

# Iowa Higher Education Loan Authority



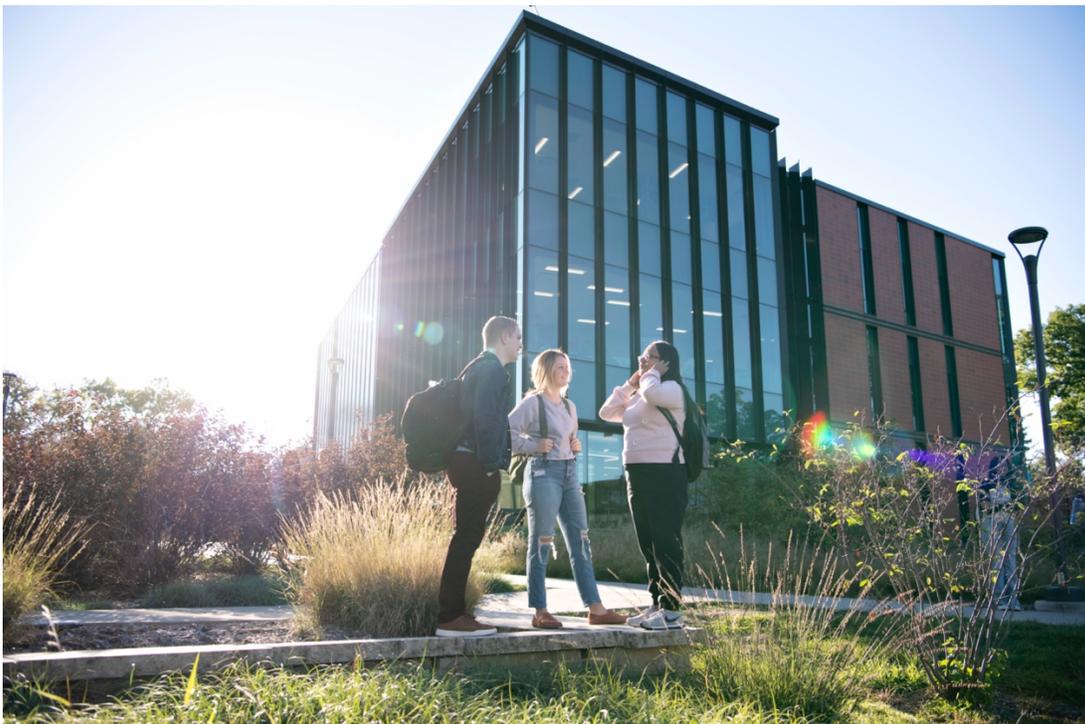
# 2024 Annual Report



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Drake University – Collier Scripps







December 1, 2024

**The Honorable Kim Reynolds**

Governor, State of Iowa

**The Honorable Amy Sinclair**

President, Iowa State Senate

**The Honorable Pat Grassley**

Speaker of the House

Dear Governor Reynolds and Distinguished Leaders:

For forty-two years the Iowa Higher Education Loan Authority (IHELA) has been serving Iowa's independent not-for-profit colleges and universities by providing affordable financing of facilities and working capital through the issuance of tax-exempt debt on their behalf. It is our privilege to deliver to you the 2024 Annual Report for the Iowa Higher Education Loan Authority. This annual report is submitted in compliance with the Code of Iowa, Chapter 261A.21.

Since its founding in 1982, IHELA has completed 280 stand-alone, Sallie Mae and lease purchase issues totaling \$2,990,556,063 of which \$854,617,863 is outstanding as of June 30, 2024. During the Authority's existence, Iowa's regionally accredited independent not-for-profit private colleges have continued to advance. We believe IHELA plays a significant role in enabling them to remain competitive by providing low-cost capital and working capital financings.

In fiscal year 2024, IHELA issued two stand-alone financings on behalf of Cornell College and Palmer College of Chiropractic in the amount of \$26,950,000. One institution participated in the Authority's Revenue Anticipation Note program to obtain short-term cash flow financings. This institution borrowed \$6,000,000. The total amount of bonds issued for fiscal year 2024 was \$32,950,000.

IHELA recognizes that the colleges and universities are invaluable assets providing educational, cultural, and economic opportunities for all the citizens of the state. IHELA stands ready to provide low-cost, readily available financing options for Iowa's independent not-for-profit institutions of higher education. We appreciate the confidence you have placed in us and thank you for the opportunity to serve Iowa independent higher education through these special financing programs.

Respectfully submitted

A handwritten signature in cursive script, appearing to read "Randy Fehr".

Randy Fehr  
Chairperson

A handwritten signature in cursive script, appearing to read "Maribeth Wright".

Dr. Maribeth Wright  
Executive Director



## AUTHORITY MEMBERS

### BOARD OF DIRECTORS

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**Randy Fehr**

*Chair*

Mr. Fehr is the retired Vice President for Finance at Buena Vista University in Storm Lake, Iowa. His current term expires April 30, 2028.

**Beverly Wharton**

*Vice Chair*

Ms. Wharton is President Emerita of Briar Cliff University in Sioux City, Iowa. Her current term expires April 30, 2026.

**Gary Steinke**

*Treasurer*

Mr. Steinke is the President of the Iowa Association of Association of Independent Colleges and Universities. His current term expires April 30, 2029.

**Dr. John Hartung**

*Secretary*

Dr. Hartung is the retired President of the Iowa Association of Independent Colleges and Universities. His current term expires April 30, 2027.

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**STAFF**

Dr. Maribeth Wright  
Executive Director

Bill Tschudy

**INDEPENDENT AUDITORS**

Pittman & Co.

**LEGAL COUNSEL**

Dentons Davis Brown

**BOND COUNSEL**

Ahlers & Cooney, P.C.  
Dentons Davis Brown  
Dorsey & Whitney, LLP.  
Gilmore & Bell, P.C.

**Profile of the Authority**

The Iowa Higher Education Loan Authority (the Authority) was created by the State Legislature in 1982 under the provisions of Chapter 261A, as a body politic and corporate of the State of Iowa. All obligations incurred by the Authority are exclusively those of the Authority and do not place an obligation on, or have the guarantee of, the State of Iowa. All administrative expenses of the Authority are paid from funds provided through the operation of its programs. The Authority has never received any appropriations from the State of Iowa. The Bonds issued are special and limited obligations of the Authority and do not represent, constitute or create an obligation, general or special, or debt, liability or moral obligation of the State or any political subdivision of the State within the meaning of any constitutional or statutory limitation.

The Authority was established for the purpose of financing education loans for regionally accredited independent institutions of higher education through the investment of private capital (Code of Iowa, Chapter 261A.1). In 1985, the Legislature expanded the function of the Authority to provide for loans to finance the acquisition, construction and renovation of needed educational facilities, structures and equipment, and to refund, refinance, or reimburse outstanding indebtedness incurred by eligible Iowa independent institutions (Code of Iowa, Chapter 261A.32). In 1997, the Legislature amended and expanded the function of the Authority for a project that is to be leased by the authority to an institution and to provide for loans in anticipation of the receipt of tuition by an institution. The Legislature also removed a restriction that IHELA shall not have outstanding at any one-time obligations issued in an aggregate principal amount exceeding one hundred fifty million dollars (Code of Iowa, Chapter 261A.34). In 2000, the legislature amended Chapter 261A to provide that interest on obligations issued by the Authority is exempt from state income tax and to authorize the Authority to finance facilities that will be leased to institutions by a third party.

The Authority is empowered to issue tax-exempt revenue bonds and to make the proceeds available in low-interest loans to eligible institutions for the purposes stated above.

A Board of five members who are appointed by the Governor of the State and are subject to confirmation by the Senate governs the Authority. Members must be residents of Iowa and no more than three may be members of the same political party or gender. Appointments are made for six-year terms. The State Treasurer serves as an ex-officio member of the Authority.

An eligible institution means a nonprofit educational institution located in Iowa not owned or controlled by the state or any political subdivision, agency, instrumentality,

**Eligible Participating Institutions**

district, or city of the state, which is authorized by law to provide a program of education beyond the high school level, and which meets all of the following requirements:

- a) Admits as regular students only individuals having a certificate of graduation from high school, or the recognized equivalent of such a certificate.
- b) Provides an educational program for which it awards a baccalaureate degree; or provides an educational program which conditions admission upon the prior attainment of a baccalaureate degree or its equivalent, for which it awards a post-graduate degree; or provides not less than a two-year program which is acceptable for full credit toward a baccalaureate degree, or offers not less than a two year program in engineering, mathematics, or the physical or biological sciences which is designed to prepare the student to work as a technician and at a semiprofessional level in engineering, scientific, or other technological fields which require the understanding and application of basic engineering, scientific, or mathematical principles or knowledge.
- c) Is accredited by a nationally recognized accrediting agency or association or, if not accredited, is an institution whose credits are accepted, on transfer, by not less than three institutions which are accredited.
- d) Does not discriminate in the admission of students on the basis of age, race, creed, color, sex, national origin, religion, or disability.
- e) Has a governing board which possesses its own sovereignty.
- f) Has a governing board, or delegated institutional officials, which possess final authority in all matters of local control, including educational policy, choice of personnel, determination of program, and financial management.

# IOWA HIGHER EDUCATION LOAN AUTHORITY

## Participating Colleges & Universities

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Iowa's independent colleges and universities are vital to our state's economy. The communities these institutions serve reap many cultural as well as economic benefits. Following is a description of the bond financings which IHELA has issued to provide loan funds through tax-exempt bonds to students, private colleges, and universities in Iowa. These funds have enabled students to attend the educational institution of their choice and enhanced campus facilities of these institutions to maintain a top-quality educational experience.

### *Fiscal Year 2024 Issues:*

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#### **Cornell College**

- ✚ Issued December 2023 in the amount of \$7,500,000. The bonds provided funds to refund the IHELA Series 2013 Bonds and pay cost of issuance.

#### **Revenue Anticipation Notes – Private Education working Capital Loan Program**

- ✚ Series A Issued May 2024 in the amount of \$6,000,000. The note provided funds to make a working capital loan to one educational institution participating in the program.

#### **Palmer College of Chiropractic Medicine**

- ✚ Issued in June 2024 in the amount of \$19,450,000. The bonds provided funds to reissue the University's Series 2019 bonds as a direct placement with Northern Trust.

## *The Year In Review*

2024 represents IHELA's 42<sup>nd</sup> year of serving Iowa's independent not-for-profit colleges and universities by providing affordable financing of facilities and working capital through the issuance of tax-exempt debt.

During fiscal year 2024, IHELA issued two bond issues and one RAN (Revenue Anticipation Note) Note totaling \$32,950,000. As of June 30, 2024, IHELA has completed 280 financings totaling over \$2.9 billion.

### **Financing highlights for the fiscal year ending June 30, 2024.**

- \$26,950,000 was issued for refinancing existing debt.
- \$6,000,000 was issued for working capital.
- Participating Institutions:
  - Cornell College
  - University of Dubuque
  - Palmer College of Chiropractic Medicine

## SUMMARY OF BOND ISSUES

### Prior Years' Issues:

#### 2024

INSTITUTION	Amount Issued
Cornell College	7,500,000
RAN	6,000,000
Palmer College of Chiropractic	19,450,000
<b>Total</b>	<b>32,950,000</b>

#### 2023

INSTITUTION	Amount Issued
Des Moines University	50,000,000
Loras College	42,119,000
St. Ambrose University	42,370,000
Buena Vista University	26,840,000
RAN	6,000,000
Mt. Mercy University	12,921,000
<b>Total</b>	<b>180,250,000</b>

#### 2022

INSTITUTION	Amount Issued
University of Dubuque	16,000,000
Drake University	25,065,000
RAN	6,000,000
<b>Total</b>	<b>47,065,000</b>

#### 2021

INSTITUTION	Amount Issued
Des Moines University	149,555,000
Simpson College	32,180,000
Buena Vista University	8,100,000
Grinnell College	60,000,000
RAN	6,000,000
Cornell College	12,000,000
<b>Total</b>	<b>267,835,000</b>

#### 2020

INSTITUTION	Amount Issued
RAN	10,000,000

#### 2019

INSTITUTION	Amount Issued
Palmer College of Chiropractic Medicine	21,500,000
Clarke University	6,083,587
RAN	5,800,000
Des Moines University	23,505,000
<b>Total</b>	<b>56,888,587</b>

#### 2018

INSTITUTION	Amount Issued
RAN	5,800,000
Loras College Series B	10,204,000
Loras College Series A	7,296,000
Luther College	20,945,000
<b>Total</b>	<b>44,245,000</b>

#### 2017

INSTITUTION	Amount Issued
St. Ambrose University	9,775,000
RAN	6,000,000
Cornell College	20,000,000
Grinnell College	104,455,000
Drake University, Series B	29,695,000
Drake University, Series A	15,200,000
Central College	55,675,000
Upper Iowa University	70,940,000
Buena Vista University	6,955,000
<b>Total</b>	<b>318,695,000</b>

#### 2016

INSTITUTION	Amount Issued
University of Dubuque	30,020,000
RAN	4,900,000
Drake University	32,480,000
St. Ambrose University	51,690,000
<b>Total</b>	<b>119,090,000</b>

#### 2015

INSTITUTION	Amount Issued
RAN	9,500,000
Wartburg College	85,940,000
Grand View University	20,745,000
Morningside College	24,010,000
Grinnell College	56,415,000
Central College	10,947,720
<b>Total</b>	<b>207,557,810</b>

## 2014

INSTITUTION	Amount Issued
Grand View University	13,400,000
RAN	10,870,000
Cornell College	22,290,000
Morningside College	19,250,000
<b>Total</b>	<b>65,810,000</b>

## 2013

INSTITUTION	Amount Issued
Simpson College	27,841,842
RAN	19,090,000
Upper Iowa University	22,495,000
<b>Total</b>	<b>69,426,842</b>

## 2012

INSTITUTION	Amount Issued
Central College	50,700,000
RAN	20,000,000
Clarke University	16,000,000
Luther College	24,065,000
St. Ambrose University	12,000,000
Loras College	2,500,000
University of Dubuque	8,895,000
<b>Total</b>	<b>134,160,000</b>

## 2011

INSTITUTION	Amount Issued
RAN	25,900,000
Capital Revenue Note (BVU)	1,875,000
Buena Vista University	15,300,000
William Penn University Note	11,500,000
Upper Iowa University	44,290,000
<b>Total</b>	<b>98,865,000</b>

## 2010

INSTITUTION	Amount Issued
Grand View University	15,395,000
RAN	25,700,000
Grinnell College	58,905,000
Maharishi University of Management	9,390,000
William Penn University Note	11,500,000
Simpson College	12,100,000
William Penn University	10,350,000
William Penn University	1,150,000
Maharishi University RAN Note	3,855,000
<b>Total</b>	<b>148,345,000</b>

## 2009

INSTITUTION	Amount Issued
RAN	38,500,000
Luther College	11,000,000
<b>Total</b>	<b>49,500,000</b>

## 2008

INSTITUTION	Amount Issued
Cornell College	11,695,000
Grinnell College	60,000,000
RAN	29,465,000
St. Ambrose University	20,000,000
Buena Vista University	2,500,000
<b>Total</b>	<b>123,660,000</b>

## 2007

INSTITUTION	Amount Issued
Buena Vista University	7,870,000
RAN	30,710,000
University of Dubuque	34,700,000
Waldorf College	14,810,000
Cornell College	6,940,000
Loras College	22,035,000
William Penn University	8,000,000
Grand View College	27,000,000
<b>Total</b>	<b>152,065,000</b>

## 2006

INSTITUTION	Amount Issued
Buena Vista University	2,400,000
Iowa Wesleyan College	5,750,000
RAN	31,170,000
Wartburg College	87,725,000
<b>Total</b>	<b>127,045,000</b>

## 2005

INSTITUTION	Amount Issued
William Penn University	11,500,000
RAN	25,200,000
Simpson College	12,140,000
<b>Total</b>	<b>48,840,000</b>

## 2004

INSTITUTION	Amount Issued
Buena Vista University	2,250,000
Des Moines University	13,785,000
Buena Vista University	1,040,000
Waldorf College	6,015,000
RAN	23,695,000
University of Dubuque	13,200,000
Grand View College	1,250,000
<b>Total</b>	<b>61,235,000</b>

## 2003

INSTITUTION	Amount Issued
Des Moines University	22,700,000
Buena Vista University	1,000,000
RAN	31,800,000
St. Ambrose University	37,795,000
Graceland University	15,900,000
Buena Vista University	9,600,000
Luther College	15,000,000
Mt. Mercy College	3,595,000
Wartburg College	50,000,000
<b>Total</b>	<b>187,390,000</b>

## 2002

INSTITUTION	Amount Issued
RAN	30,880,000
Loras College	5,000,000
Grinnell College	50,000,000
Buena Vista University	7,605,000
Cornell College	10,000,000
<b>Total</b>	<b>103,485,000</b>

## 2001

INSTITUTION	Amount Issued
Central College	42,910,000
RAN	33,630,000
Loras College	20,450,000
Grand View College	7,500,000
Maharishi International University	1,500,000
University of Dubuque	1,200,000
<b>Total</b>	<b>107,190,000</b>

## 2000

INSTITUTION	Amount Issued
RAN	20,115,000
Iowa Wesleyan College	4,000,000
Wartburg Theological Seminary	9,420,000
Briar Cliff University	9,000,000
St. Ambrose University	12,595,000
Waldorf College	12,000,000
Mt. Mercy College	5,495,000
Wartburg Theological Seminary	375,000
<b>Total</b>	<b>73,000,000</b>

## 1999

INSTITUTION	Amount Issued
RAN	11,725,000
Maharishi International University	4,500,000
Central College	20,320,000
RAN	9,500,000
<b>Total</b>	<b>46,045,000</b>

## 1998

INSTITUTION	Amount Issued
AIB College of Business	4,030,000
Mount Mercy College	175,000
Luther College	10,445,000
Mt. Mercy College	408,000
Clarke College	159,886
<b>Total</b>	<b>15,217,886</b>

## 1997

INSTITUTION	Amount Issued
Palmer College of Chiropractic Medicine	12,695,000
St. Ambrose University	2,575,000
Loras College	8,915,000
Iowa Wesleyan College	569,640
William Penn University	882,653
Grinnell College	12,000,000
Faith Baptist Bible College	400,000
Wartburg College	1,168,500
Coe College	530,000
Waldorf College	510,000
Grand View College	510,000
Briar Cliff College	744,900
<b>Total</b>	<b>41,500,693</b>

## 1996

INSTITUTION	Amount Issued
St. Ambrose University	4,675,000
Drake University	950,000
<b>Total</b>	<b>5,625,000</b>

## 1995

INSTITUTION	Amount Issued
University of Osteopathic Medicine	15,000,000
St. Ambrose University	6,200,000
Briar Cliff College	719,183
<b>Total</b>	<b>21,919,183</b>

## 1994-1991

INSTITUTION	Amount Issued
Palmer College of Chiropractic Medicine	600,000
Mount Saint Clare College	19,000
Briar Cliff College	750,000
Drake University Series A	4,075,000
Drake University Series B	3,600,000
Loras College	3,500,000
Coe College	2,000,000
Graceland College	5,850,000
Drake University	1,840,000
Coe College	1,150,000
Briar Cliff College	500,000
University of Dubuque	141,152
<b>Total</b>	<b>24,025,152</b>

Morningside University – Buhler Rohlfs Hall



Since its founding in 1982, IHELA has completed 280 stand-alone, Sallie Mae and lease purchase issues totaling \$2,990,556,063 of which \$854,617,863 is outstanding as of June 30, 2024.

**Iowa Higher Education Loan Authority**

Financial Statements  
With Independent Auditor's Report

June 30, 2024



**PITTMAN & COMPANY, LLP**  
Certified Public Accountants

## Iowa Higher Education Loan Authority

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### **Independent Auditor's Report**

To the Board of Directors and Management  
Iowa Higher Education Loan Authority

#### Opinion

We have audited the accompanying financial statements of Iowa Higher Education Loan Authority (the organization), which comprise the statement of net position as of June 30, 2024, and the related statements of revenues, expenses, and changes in net position and cash flows for the year then ended, and the related notes to the financial statements. Which collectively comprise the Organization's basic financial statements as listed in the table of contents.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of the Organization as of June 30, 2024, and the respective changes in financial position and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

#### Basis of Opinion

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

#### Responsibilities of Management for the Financial Statements

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

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

## Iowa Higher Education Loan Authority

### Independent Auditor's Report (continued)

#### Auditor's Responsibilities for the Audit of the Financial Statements

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

In performing an audit in accordance with generally accepted auditing standards, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Organization's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Organization's ability to continue as a going concern for a reasonable period of time.

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

#### Other Matters

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis and budgetary comparison information be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in

**Iowa Higher Education Loan Authority**

**Independent Auditor's Report (continued)**

Other Matters (continued)

the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

November 5, 2024

**Iowa Higher Education Loan Authority**  
**Management's Discussion & Analysis**  
June 30, 2024

General Overview of Financial Statements

The three basic statements presented within the financial report are as follows:

- **Statement of Net Position** – This statement presents information reflecting Iowa Higher Education Loan Authority's (the Organization) assets, liabilities, and net position. Net position represents the amount of total assets less total liabilities. The Statement of Net Position is categorized as current and noncurrent assets and liabilities. For the purposes of the financial statements, current assets and liabilities are those assets and liabilities with immediate liquidity or which are collectible or becoming due within one year of the statement date.
- **Statement of Revenues, Expenses, and Changes in Net Position** – This statement reflects the operating revenue and expenses during the year. Operating revenue is from administrative fees charged to colleges and universities. The change in net assets for an enterprise fund is similar to net profit or loss for any other business enterprise.
- **Statement of Cash Flows** – This statement is presented on the direct method of reporting which reflects cash flows from operating and investing activities. Cash collections and payments are reflected in this statement to arrive at the net increase or decrease in cash for the year.

The following summarizes the financial position and results of operations of the Organization for the years ended June 30, 2024 and 2023.

	<u>2024</u>	<u>2023</u>
<b>Assets</b>		
Current assets	\$ 696,533	\$ 716,591
Noncurrent assets	107	740
<b>Total Assets</b>	<u>\$ 696,640</u>	<u>\$ 717,331</u>
<b>Liabilities &amp; Net Position</b>		
Current liabilities	\$ 5,426	\$ 5,338
<b>Total Liabilities</b>	<u>5,426</u>	<u>5,338</u>
Net position	<u>691,214</u>	<u>711,992</u>
<b>Total Liabilities &amp; Net Position</b>	<u>696,640</u>	<u>717,331</u>
<b>Operating Revenue &amp; Expenses</b>		
Revenue	190,175	245,109
Expenses	<u>241,303</u>	<u>251,921</u>
<b>Total Operating Revenue &amp; Expenses</b>	<u>(51,128)</u>	<u>(6,812)</u>

**Iowa Higher Education Loan Authority**  
**Management's Discussion & Analysis**  
June 30, 2024

Fiscal year 2024 saw the Iowa Higher Education Loan Authority issue 5 stand-alone bond financings on behalf of Cornell College and Palmer College of Chiropractic Med., in the amount of \$26,950,000. One institution participated in the Authority's Revenue Anticipation Note program and borrowed \$6,000,000. The total amount of bonds issued for FY24 was \$32,950,000. This level of business generated operating revenue totaling \$190,175 (\$54,934 or 22% decrease than FY23). Overall operating expenses totaled \$241,303 (\$10,618 or 4% decrease from FY23). IHELA continued its investment in additional financing programs and support services for the private not-for-profit Iowa institutions during the fiscal year, including the benchmarking service that provided an in-depth analysis of 30 key ratios for participating institutions. Twelve institutions participated in the benchmarking program and IHELA partnered once again with Baker Tilly Virchow Krause & Co. to complete the project.

**Iowa Higher Education Loan Authority**  
**Statement of Net Position**  
**June 30, 2024**

Assets	
Current Assets	
Cash & cash equivalents	429,148
Investments	260,385
Accounts receivable	7,000
Total Current Assets	696,533
Noncurrent Assets	
Fixed assets, net	107
Total Noncurrent Assets	107
Total Assets	696,640
Liabilities & Net Position	
Current Liabilities	
Accrued expenses	5,426
Total Current Liabilities	5,426
Total Liabilities	5,426
Net Position	
Investment in capital assets	107
Unrestricted	691,107
Total Net Position	691,214
Total Liabilities & Net Position	696,640

**Iowa Higher Education Loan Authority**  
**Statement of Revenue, Expenses, & Changes in Net Position**  
**For the Year Ended June 30, 2024**

<b>Operating Revenue</b>	
Bond issuance fees	\$ 145,175
Consortium program income	<u>\$ 45,000</u>
<b>Total Operating Revenue</b>	<u>\$ 190,175</u>
<b>Nonoperating Revenue</b>	
Investment income	<u>\$ 30,983</u>
<b>Total Nonoperating Revenue</b>	<u>\$ 30,983</u>
<b>Total Revenue</b>	<u>\$ 221,158</u>
<b>Operating Expenses</b>	
Consortium Program	\$ 5,153
Dues	\$ 3,250
Insurance	\$ 1,133
Miscellaneous	\$ 515
Office expenses	\$ 2,691
Payroll expenses	\$ 206,929
Professional fees	\$ 15,298
Rent	\$ 4,563
Travel	<u>\$ 1,771</u>
<b>Total Operating Expenses</b>	<u>\$ 241,303</u>
<b>Nonoperating Expenses</b>	
Depreciation expense	<u>\$ 633</u>
<b>Total Nonoperating expenses</b>	<u>\$ 633</u>
<b>Total Expenses</b>	<u>\$ 241,936</u>
<b>Change in Net Position</b>	<u>\$ (20,778)</u>
Net Position - Beginning	<u>\$ 711,992</u>
<b>Net Position - Ending</b>	<u>\$ 691,214</u>

**Iowa Higher Education Loan Authority**  
**Statement of Cash Flows**  
For the Year Ended June 30, 2024

<b>Cash Flows from Operating Activities:</b>	
Cash received from fees	\$ 197,215
Cash received from investments	24,223
Cash paid to employees	(147,560)
Cash paid for benefits & taxes	(59,369)
Cash paid to suppliers & vendors	(41,442)
<b>Net Cash Provided (Used) by Operating Activities:</b>	<b>(26,933)</b>
 <b>Cash Flows from Investing Activities:</b>	
Purchase of property & equipment	-
Proceeds on sale of investments	75,000
Purchase of investments	(182,822)
<b>Net Cash Provided (Used) by Investing Activities</b>	<b>(107,822)</b>
 <b>Change in Cash &amp; Cash Equivalents</b>	 <b>(134,755)</b>
Cash & Cash Equivalents - Beginning	563,903
<b>Cash &amp; Cash Equivalents - Ending</b>	<b>\$ 429,148</b>
 <b>Reconciliation of change in net position to net cash provided (used) by operating activities:</b>	
Change in net position	\$ (20,778)
Depreciation	633
Investment income	(3,376)
(Increase) Decrease in receivables	(3,500)
Increase (Decrease) in payables & accrued expenses	88
<b>Net Cash Provided (Used) by Operating Activities:</b>	<b>\$ (26,933)</b>

**Iowa Higher Education Loan Authority**  
Notes to the Financial Statements  
For the Year Ended June 30, 2024

**Note 1. Summary of Significant Accounting Policies**

Nature of the Organization

The Iowa Higher Education Loan Authority (the Organization) was created in 1982 under Chapter 261A of the Code of Iowa as a tax-exempt public instrumentality to promote, encourage, and further the investment of private capital in the provision of funds for financing of education loans for students attending participating private education institutions in the state of Iowa (the State). Chapter 261A was subsequently amended by the Iowa legislature to enable the Organization to provide financing for the acquisition, construction, and renovation of educational facilities, structures, and equipment at private educational institutions in the State. The Organization is authorized to issue, and has issued, bonds to provide education and facilities loan financing. When utilized in this capacity, the Organization charges an issuance fee in connection with its role as issuer of the bonds.

The Organization has no taxing authority and bonds issued do not constitute a debt, liability, or obligation of the State or any political subdivision thereof. The Organization is a related organization of the State. The Organization's financial statements are not included in the State's comprehensive annual financial report.

Fund Accounting

The Organization's accounts are organized primarily as funds, which are sets of self-balancing accounts for the assets, liabilities, net position, and revenue and expenditures of the Organization's education and facilities loan programs. Restricted funds are used to account for proceeds from the education and facilities loan revenue and refunding bonds, the debt service requirements of the bonds, the related education and facilities loans purchased, and each program's expenses.

Basis of Presentation

The financial statements have been prepared using the economic resources measurement focus and the accrual method of accounting. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows.

Concentrations of Credit Risk

Financial instruments that potentially subject the Organization to concentrations of credit risk consist principally of cash and cash equivalents. The Organization maintains their cash and cash equivalents in commercial banks that, at times, may exceed federally insured limits. However, the Organization's cash accounts have been placed with high credit quality financial institutions, and they have not experienced, nor do they anticipate, any losses with respect to such accounts. There was no uninsured cash balance at year-end.

Iowa Higher Education Loan Authority

Notes to the Financial Statements

For the Year Ended June 30, 2024

**Note 2. Liquidity**

The Organization's financial assets available within one year of the balance sheet date for general expenditures are as follows:

Cash & cash equivalents	\$	429,148
Investments		260,385
Accounts receivable		7,000
	\$	<u>696,533</u>

**Note 3. Fair Value Measurements**

The Organization has adopted the provisions of the FASB *Fair Value Measurement* topic, which defines fair value as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.

Professional standards establish a framework for measuring fair value. That framework provides a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. The hierarchy gives the highest priority to level 1 inputs and the lowest priority to level 3 inputs. The three levels of the hierarchy are described as follows:

- Level 1 – quoted prices (unadjusted) in active markets for identical assets or liabilities.
- Level 2 – inputs other than quoted prices included within *Level 1* that are observable for the asset or liability, either directly or indirectly.
- Level 3 – unobservable inputs for the asset or liability.

The following table presents financial instruments that are measured at fair value on a recurring basis as of year-end:

	Fair Value	Level 1	Level 2	Level 3
Certificate of deposit	<u>\$ 260,385</u>	<u>\$ -</u>	<u>\$ 260,385</u>	<u>\$ -</u>

**Note 4. Capital Assets**

The following table presents capital asset activity as of year-end:

Furnishings & equipment	\$	3,759
Accumulated depreciation		<u>(3,652)</u>
	\$	<u>107</u>

**Iowa Higher Education Loan Authority**  
Notes to the Financial Statements  
For the Year Ended June 30, 2024

**Note 5. Conduit Debt Obligations**

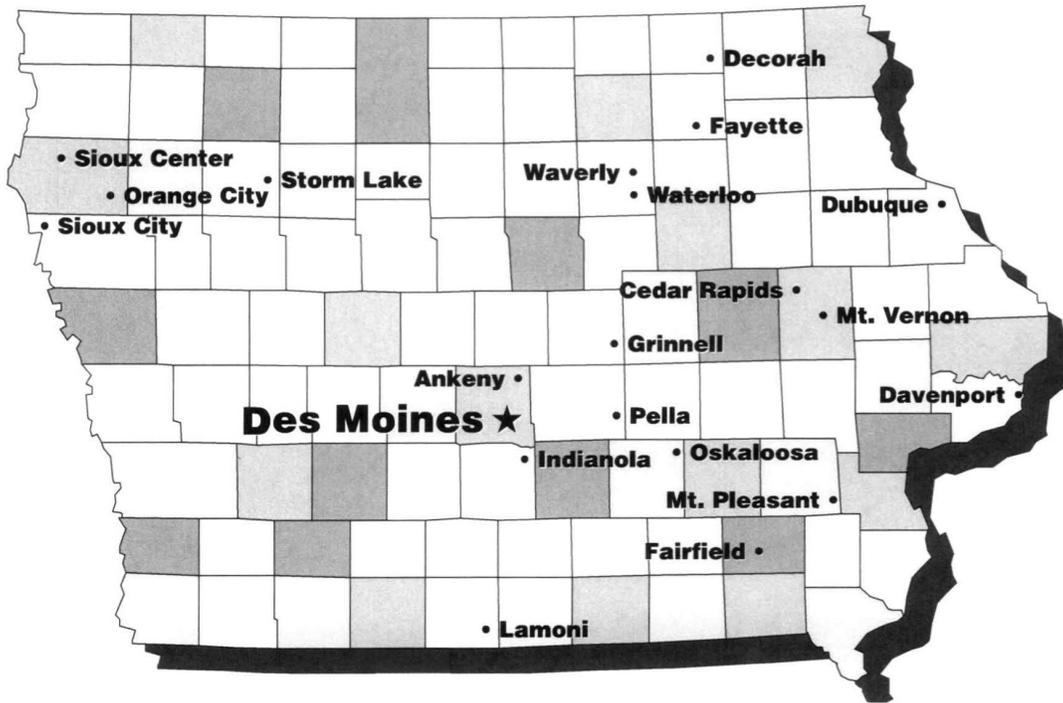
The Organization has issued bonds to provide property and equipment financing for private educational institutions. The Organization is not obligated in any manner for repayment of the bonds. Accordingly, the bonds are not reported as liabilities in the accompanying financial statements. The amount of such bonds outstanding aggregated approximately \$854,617,863 as of year-end.

**Note 6. Related Parties**

The Organization entered into a consortium purchasing agreement with the Iowa Association of Independent Colleges & Universities (IAICU). A senior member of management of IAICU is also a member of the Board of Directors of the Organization. The Organization recognizes a contractually predetermined amount as income from the purchasing arrangement. Total revenue for this contract totaled \$45,000 at year-end.

**Note 7. Subsequent Events**

Management has reviewed and evaluated material subsequent events from the Statement of Net Position date of June 30, 2024 through the financial statement issuance date of November 5, 2024. There were no subsequent events requiring adjustment to the financial statements.



- |  |       |              |
|--|-------|--------------|
| 1. Dordt University                        | ----- | Sioux Center |
| 2. Briar Cliff University                  | ----- | Sioux City   |
| 3. Morningside University                  | ----- | Sioux City   |
| 4. Buena Vista University                  | ----- | Storm Lake   |
| 5. Wartburg College                        | ----- | Waverly      |
| 6. Upper Iowa University                   | ----- | Fayette      |
| 7. Luther College                          | ----- | Decorah      |
| 8. Clarke University                       | ----- | Dubuque      |
| 9. University of Dubuque                   | ----- | Dubuque      |
| 10. Loras College                          | ----- | Dubuque      |
| 11. Wartburg Theological Seminary          | ----- | Dubuque      |
| 12. Coe College                            | ----- | Cedar Rapids |
| 13. Mount Mercy University                 | ----- | Cedar Rapids |
| 14. Palmer College of Chiropractic         | ----- | Davenport    |
| 15. St. Ambrose University                 | ----- | Davenport    |
| 16. Grinnell College                       | ----- | Grinnell     |
| 17. Central College                        | ----- | Pella        |
| 18. William Penn University                | ----- | Oskaloosa    |
| 19. Maharishi University of Management     | ----- | Fairfield    |
| 20. Iowa Wesleyan University               | ----- | Mt. Pleasant |
| 21. Graceland University                   | ----- | Lamoni       |
| 22. Simpson College                        | ----- | Indianola    |
| 23. Faith Baptist Bible College & Seminary | ----- | Ankeny       |
| 24. Drake University                       | ----- | Des Moines   |
| 25. Grand View University                  | ----- | Des Moines   |
| 26. Des Moines University                  | ----- | Des Moines   |
| 27. Cornell College                        | ----- | Mt. Vernon   |
| 28. Northwestern College                   | ----- | Orange City  |



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