the Director of Investment Operations, the Associate Director of Investment Operations, the Fund Controller and other personnel involved with performance, valuation assessment and asset allocation review and reporting.

DONALD DANFORTH PLANT SCIENCE CENTER AND SUBSIDIARY

Notes To Consolidated Financial Statements (*Continued*)

The Committee meets quarterly to review and approve the net asset values (NAVs) of the Funds prior to dissemination to the Partnership's investor. Investments in open-ended money market and other mutual funds are valued at NAV each business day.

The investments in GEM Fund are recorded at the Partnership's reported interest in the net asset value of the GEM Fund as determined by the General Partner. The underlying investments in the GEM Fund are valued in accordance GEM Fund's valuation policies.

The Funds' investments are subject to various risk factors including market, credit, currency and industry risk. Market risk represents the potential loss in value of financial instruments caused by movements in market variables, such as interest rates. Other risks affecting these investments include, but are not limited to, increasing competition, rapid changes in technology and changes in economic conditions. These risk factors could have a material effect on the ultimate realizable value of the Funds' investments. Investing outside the U.S. may involve certain risks not typically associated with domestic investment. The Funds' investments are subject to the risk of restrictions being imposed by foreign governments on the repatriation of cash and income, currency devaluation and to political uncertainties. Additionally, investing in emerging markets or countries with limited or developing markets may subject the Funds' investments to a further degree of risk and volatility than in developed markets. Approximately one-third of the Partnership's investments are illiquid due to the long-term horizon of the investments and contractual restrictions on redemptions.

Legacy Investments' Valuation

The Legacy Investments are valued at their NAV as determined by GEM. The Legacy Investments are generally valued by GEM based on the investments' NAV or its equivalent in accordance with ASC 820, *Fair Value Measurements and Disclosures*, as amended, to offer investors a practical expedient for measuring the fair value of investments that do not have a readily determinable fair value and that calculate a NAV to be valued based on the NAV per share or its equivalent of the underlying investment when it is probable that the investment will not be sold in the short-term.

**DONALD DANFORTH PLANT SCIENCE CENTER
AND SUBSIDIARY**

Notes To Consolidated Financial Statements (*Continued*)

GEM closely monitors the NAVs received from the Legacy Investment managers, which includes a quarterly detailed review by the Valuation Committee. GEM seeks to value all investments at their current fair value and reference U.S. GAAP and ASC 820, as amended, as primary guidelines. GEM values the investments in Legacy Investments at NAV and determines if the NAV provides the best indication of fair value based on several factors; these include, but are not limited to, the portfolio fund's liquidity, the nature of any portfolio fund's underlying assets and the accounting basis for which the financial statements are prepared. At times, GEM may determine the Legacy Investment's NAV may not be the most representative figure of fair value. In these circumstances, the Legacy Investment's valuation will be determined in accordance with the valuation policies approved by GEM's Valuation Committee. At December 31, 2020 and 2019, all Legacy Investments were valued at NAV.

Lewis And Clark Plant Sciences Fund - Investment Valuation

The Center's investment in the Lewis and Clark Plant Sciences Fund I (Lewis and Clark) is valued at the NAV as determined by management. Lewis and Clark invests in mature startups or expansion stage Plant Science or agricultural technology companies. Management has determined that the NAV provided by the Lewis and Clark most recent audited financial statements is the most representative figure of fair value at December 31, 2020 and 2019.

Gift Annuities

Charitable gift annuities are irrevocable gifts under which the Center agrees in turn to pay a life annuity to the donor or designated beneficiary. Contribution revenue for a charitable gift annuity is recognized at the date of the agreement, net of the liability recorded for the present value of the estimated future payments to be made. At December 31, 2020 and 2019, investments held to fund annuity obligations were \$357,610 and \$381,422, respectively. For the years ended December 31, 2020 and 2019, the change in value of gift annuity obligations resulted in a decrease in net assets of \$13,200 and \$16,639, respectively.

DONALD DANFORTH PLANT SCIENCE CENTER AND SUBSIDIARY

Notes To Consolidated Financial Statements (*Continued*)

Property And Equipment

Property and equipment are stated at cost less accumulated depreciation. Furniture and equipment is depreciated using the straight-line method over the estimated useful lives of the respective assets (3 to 10 years). Lab equipment is depreciated using the straight-line method over the estimated useful lives of the respective assets (5 to 25 years). Buildings and related improvements are depreciated using the straight-line method over the estimated useful lives of the respective assets (15 to 40 years). Asset purchases are capitalized if the total cost of the asset or the sum of the cost of the components equals or exceeds \$5,000 and the asset has a useful life of at least three years.

Valuation Of Long-Lived Assets

The Center periodically evaluates the carrying value of its long-lived assets when events and circumstances warrant such a review. The carrying value of a long-lived asset is considered impaired when the anticipated undiscounted cash flow from such asset is separately identifiable and is less than its carrying value. In that event, a loss is recognized based on the amount by which the carrying value exceeds the fair market value of the long-lived asset. There was no impairment loss recognized for the years ended December 31, 2020 and 2019.

Expense Allocation

The costs of supporting the Center's research and scientific programs have been summarized on a functional basis in Note 14. Certain costs (such as operation and maintenance of facilities and depreciation) have been allocated to functional categories based on the use of space in the Center's facilities. Other costs have been allocated to the functional areas based on direct identification of the cost center, or based on a proportion of applicable time for employees. The Center does not allocate fundraising costs to specific programs.

Indirect Costs

The Center receives reimbursement for certain management, general administrative and facility support expenses through indirect cost allocations allowed under specific research programs funded by grants and contracts. In addition, certain property and equipment expenditures are charged to the individual grants.

DONALD DANFORTH PLANT SCIENCE CENTER AND SUBSIDIARY

Notes To Consolidated Financial Statements (*Continued*)

Income Taxes

The Danforth Center is exempt from federal and state income taxes on related, exempt income under Section 501(c)(3) of the Internal Revenue Code. Therefore, no provision for income tax expense has been included in the accompanying consolidated financial statements.

The Danforth Center's federal tax returns for years 2017 and later remain subject to examination by taxing authorities.

The Partnership is subject to the provisions of ASC 740, *Income Taxes*, which provides guidance for how uncertain tax positions should be recognized, measured, presented and disclosed in the consolidated financial statements. ASC 740 requires the evaluation of tax positions taken or expected to be taken by the Partnership (including whether or not to file a tax return) to determine whether the tax positions are more likely than not of being sustained by the applicable tax authority upon examination. The guidance establishes a minimum threshold for financial statement recognition such that tax positions not deemed to meet the minimum threshold would be recorded as a tax expense, inclusive of interest and penalties, if any, on the consolidated statement of activities.

As of December 31, 2020 and 2019, the Partnership did not have a liability for any uncertain tax positions. In general, the Partnership's tax positions for open tax years remain subject to examination by the tax authorities in the jurisdictions in which the Funds operate.

Subsequent Events

Management evaluates subsequent events through the date the consolidated financial statements are available for issue, which is the date of the Independent Auditors' Report.

Reclassifications

Certain reclassifications have been made to the 2019 financial statements to conform to the 2020 financial statement presentation. These reclassifications had no effect on net assets or the change in net assets.

**DONALD DANFORTH PLANT SCIENCE CENTER
AND SUBSIDIARY**

Notes To Consolidated Financial Statements *(Continued)*

2. Investments

As of December 31, 2020 and 2019, the Center had investments held with investment managers for the purpose of maximizing the return on assets. Investments are comprised of funds without donor restrictions available for operations or board-designated for endowment, and donor restricted funds, the income from which is either available for operations or donor restricted for specific purposes. Investment income for the years ended December 31, 2020 and 2019 consists of:

	<u>2020</u>	<u>2019</u>
Interest and dividends	\$ 193,801	\$ 319,491
Investment management fees	(2,200,654)	(3,073,258)
Realized and unrealized gains on investments and annuity assets	39,513,191	37,620,132
	<u>\$ 37,506,338</u>	<u>\$ 34,866,365</u>

Investment management fees for the years ended December 31, 2020 and 2019 included a carried interest allocation from Lewis and Clark amounting to \$640,895 and \$1,541,045, respectively.

Investments as of December 31, 2020 and 2019 consist of the following:

	<u>2020</u>	<u>2019</u>
Investment in GEM Fund	\$ 296,009,816	\$ 263,572,273
Private equity funds (Legacy Investments)	20,190,243	22,259,750
Lewis and Clark Plant Sciences Fund I	23,377,999	21,101,399
Real asset funds	11,341	16,412
Money market accounts	14,536,408	22,501,942
Bond mutual funds	7,923,876	4,845,199
Domestic equity securities	6,975	—
International stock index funds	38,556	38,719
Domestic stock index funds	161,995	160,214
U.S. government agency securities	474,065	654,129
	<u>\$ 362,731,274</u>	<u>\$ 335,150,037</u>

**DONALD DANFORTH PLANT SCIENCE CENTER
AND SUBSIDIARY**

Notes To Consolidated Financial Statements *(Continued)*

Net asset classification of investments at December 31, 2020 and 2019 is as follows:

	<u>2020</u>	<u>2019</u>
Without donor restrictions and undesignated	\$ 13,723,309	\$ 22,789,523
Without donor restrictions - Board designated endowment (Note 4)	71,338,028	57,694,608
Donor restricted endowment	277,669,937	254,665,906
	<u>\$ 362,731,274</u>	<u>\$ 335,150,037</u>

3. Fair Value Measurements

The following are the major categories of financial and nonfinancial assets and liabilities measured at fair value on a recurring basis using quoted prices in active markets (Level 1); significant observable inputs for similar assets (Level 2); and significant unobservable inputs (Level 3):

<u>Description</u>	<u>December 31,</u> <u>2020</u>		<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>
Investments:					
Money market accounts	\$ 14,536,408	\$ 14,536,408	\$ —	\$ —	\$ —
Bond mutual funds	7,923,876	7,923,876	—	—	—
Domestic equity securities	6,975	6,975	—	—	—
International stock index funds	38,556	38,556	—	—	—
Domestic stock index funds	161,995	161,995	—	—	—
U.S. government agency securities	474,065	474,065	—	—	—
Investments measured at net asset value and investments not included in the fair value table:					
Private equity funds	20,190,243	—	—	—	—
Investment in GEM Fund Lewis and Clark Plant Sciences Fund I	296,009,816	—	—	—	—
Real asset funds	23,377,999	—	—	—	—
	11,341	—	—	—	—
Total Investments	\$ 362,731,274	\$ 23,141,875	\$ —	\$ —	\$ —

**DONALD DANFORTH PLANT SCIENCE CENTER
AND SUBSIDIARY**

Notes To Consolidated Financial Statements (*Continued*)

Description	December 31, 2019	Level 1	Level 2	Level 3
Investments:				
Money market accounts	\$ 22,501,942	\$ 22,501,942	\$ —	\$ —
Bond mutual funds	4,845,199	4,845,199	—	—
International stock index funds	38,719	38,719	—	—
Domestic stock index funds	160,214	160,214	—	—
U.S. government agency securities	654,129	654,129	—	—
Investments measured at net asset value:				
Private equity funds	22,259,750	—	—	—
Investment in GEM Fund Lewis and Clark Plant Sciences Fund I	263,572,273	—	—	—
Real asset funds	16,412	—	—	—
Total Investments	\$ 335,150,037	\$ 28,200,203	\$ —	\$ —

Transfers between classification levels may occur because of changes in the availability of observable market data, fluctuations in market activity for securities, or the removal of restrictions related to securities. It is the Center's policy to recognize transfers in and transfers out at the fair value on the actual date of such classification change.

During 2020 and 2019, there were no changes in the methods and/or assumptions utilized to derive the fair value of the Center's assets.

The Center has adopted ASC 820-10-15-4, *Fair Value Measurements of Investments in Certain Entities That Calculate Net Asset Value per Share (or its equivalent)*. Under this guidance, a reporting entity is permitted, as a practical expedient, to estimate the fair value of certain portfolio investments on the basis of the net asset value per share. In the normal course of business, the Center holds certain investments that would qualify for the usage of this practical expedient.

As permitted by ASU 2015-07, certain investments are measured at fair value using the net asset value per share (or its equivalent) practical expedient, and therefore, have not been classified in the fair value hierarchy.

DONALD DANFORTH PLANT SCIENCE CENTER AND SUBSIDIARY

Notes To Consolidated Financial Statements (*Continued*)

Investment Commitments

The Legacy Investments have committed capital totaling \$59,500,000, of which \$54,367,714 was invested at December 31, 2020. The remaining \$5,132,286 may be called at any time during the commitment period.

The Center has committed capital totaling \$20,000,000 to invest in the Lewis and Clark Plant Sciences Fund I, of which \$15,919,792 was invested at December 31, 2020. The remaining \$4,080,208 can be called at any time with consent of the investors committee prior to December 31, 2022.

4. **Endowment Funds**

The purpose of the endowment is to fund Center projects in accordance with the Center's overall purpose to promote research in the plant sciences, to provide practical applications of new technology, and to provide educational opportunities for graduate and post-doctoral students.

The Center's net asset classification of donor-restricted endowment funds is in accordance with the Board of Directors' interpretation of the laws of the State of Missouri. The Center's interpretation of applicable laws over unrealized gains or losses on endowment funds is that donor restrictions on the use of income from endowments extend to the net appreciation or depreciation on the endowment investments.

The Center's Investment Committee of the Board of Directors has adopted a spending policy on income from endowment funds and the Investment Committee monitors, adjusts, and approves the annual spending distribution (the Draw). The objective of the spending policy is to provide for growth and maintain the intergenerational purchasing power of the endowment, while dampening the severity of the impact that both rising and falling markets have on spending levels.

Each year, the Draw from Endowment is based on the following Policy Draw Calculation: (i) 70% of the prior year Draw adjusted for inflation plus 0.5% and (ii) 30% of 4.5% of endowment market value as of March 31 of the prior year. The inflation measure equals core inflation, excluding food and energy. The Investment Committee has the authority to adjust the Draw amount in light of evolving trends with respect to investment performance and the needs of the Center.

**DONALD DANFORTH PLANT SCIENCE CENTER
AND SUBSIDIARY**

Notes To Consolidated Financial Statements *(Continued)*

The amount of income made available to spend from endowments restricted to a specific purpose is determined following the spending policy adopted by the Center's Investment Committee. Investment income includes interest and dividends, as well as gains and losses.

The long-term investment objective for the endowment is to achieve a total return that is equal to or exceeds the Center's financial requirements over the long term. Specifically, the objective is to earn a total rate of return that will meet or exceed the sum of the endowment's spending rate, anticipated inflation, investment management consulting fees, and administrative costs. To achieve the endowment objective, the endowment's assets are invested to generate appreciation and/or dividend and interest income and are diversified among several asset classes.

At December 31, the endowment cash and investments were composed as follows:

	2020		
	Without Donor Restrictions	With Donor Restrictions	Total
Donor-restricted endowment funds	\$ —	\$ 277,312,327	\$ 277,312,327
Board-designated endowment funds	71,338,028	—	71,338,028
Total Funds	\$ 71,338,028	\$ 277,312,327	\$ 348,650,355

	2019		
	Without Donor Restrictions	With Donor Restrictions	Total
Donor-restricted endowment funds	\$ —	\$ 254,284,485	\$ 254,284,485
Board-designated endowment funds	57,694,608	—	57,694,608
Total Funds	\$ 57,694,608	\$ 254,284,485	\$ 311,979,093

**DONALD DANFORTH PLANT SCIENCE CENTER
AND SUBSIDIARY**

Notes To Consolidated Financial Statements (*Continued*)

The endowment assets exclude promises to give restricted by donors (net of a discount) for endowments of \$24,447,016 and \$3,780,670 at December 31, 2020 and 2019, respectively. The following is a reconciliation of the beginning and ending balances of the Center's endowment investments for 2020 and 2019:

	Without Donor Restrictions	With Donor Restrictions	Total
Endowment cash and investments, January 1, 2019	\$ 44,112,517	\$ 238,013,990	\$ 282,126,507
Net investment return	4,904,982	26,435,665	31,340,647
Appropriated for expenditure	(2,030,599)	(10,944,255)	(12,974,854)
Addition to board-designated endowment	10,707,708	—	10,707,708
Contributions	—	779,085	779,085
Endowment cash and investments, December 31, 2019	57,694,608	254,284,485	311,979,093
Net investment return	8,360,744	33,116,440	41,477,184
Appropriated for expenditure	(2,509,099)	(10,806,598)	(13,315,697)
Addition to board-designated endowment	7,791,775	—	7,791,775
Contributions	—	718,000	718,000
Endowment cash and investments, December 31, 2020	\$ 71,338,028	\$ 277,312,327	\$ 348,650,355

From time to time, the fair value of assets associated with individual donor-restricted endowment funds may fall below the level that the donor requires the Center to retain as a fund of perpetual duration. In accordance with generally accepted accounting principles, deficiencies of this nature are reported in net assets with donor restrictions. No such deficiencies existed as of December 31, 2020 or 2019. In the event that a deficiency occurs, the Center's Board may elect to continue or adjust the spending policy as it deems prudent, as allowed for by the State guidelines that govern the utilization of endowments.

**DONALD DANFORTH PLANT SCIENCE CENTER
AND SUBSIDIARY**

Notes To Consolidated Financial Statements (*Continued*)

5. Liquidity And Availability Of Resources

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

	<u>2020</u>	<u>2019</u>
Financial Assets		
Cash and cash equivalents	\$ 4,864,195	\$ 3,945,263
Contributions receivable, net	26,322,153	7,955,042
Grants receivable	2,956,468	3,356,345
Investments	362,731,274	335,150,037
Funds held at MDFB	2,538,366	—
Accounts receivable	367,307	363,219
Interest and other receivables	427,057	978,216
Total Financial Assets	400,206,820	351,748,122
Less Amounts Not Available for Use Within One Year		
Pledged bank account for standby letter of credit	(225,000)	(225,000)
MDFB funds designated for Greenhouse expansion	(2,538,366)	—
Contributions receivable with perpetual donor restrictions	(24,447,016)	(3,780,670)
Contributions receivable without donor restrictions (due in more than one year)	(133,730)	(95,669)
Funds restricted for equipment purchases	—	(946,567)
Unrestricted investment in Lewis and Clark Plant Science Fund I	—	(8,746,553)
Endowment investments and cash (net of future draw)	(335,504,017)	(298,663,396)
Financial Assets Not Available to be Used Within One Year	(362,848,129)	(312,457,855)
Financial Assets Available to Meet General Expenditures Within One Year	\$ 37,358,691	\$ 39,290,267

The Center has \$37,358,691 of financial assets that are available within one year of the balance sheet date to meet cash needs for general expenditure. Certain donor restricted funds, advance payments received from grant sponsors, and reserves established to support future capital renewal and replacement expenditures are available for expenditure within one year and are reflected as such in the table above. Endowment income is a significant source of funds used to support current operations and the amount allocated to support operations is based on a spending policy that preserves the endowment asset values for future generations, while providing a reliable revenue stream for current operations (see Note 4). \$13.5 million of the endowment draw is allocated to support operations in 2021 and is reflected as available within one year in the table above. In addition to available financial assets, a significant portion of the Center's annual expenditures will be funded by grant and contract income and donor contributions.

**DONALD DANFORTH PLANT SCIENCE CENTER
AND SUBSIDIARY**

Notes To Consolidated Financial Statements (*Continued*)

The Center manages its financial assets to be available as its general expenditures, liabilities, and other obligations come due. In addition, as part of its liquidity management, the Center invests cash in excess of daily requirements in various short-term investments, including US government instruments. The Center has a policy to maintain a minimum target operating cash balance of \$7.0 million; however, during 2019 and part of 2020, the Board authorized a temporary reduction of the policy target to \$4.0 million. The Center also maintains cash balances for capital asset replacement and renewal and those funds totaled \$4,033,722 and \$3,892,937 as of December 31, 2020 and 2019, respectively.

The Center also has \$71,338,028 and \$57,694,608 of funds Board designated as endowment at December 31, 2020 and 2019, respectively. Although the Center does not intend to spend from this endowment, other than amounts appropriated for general expenditure as part of its annual budget approval and appropriation process, amounts from its board-designated funds could be made available if necessary. However, both the board-designated funds and donor-restricted endowments contain a significant amount of illiquid investments or investments that have limited or no redemption rights. Accordingly, availability of such funds invested in the endowment could be delayed or only a portion could be made available (refer to Note 2 for disclosures about investments).

6. Contributions Receivable

As of December 31, 2020 and 2019, the Center has contributions receivable under varying terms over the periods as listed below:

	<u>2020</u>	<u>2019</u>
Less than one year	\$ 22,584,155	\$ 4,329,703
One to five years	4,992,688	4,952,197
	<u>27,576,843</u>	<u>9,281,900</u>
Less: Discount	1,254,690	1,326,858
	<u>26,322,153</u>	<u>7,955,042</u>
Net	<u>\$ 26,322,153</u>	<u>\$ 7,955,042</u>

The discount amortization of \$371,374 and \$574,394 in 2020 and 2019, respectively, is recorded as a component of contributions with donor restrictions. Contributions receivable are discounted at the time of the pledge. Discount rates used range from 5% to 7.1%.

**DONALD DANFORTH PLANT SCIENCE CENTER
AND SUBSIDIARY**

Notes To Consolidated Financial Statements *(Continued)*

7. Bonds And Promissory Note Payable

In December 2011, the Center entered into an agreement with the Missouri Development Finance Board (MDFB) to finance the construction of a greenhouse. The financing is being provided in the form of \$7,500,000 Series 2011 Revenue Bonds from MDFB. The bonds bear interest at 65% of the sum of the ask rate for the United States Swap Rate (as of the Bond Indexed Put Date) as reported by the Board of Governors of the Federal Reserve Release plus 2.0% (fixed at 2.63% through December 21, 2021), and mature on January 1, 2032. The bonds are unsecured. Beginning February 1, 2012, interest payments were due monthly through January 1, 2014. Thereafter, payments of principal and interest are payable quarterly through maturity. As of December 31, 2020 and 2019, principal of \$4,863,000 and \$5,347,000, respectively, is payable.

Effective May 1, 2018, the original purchaser of the bond indenture has exercised its right to increase the Indexed Put Rate as a result of the decrease in the maximum corporate tax rate. The 2.63% fixed rate through December 21, 2021 has been adjusted to 3.2%. This effectively changes the sum of the ask rate from 65% to 79%.

In accordance with the bond agreement, the Center was required to establish a Debt Service Fund. The Debt Service Fund shall be expended solely for the payment of bond principal and interest. Deposits are made into the Debt Service Fund immediately before payments of principal and interest on the bonds are due. There was no balance in the Debt Service Fund at December 31, 2020 or 2019.

In November 2019, the Center entered into a promissory note (the Promissory Note) with a financial institution to finance the construction of a greenhouse. The Promissory Note is secured by all real and personal property of the Center. The Promissory Note provides up to \$3,000,000 of proceeds, with advances provided to the Center in varying installments. The Promissory Note bears interest at 2.75%, and matures on November 19, 2029. Beginning February 19, 2020, interest payments are due quarterly through February 2021. Thereafter, payments of principal and interest are payable quarterly through maturity. As of December 31, 2020 and 2019, a principal balance of \$3,000,000 and \$1,000,000, respectively, was outstanding.

**DONALD DANFORTH PLANT SCIENCE CENTER
AND SUBSIDIARY**

Notes To Consolidated Financial Statements *(Continued)*

The bond agreement and the Promissory Note agreement requires the Center to maintain a Debt Service Coverage Ratio of at least 1.00 for each rolling four consecutive fiscal quarters. The Debt Service Coverage Ratio is determined by dividing Revenues minus Expenses for such period by Debt Service, as these terms are defined in the bond agreement. For purposes of calculating the Debt Service Coverage Ratio, revenues include draw from endowment and exclude investment income (loss) on endowment investments. The bond agreement also requires the Center to maintain a Liquidity Ratio of at least 2.00. The Liquidity Ratio is the ratio determined by dividing the total of unencumbered and unrestricted cash, cash equivalents and marketable securities by funded debt (sum of borrowed money, capital lease obligations, and undrawn letter of credit). As of December 31, 2020 and 2019, the Center was in compliance with the Debt Service Coverage Ratio and the Liquidity Ratio.

The scheduled maturities of the bonds payable and the Promissory Note, collectively, are as follows:

<u>Year</u>	<u>Amount</u>
2021	\$ 359,181
2022	490,077
2023	500,502
2024	510,783
2025	523,554
<u>Thereafter</u>	<u>5,478,903</u>
	<u>\$ 7,863,000</u>

Interest expense on the bonds and the note payable for 2020 and 2019 was \$225,818 and \$187,880, respectively. Accrued interest of \$9,854 and \$54,041 at December 31, 2020 and 2019, respectively, is included in accounts payable and accrued expenses.

**DONALD DANFORTH PLANT SCIENCE CENTER
AND SUBSIDIARY**

Notes To Consolidated Financial Statements *(Continued)*

8. Property And Equipment

Property and equipment as of December 31, 2020 and 2019 consists of the following:

	<u>2020</u>	<u>2019</u>
Land	\$ 11,308,777	\$ 11,308,777
Buildings and improvements	127,900,643	127,726,148
Lab equipment	24,461,803	23,871,626
Furniture and equipment	8,338,323	8,279,214
Construction in process	7,502,202	1,532,548
Total property and equipment	179,511,748	172,718,313
Less: Accumulated depreciation	77,632,231	71,139,698
Net property and equipment	<u>\$ 101,879,517</u>	<u>\$ 101,578,615</u>

Depreciation expense amounted to \$7,194,417 and \$7,393,009 during 2020 and 2019, respectively.

9. Lease Commitments

The Center leases certain computer equipment, office equipment and laboratory equipment with payments ranging from \$148 per month to \$1,827 per month with varying dates through September 2023. Lease expense related to the Center's operating leases was \$79,607 and \$36,193 in 2020 and 2019, respectively.

At December 31, 2020, future minimum rental commitments under all noncancellable operating leases are as follows:

<u>Year</u>	<u>Operating Leases</u>
2021	\$ 25,393
2022	20,000
2023	14,778
	<u>\$ 60,171</u>

**DONALD DANFORTH PLANT SCIENCE CENTER
AND SUBSIDIARY**

Notes To Consolidated Financial Statements (*Continued*)

10. Ground Leases

The Center entered into a ground lease agreement with Wexford Science and Technology (“Wexford”) to lease a portion of the land and site improvements of the BRDG Park development which encompasses 8 acres of the Center’s property. The Center receives annual rental income of \$1.2749 per rental square footage of the Wexford building located on the BRDG Park development throughout the lease term. The lease expires on March 24, 2074.

In 2019, the Center entered into an additional ground lease agreement with a third party developer to also lease a separate parcel of the land and site improvements of the BRDG Park development for construction of the EDGE @ BRDG building. The Center received \$200,000 of advanced rent in 2019, and thereafter is due annual rental payments of \$1.00 per rental square foot occupied for the first 30 years of the lease terms, which expires in 2085. Rental payments under the agreement were first due as of June 1, 2020.

The following is a summary of minimum future rentals to be received under the ground lease agreements:

<u>Year</u>	<u>Amount</u>
2021	\$ 264,500
2022	273,026
2023	302,820
2024	302,820
2025	302,820
Thereafter	16,302,830
	<u>\$ 17,748,816</u>

Total rental income recognized under these agreements was \$214,366 and \$348,481 in 2020 and 2019, respectively, which is included in service fees and rental income in the consolidated statement of activities.

**DONALD DANFORTH PLANT SCIENCE CENTER
AND SUBSIDIARY**

Notes To Consolidated Financial Statements *(Continued)*

11. Benefit Plan

The Center maintains a contributory retirement plan for full-time employees. The Center contributes an amount to the plan on behalf of the employee up to a maximum of 8% of the participating employee's salary. Participants are given various investment options through the Teachers Insurance and Annuity Association (TIAA). The employee's right to Center contributions vests after three years of service. The Center contributed \$1,276,930 and \$1,123,732 to the plan in 2020 and 2019, respectively.

12. Medical Insurance Program

The Center established a self-insured medical program in 2017 covering substantially all full-time employees. The Center's liability has been limited by the purchase of specific (\$125,000 per claim and aggregate 125% of expected claims based on average enrollment) reinsurance. Expenses are recognized as incurred and totaled approximately \$1,301,100 and \$1,563,403 during 2020 and 2019, respectively. The Center has recorded an incurred but not reported reserve of approximately \$40,000 and \$107,00 as of December 31, 2020 and 2019, respectively, which is included in accounts payable and accrued expenses on the Center's consolidated statement of financial position.

13. Net Asset Balances And Releases From Restrictions

Restrictions and designations on net asset balances at December 31, 2020 and 2019 consist of the following:

	<u>2020</u>	<u>2019</u>
Net assets without donor restrictions:		
Undesignated	\$ 14,706,893	\$ 22,402,741
Board-designated endowment	71,338,028	57,694,608
Invested in property, net	92,728,659	94,722,944
	<hr/>	<hr/>
<u>Total net assets without donor restrictions</u>	<u>\$ 178,773,580</u>	<u>\$ 174,820,293</u>

**DONALD DANFORTH PLANT SCIENCE CENTER
AND SUBSIDIARY**

Notes To Consolidated Financial Statements (*Continued*)

	<u>2020</u>	<u>2019</u>
Net assets with donor restrictions		
Contributions receivable	\$ 26,322,153	\$ 7,955,042
Donor restricted contributions - purpose	831,400	1,631,401
Enterprise Rent-A-Car Institute of		
Renewable Fuels	39,155	25,009
Endowment funds	277,312,327	254,284,485
Construction or purchase of assets	2,602,587	—
Other special purpose	1,315,663	525,331
	<u>\$ 308,423,285</u>	<u>\$ 264,421,268</u>

Net assets were released from restrictions during the years ended December 31, 2020 and 2019 by satisfying the restricted purposes or by the occurrence of time as shown below:

	<u>2020</u>	<u>2019</u>
Capital Campaign for Expansion	\$ 3,815,760	\$ 10,855,704
Specific donor restrictions met	1,274,141	—
Passage of time	218,949	318,445
Enterprise Rent-A-Car Institute of		
Renewable Fuels	1,014,787	1,045,274
Appropriation of donor-restricted		
endowment earnings for expenditure	9,777,664	9,898,980
Other special purpose	547,075	264,760
	<u>\$ 16,648,376</u>	<u>\$ 22,383,163</u>

**DONALD DANFORTH PLANT SCIENCE CENTER
AND SUBSIDIARY**

Notes To Consolidated Financial Statements (*Continued*)

14. Expenses Presented According To Functional And Natural Classifications

Expenses for the years ended December 31, 2020 and 2019 are presented in the following tables according to both functional and natural classifications. See Note 1 for a description of the allocation methods.

	For The Year Ended December 31, 2020			
	Research/Science	General And Administration	Development And Public Relations	Total
Salaries, wages and benefits	\$ 18,827,402	\$ 3,153,134	\$ 1,554,248	\$ 23,534,784
Equipment rental and maintenance	1,179,319	115,886	52,617	1,347,822
Insurance expense	—	296,516	—	296,516
Meetings and conferences	57,790	397	3,398	61,585
Membership, dues and subscriptions	140,401	15,862	33,310	189,573
Occupancy expense	1,058,747	108,801	23,820	1,191,368
Outside services	1,039,022	173,439	31,681	1,244,142
Personnel expense	200,426	138,251	6,830	345,507
Postage and shipping	32,282	6,062	21,389	59,733
Printing and publications	55,317	30	49,457	104,804
Professional fees and consulting	955,542	338,187	34,956	1,328,685
Publicity/special events	11,631	—	98,204	109,835
Subcontract/subrecipient expense	8,100,945	—	—	8,100,945
Supplies and equipment	1,612,707	52,646	26,871	1,692,224
Telecommunications expense	107,270	10,143	8,392	125,805
Temporary employee expense	81,289	15,873	1,426	98,588
Travel and entertainment	87,679	9,211	2,831	99,721
Depreciation	6,768,318	343,851	82,248	7,194,417
Other expense	75,285	412,751	1,339	489,375
Total Expenses	\$ 40,391,372	\$ 5,191,040	\$ 2,033,017	\$ 47,615,429

	For The Year Ended December 31, 2019			
	Research/Science	General And Administration	Development And Public Relations	Total
Salaries, wages and benefits	\$ 17,391,329	\$ 3,350,374	\$ 1,427,460	\$ 22,169,163
Equipment rental and maintenance	902,490	144,096	39,655	1,086,241
Insurance expense	—	247,826	—	247,826
Meetings and conferences	175,033	2,068	4,222	181,323
Membership, dues and subscriptions	166,699	13,312	20,067	200,078
Occupancy expense	1,229,722	122,238	26,823	1,378,783
Outside services	1,100,783	143,632	13,141	1,257,556
Personnel expense	449,019	105,710	4,711	559,440
Postage and shipping	23,313	4,455	16,682	44,450
Printing and publications	55,400	8	37,254	92,662
Professional fees and consulting	781,518	522,388	37,671	1,341,577
Publicity/special events	888	—	278,861	279,749
Subcontract/subrecipient expense	9,562,375	—	—	9,562,375
Supplies and equipment	1,894,341	57,116	32,540	1,983,997
Telecommunications expense	105,593	10,873	7,460	123,926
Temporary employee expense	94,529	41,244	3,367	139,140
Travel and entertainment	522,384	23,776	15,594	561,754
Depreciation	6,976,221	332,887	83,901	7,393,009
Other expense	39,036	429,358	16,114	484,508
Total Expenses	\$ 41,470,673	\$ 5,551,361	\$ 2,065,523	\$ 49,087,557

**DONALD DANFORTH PLANT SCIENCE CENTER
AND SUBSIDIARY**

Notes To Consolidated Financial Statements (*Continued*)

15. Supplemental Cash Flow Information

During 2020 and 2019, interest paid amounted to \$270,005 and \$171,327, respectively.

Additionally, the Center had the following noncash investing and financing activities:

During 2020 and 2019, gifts and grants of equity securities of \$677,855 and \$5,577,613, respectively, were received.

Additionally, construction in process purchases of \$774,130 and \$449,698 are included in accounts payable and accrued expenses at December 31, 2020 and 2019, respectively. Construction in progress purchases of \$513,728 and \$58,973 are included in retainage payable at December 31, 2020 and 2019, respectively.

16. Federal Grant Programs

The Center frequently partners with various universities and academic research institutions on federal grant programs. Three members of the Center's Board of Directors hold leadership positions at three separate Universities that the Center participates with on various federal grants. During 2020 and 2019, federal funds of \$991,220 and \$1,403,712, respectively, were passed through to these universities by the Center. Additionally, the Center received pass through funding from one of the universities in 2020 and 2019 that amounted to \$313,208 and \$550,436, respectively.

17. COVID-19

In December of 2019, a disease caused by a new strain of the coronavirus (COVID-19) spread through countries worldwide. The impact of the virus varies from region to region, including those which the Center has operating activities. Given the dynamic nature of this pandemic, the extent to which COVID-19 may impact the financial results of the Center for 2021 and beyond will depend on future developments; however, as of the report date, the pandemic has not had a significant impact on the Center's financial position or cash flows.