

Financial Statements and Report of
Independent Certified Public
Accountants

Field Museum of Natural History

December 31, 2020 and 2019

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REPORT OF INDEPENDENT CERTIFIED PUBLIC ACCOUNTANTS

Board of Trustees
Field Museum of Natural History

We have audited the accompanying financial statements of Field Museum of Natural History (the "Museum"), which comprise the statements of financial position as of December 31, 2020 and 2019, and the related statements of activities, and cash flows for the years then ended, and the related notes to the financial statements.

Management's responsibility for the financial statements

Management is responsible for the preparation and fair presentation of these 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.

Auditor's responsibility

Our responsibility is to express an opinion on these financial statements based on our audits. We conducted our audits in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's 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 Museum's preparation and fair presentation of the 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 Museum'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 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 financial statements referred to above present fairly, in all material respects, the financial position of the Field Museum of Natural History as of December 31, 2020 and 2019, and the changes in its net assets and its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Other matters*Supplementary information*

Our audits were conducted for the purpose of forming an opinion on the financial statements as a whole. The schedules of department expenses for the years ended December 31, 2020 and 2019, are presented for purposes of additional analysis and are not a required part of the financial statements. Such supplementary information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audits of the financial statements and certain additional procedures. These additional procedures included comparing and reconciling the information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the supplementary information is fairly stated, in all material respects, in relation to the financial statements as a whole.



Chicago, Illinois
May 17, 2021

Field Museum of Natural History
STATEMENTS OF FINANCIAL POSITION
December 31,

| | 2020 | 2019 |
|-----------------------------------|-----------------------|-----------------------|
| ASSETS | | |
| Cash | \$ 787,600 | \$ 2,530,905 |
| Interest and dividends receivable | 276,275 | 364,767 |
| Accounts receivable | 3,828,018 | 4,571,242 |
| Pledges receivable, net | 22,682,661 | 29,948,652 |
| Inventories | 93,304 | 118,468 |
| Investments | 565,415,000 | 498,794,365 |
| Property, net | 214,064,998 | 222,541,647 |
| Prepaid expenses | 4,061,471 | 3,566,403 |
| Other assets | 2,576,609 | 2,790,396 |
| Collections | 1 | 1 |
| Total assets | \$ 813,785,937 | \$ 765,226,846 |
| LIABILITIES AND NET ASSETS | | |
| Liabilities | | |
| Accounts payable | \$ 1,768,175 | \$ 3,796,830 |
| Accrued expenses | 4,072,553 | 4,921,678 |
| Deferred revenue | 6,498,342 | 7,073,086 |
| Accrued pension cost | 1,373,502 | 3,204,707 |
| Interest rate swaps | 23,624,485 | 19,083,122 |
| Notes payable | 168,349,502 | 162,892,106 |
| Total liabilities | 205,686,559 | 200,971,529 |
| Net assets | | |
| Without donor restrictions | 262,814,094 | 249,622,346 |
| With donor restrictions | 345,285,284 | 314,632,971 |
| Total net assets | 608,099,378 | 564,255,317 |
| Total liabilities and net assets | \$ 813,785,937 | \$ 765,226,846 |

The accompanying notes are an integral part of these financial statements.

Field Museum of Natural History

STATEMENT OF ACTIVITIES

Year ended December 31, 2020, with comparative totals for the year ended December 31, 2019

| | Without Donor Restrictions | With Donor Restrictions | 2020 Total | 2019 Total |
|---|-------------------------------|----------------------------|-----------------------|-----------------------|
| Revenue and other support | | | | |
| Operating revenues | | | | |
| Chicago Park District property tax remittances | \$ 5,455,411 | \$ - | \$ 5,455,411 | \$ 5,577,460 |
| Government grants | 1,586,027 | - | 1,586,027 | 1,432,486 |
| Private grants and contracts | 170,431 | - | 170,431 | 447,481 |
| Investment return used in operations | 12,643,317 | 6,041,237 | 18,684,554 | 17,257,610 |
| Contributions | 11,970,529 | 4,214,947 | 16,185,476 | 14,840,195 |
| Sponsorships | 556,536 | - | 556,536 | 873,935 |
| Memberships | 924,044 | - | 924,044 | 2,171,397 |
| Admissions | 2,595,487 | - | 2,595,487 | 15,148,326 |
| Program service fees | 1,200,865 | - | 1,200,865 | 2,043,801 |
| Business enterprises | 1,062,960 | - | 1,062,960 | 7,827,767 |
| Other | 451,112 | - | 451,112 | 857,418 |
| | <u>38,616,719</u> | <u>10,256,184</u> | <u>48,872,903</u> | <u>68,477,876</u> |
| Total operating revenues | | | | |
| Net assets released from restrictions for operations | 12,519,698 | (12,519,698) | - | - |
| | <u>51,136,417</u> | <u>(2,263,514)</u> | <u>48,872,903</u> | <u>68,477,876</u> |
| Total revenue and other support | | | | |
| Operating expenses | | | | |
| Science and education | 16,613,877 | - | 16,613,877 | 20,500,537 |
| Public programs | 7,569,460 | - | 7,569,460 | 8,821,470 |
| Business enterprises | 1,172,773 | - | 1,172,773 | 2,671,714 |
| Museum outreach | 3,219,026 | - | 3,219,026 | 4,223,740 |
| Museum services | 8,239,842 | - | 8,239,842 | 10,852,645 |
| General and administrative | 5,883,374 | - | 5,883,374 | 6,423,594 |
| Institutional advancement | 4,888,891 | - | 4,888,891 | 6,074,585 |
| Debt service | 7,083,877 | - | 7,083,877 | 7,909,304 |
| | <u>54,671,120</u> | <u>-</u> | <u>54,671,120</u> | <u>67,477,589</u> |
| Total operating expenses | | | | |
| Change in net assets resulting from operating revenues and expenses | (3,534,703) | (2,263,514) | (5,798,217) | 1,000,287 |
| Non-operating items | | | | |
| Investment return, net | 40,707,132 | 34,199,351 | 74,906,483 | 80,809,891 |
| Investment return used in operations | (12,643,317) | (6,041,237) | (18,684,554) | (17,257,610) |
| Campaign contributions and major gifts | 873,091 | 7,534,095 | 8,407,186 | 16,280,841 |
| Change in fair value of interest rate swaps | (4,541,363) | - | (4,541,363) | (4,240,682) |
| Depreciation | (11,834,928) | - | (11,834,928) | (12,005,025) |
| Net assets released from restrictions for capital improvements | 2,776,382 | (2,776,382) | - | - |
| Pension-related changes other than net periodic pension cost | 1,389,454 | - | 1,389,454 | 1,738,035 |
| | <u>16,726,451</u> | <u>32,915,827</u> | <u>49,642,278</u> | <u>65,325,450</u> |
| Total non-operating items | | | | |
| CHANGES IN NET ASSETS | 13,191,748 | 30,652,313 | 43,844,061 | 66,325,737 |
| Net assets at beginning of year | <u>249,622,346</u> | <u>314,632,971</u> | <u>564,255,317</u> | <u>497,929,580</u> |
| Net assets at end of year | <u>\$ 262,814,094</u> | <u>\$ 345,285,284</u> | <u>\$ 608,099,378</u> | <u>\$ 564,255,317</u> |

The accompanying notes are an integral part of this financial statement.

Field Museum of Natural History

STATEMENT OF ACTIVITIES

Year ended December 31, 2019

| | Without donor restrictions | With donor restrictions | Total |
|--|-------------------------------|----------------------------|----------------|
| Revenue and other support | | | |
| Operating revenues | | | |
| Chicago Park District property tax remittances | \$ 5,577,460 | \$ - | \$ 5,577,460 |
| Government grants | 1,432,486 | - | 1,432,486 |
| Private grants and contracts | 447,481 | - | 447,481 |
| Investment return used in operations | 11,973,357 | 5,284,253 | 17,257,610 |
| Contributions | 8,658,609 | 6,181,586 | 14,840,195 |
| Sponsorships | 873,935 | - | 873,935 |
| Memberships | 2,171,397 | - | 2,171,397 |
| Admissions | 15,148,326 | - | 15,148,326 |
| Program service fees | 2,043,801 | - | 2,043,801 |
| Business enterprises | 7,827,767 | - | 7,827,767 |
| Other | 857,418 | - | 857,418 |
| | <hr/> | <hr/> | <hr/> |
| Total operating revenues | 57,012,037 | 11,465,839 | 68,477,876 |
| Net assets released from restrictions for operations | 12,006,058 | (12,006,058) | - |
| | <hr/> | <hr/> | <hr/> |
| Total revenue and other support | 69,018,095 | (540,219) | 68,477,876 |
| Operating expenses | | | |
| Science and education | 20,500,537 | - | 20,500,537 |
| Public programs | 8,821,470 | - | 8,821,470 |
| Business enterprises | 2,671,714 | - | 2,671,714 |
| Museum outreach | 4,223,740 | - | 4,223,740 |
| Museum services | 10,852,645 | - | 10,852,645 |
| General and administrative | 6,423,594 | - | 6,423,594 |
| Institutional advancement | 6,074,585 | - | 6,074,585 |
| Debt service | 7,909,304 | - | 7,909,304 |
| | <hr/> | <hr/> | <hr/> |
| Total operating expenses | 67,477,589 | - | 67,477,589 |
| Change in net assets resulting from operating revenues and expenses | 1,540,506 | (540,219) | 1,000,287 |
| Non-operating items | | | |
| Investment return, net | 44,972,657 | 35,837,234 | 80,809,891 |
| Investment return used in operations | (11,973,357) | (5,284,253) | (17,257,610) |
| Campaign contributions and major gifts | 1,580,280 | 14,700,561 | 16,280,841 |
| Change in fair value of interest rate swaps | (4,240,682) | - | (4,240,682) |
| Depreciation | (12,005,025) | - | (12,005,025) |
| Net assets released from restrictions for capital improvements | 3,868,192 | (3,868,192) | - |
| Pension-related changes other than net periodic pension cost | 1,738,035 | - | 1,738,035 |
| | <hr/> | <hr/> | <hr/> |
| Total non-operating items | 23,940,100 | 41,385,350 | 65,325,450 |
| CHANGES IN NET ASSETS | 25,480,606 | 40,845,131 | 66,325,737 |
| Net assets at beginning of year | 224,141,740 | 273,787,840 | 497,929,580 |
| | <hr/> | <hr/> | <hr/> |
| Net assets at end of year | \$ 249,622,346 | \$ 314,632,971 | \$ 564,255,317 |

The accompanying notes are an integral part of this financial statement.

Field Museum of Natural History

STATEMENTS OF CASH FLOWS

Years ended December 31,

| | 2020 | 2019 |
|--|---------------|---------------|
| Cash flows from operating activities | | |
| Changes in net assets | \$ 43,844,061 | \$ 66,325,737 |
| Adjustments to reconcile changes in net assets to net cash (used in) provided by operating activities | | |
| Depreciation | 11,834,928 | 12,005,025 |
| Amortization of deferred bond premium | 118,141 | (495,164) |
| Net realized/unrealized appreciation on investments | (69,907,782) | (65,415,689) |
| Change in fair value of interest rate swap liabilities | 4,541,363 | 4,240,682 |
| Contributions permanently restricted for endowment | (6,603,642) | (13,829,291) |
| Changes in operating assets and liabilities | | |
| Interest and dividends receivable | 88,492 | (18,966) |
| Accounts receivable | 743,224 | 186,858 |
| Pledges receivable | 4,074,437 | 4,762,171 |
| Museum inventories | 25,164 | 19,121 |
| Other assets and prepaid expense | (281,281) | (61,768) |
| Accounts payable | (760,879) | (576,415) |
| Accrued expenses | (849,125) | 44,877 |
| Deferred revenue | (574,744) | (643,581) |
| Accrued pension cost | (1,831,205) | (1,907,408) |
| | (15,538,848) | 4,636,189 |
| Net cash (used in) provided by operating activities | | |
| Cash flows from investing activities | | |
| Purchases of investments | (66,722,571) | (37,901,041) |
| Proceeds from sales of investments | 70,009,718 | 27,596,385 |
| Purchases of Museum property | (4,626,055) | (5,963,945) |
| | (1,338,908) | (16,268,601) |
| Net cash used in investing activities | | |
| Cash flows from financing activities | | |
| Repayment of bonds | (1,000,000) | (900,000) |
| Borrowings from issuance of notes payable & loan proceeds | 6,339,255 | 960,000 |
| Contributions permanently restricted for endowment | 9,795,196 | 11,437,375 |
| Borrowings under line of credit | 5,000,000 | - |
| Repayment of line of credit borrowings | (5,000,000) | - |
| | 15,134,451 | 11,497,375 |
| Net cash provided by financing activities | | |
| NET CHANGE IN CASH | (1,743,305) | (135,037) |
| Cash, beginning of year | 2,530,905 | 2,665,942 |
| Cash, end of year | \$ 787,600 | \$ 2,530,905 |
| Supplemental disclosures of cash flow information | | |
| Interest paid | \$ 6,967,813 | \$ 7,260,576 |
| Income taxes paid | 165,924 | 326,238 |
| Accounts payable for construction in progress | 74,907 | 1,342,683 |

The accompanying notes are an integral part of these financial statements.

Field Museum of Natural History
NOTES TO FINANCIAL STATEMENTS

December 31, 2020 and 2019

NOTE A - BASIS OF PRESENTATION

The Field Museum of Natural History (the "Museum") is a private institution providing collection-based research, science action, exhibits and public education. The Museum focuses on diversity in the world's physical environments and cultures. The Museum's collections amount to nearly 40 million natural objects and man-made artifacts spanning the Museum's four disciplines - Anthropology, Botany, Geology and Zoology.

The financial statements of the Museum have been prepared on the accrual basis of accounting. The Museum classifies all business operations as revenues and expenses in the statement of activities, except non-operating items. Operating expenses are classified by administrative areas that reflect Museum operations. Non-operating items include the excess of investment earnings under the total return concept (see Note B), campaign and major gift activity, depreciation, the change in fair value of interest rate swaps, other revenue and pension-related changes other than net periodic pension cost, as these funds are not available for operating purposes. For purposes of functional expenses, the Museum considers depreciation to be program costs, except for the 2% that is allocated as support services.

Net assets released from restrictions pledged to the capital campaign, for capital improvements, and investment return for endowment spending, as well as net assets with a change in donor restrictions and net assets, are classified as non-operating items.

Net Assets

Net assets without donor restrictions include the current operating, management designated, unrestricted long-term investment and property accounts. The current operating accounts consist of revenues available for support of Museum operations and the related expenses, along with related assets and liabilities. The management-designated accounts include net assets that have been designated by the Board of Trustees (the Board) or Museum administration for programs and the changes in net assets related thereto. Unrestricted long-term investment accounts include assets that have been designated by the Board to function as endowments and the related changes in net assets. Property accounts include (a) the building, building improvements, equipment and exhibits, as well as the depreciation thereto, (b) accounts pertaining to Chicago Park District capital improvement reimbursements and (c) accounts related to the Museum's notes payable to the Illinois Finance Authority (see Note G).

Net assets with donor restrictions include contributions and investment income that have been restricted by donors for specified purposes, contributions with time restrictions, and amounts restricted by donors in perpetuity. When restrictions have been met, such net assets are reported as net assets released from restrictions (see Note O).

NOTE B - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Use of Estimates

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

Cash

Cash reflects currency and deposits in checking accounts with a financial institution that may be deposited or withdrawn without restriction or penalty. The Museum maintains cash accounts in excess of the Federal Deposit Insurance Corporation limits. The Museum believes it is not exposed to significant credit risk on cash.

Field Museum of Natural History
NOTES TO FINANCIAL STATEMENTS - CONTINUED
December 31, 2020 and 2019

Inventories

Inventories related to the Museum's special event activities are stated at the lower of average cost or market.

Investments

Investments are reported at fair value. Equity securities with readily determinable fair values and debt securities are valued at the last sales price (if quotations are readily available) or at the closing bid price in the principal market in which such securities are normally traded (if no sales price is available). Certain fixed-income securities funds are valued based on dealer-supplied valuations.

The estimated fair values of investments that do not have readily determinable fair values are based on either the net asset value ("NAV") per share, or its equivalent such as percentage of capital, or on estimates provided by external investment managers as of the reporting date. These fair values are examined through a valuation review process performed by management. A range of possible values exists for these securities and; therefore, the estimated values may differ from the values that would have been used had a ready market for these securities existed (see Note C).

The Museum has one limited partnership investment that is reported at cost using its appraised value as of the gift date. The Museum does not have significant influence over this limited partnership and is unable to determine its fair value. The Museum does not believe this investment is impaired as it receives annual dividends from this investment, which are included as a part of investment return.

Investment Income

The Museum utilizes the total return concept for operations to allocate investment income earned on assets with donor restrictions and unrestricted long-term investments. The Board has approved a spending policy at a rate of 4.5% for 2020 and 2019 on a three-year moving average, which resulted in a spending amount of \$18,684,554 in 2020 and \$17,257,610 in 2019. This is first satisfied from interest and dividend income, and the remaining balance is provided from accumulated realized capital gains.

Investment income is recorded based on the existence or absence of donor-imposed restrictions, as follows:

- a. Investment income on donor-restricted endowment funds is recorded as with donor restrictions based on state law, donor-imposed restrictions or time restrictions.
- b. Investment income on Board-designated funds is recorded as without donor restrictions.
- c. Investment income on other unrestricted investments is recorded as without donor restrictions.

Endowment Funds

Endowment funds are recorded in accordance with the Illinois approved Uniform Prudent Management of Institutional Funds Act (UPMIFA) that extends a donor's restriction to use of the funds, including investment return, until the funds are appropriated for expenditure by the Board. The Museum classifies gifts to be held in perpetuity and the associated earnings on these funds as net assets with donor restrictions until any donor-imposed restrictions have been satisfied and those amounts are appropriated for expenditure by the Board in a manner consistent with UPMIFA's standard of prudence. In accordance with UPMIFA, the Museum considers the following factors in making a determination to appropriate or accumulate endowment funds:

- The duration and preservation of the fund.
- The mission of the Museum and the purposes of its donor-restricted endowment funds.
- General economic conditions.

Field Museum of Natural History

NOTES TO FINANCIAL STATEMENTS - CONTINUED

December 31, 2020 and 2019

- The possible effect of inflation and deflation.
- The expected total return from income and appreciation of investments.
- Other resources of the Museum.
- The investment policy of the Museum.

Derivative Financial Instruments

The Museum uses interest rate swaps to hedge overall exposure to variable-rate debt. The swap agreements are not designated as a hedge for accounting purposes and are recorded at fair value.

Museum Property

Museum property over \$5,000 is stated at cost and is depreciated on a straight-line basis over estimated useful lives, which range between five and 40 years. Interest on borrowings used to fund capital projects is capitalized and amortized over the life of the asset. Maintenance and repair costs are charged to expense as incurred and betterments are capitalized. Cost and the related accumulated depreciation are eliminated from the accounts when an asset is retired.

Collections

The Museum's collections are comprised of objects of historical, cultural or scientific significance that are held for educational, research, scientific and curatorial purposes. Each of the items is cataloged, preserved and cared for, and activities verifying its existence and assessing its condition are performed continuously. The collections are subject to a policy that requires proceeds from sales of collection items to be deposited in the endowment, with earnings to be used to acquire other items for collections or provide for the direct care of existing collections. Collections care generally includes traditional maintenance, handling inventories, object labeling, object housing and support, housekeeping, environmental control, conservation, integrated pest management, emergency planning, mitigation and response, health and safety, security, and insurance.

In accordance with the practice generally followed by museums, the value of objects in the collections is excluded from the financial statements; collections are reflected in the accompanying statements of financial position at a nominal value of \$1. Such collections have been acquired through purchases and contributions since the Museum's inception. Purchases of collection items are recorded as decreases in net assets without donor restrictions in the year in which the items are acquired, or as decreases in net assets with donor restrictions if the assets used to purchase the items are restricted by donors. Contributed collection items are not reflected in the financial statements. Proceeds from deaccessions or insurance recoveries are reflected as increases in net assets without donor restrictions. There were no sales of collection items in 2020 or 2019.

Revenue Recognition

The Museum recognizes revenue for sponsorships, admissions, program service fees, business enterprises, and other based on the satisfaction of performance obligations. Performance obligations are determined based on the service provided by the Museum. The following explains the performance obligations related to each revenue stream and how those are recognized.

Sponsorships - The Museum receives revenue from contracts and agreements with third parties to sponsor temporary events, exhibits, and other programs. The revenue is recognized over the sponsorship period, as the sponsor receives the benefit.

Field Museum of Natural History

NOTES TO FINANCIAL STATEMENTS - CONTINUED

December 31, 2020 and 2019

Admissions - The Museum receives revenue from visitors, which is recognized when redeemed by visitors for entrance to the Museum. Admissions include the Museum's portion of revenue from combined ticket packages with other local institutions.

Program service fees - The Museum receives revenue from third parties to provide lab services, education programs, and rentals and licensing of traveling exhibits. The Museum recognizes revenue for these activities when the related services are provided, when programs are held, and over the term of the rental and licensing agreements.

Business enterprises - The Museum receives revenue for use of space for events and group admissions from visitors. The Museum recognizes revenue for these activities when the event or group admission occurs. The Museum also receives revenue from third parties in connection with leased space and services provided to Museum customers for food services, retail, vending and other services. The Museum recognizes the revenue associated with the leased space ratably over the term of the lease and recognizes the revenue from the services provided to Museum customers by third parties on the date of the customer transaction.

Other - The Museum receives revenue from visitors for services including coat check, stroller rental, event tickets, and other miscellaneous services. The Museum recognizes this revenue on the date the service is provided.

Payments received in advance of the Museum satisfying its performance obligations are recorded within deferred revenues in the accompanying statements of financial position. The changes in deferred revenue were a result of normal timing differences between the satisfaction of performance obligations and customer payments.

Contributions and Memberships

Contributions and memberships are recognized as revenue upon the earlier of the receipt of a donor's unconditional written pledge to contribute or upon receipt of the contribution and the membership dues. Contributions of securities are recorded at their estimated fair value at the date of donation. Contributions are classified based on the existence or absence of donor-imposed restrictions. Contributions to be received after one year are discounted at an appropriate discount rate commensurate with the risks involved and the expected period of payment. The discount on those amounts is computed using risk-adjusted interest rates applicable to the years in which the promises are received. Amortization of discounts (if any) is included in contributions in the statements of activities. An allowance is recorded for estimated uncollectible pledges based on management's judgment and analysis, past collection experience and other relevant factors. The Museum writes-off pledges when they are deemed uncollectible.

Contributed Goods and Services

The Museum records various types of in-kind support, including professional services, equipment and supplies, as contribution revenue. Contributed professional services are recognized if the services received (a) create or enhance long-lived assets or (b) require specialized skills, are provided by individuals possessing those skills, and would typically need to be purchased if not provided by donation. Contributions of tangible assets are recognized at fair value when received if they are used. In-kind support is reflected in the accompanying financial statements as contribution revenue and totaled \$0 in 2020 and \$85,000 in 2019. This revenue is offset by like amounts included in expenses or assets.

A substantial number of unpaid volunteers have made significant contributions of their time in furtherance of the Museum's programs. Such services do not meet the criteria for recognition as contributions, as described above, and, therefore, their value is not reflected in the accompanying financial statements.

Field Museum of Natural History

NOTES TO FINANCIAL STATEMENTS - CONTINUED

December 31, 2020 and 2019

Chicago Property Tax Revenues

The Museum receives support from property taxes that are collected by the Chicago Park District. These tax revenues are accrued to match the fiscal year allocation by the Chicago Park District.

Grants and Contracts

The Museum records revenue under grant agreements based on their respective terms. Grants and contracts are primarily conditional contributions and are recognized as revenue without donor restrictions when the corresponding expenses have been incurred for allowable purposes consistent with the terms of the respective agreements to which they pertain. The Museum was awarded grants of \$4,257,756 and \$3,465,546 for which revenue has not been recognized because qualifying expenditures have not yet been incurred as of December 31, 2020 and 2019, respectively. Amounts reported as accounts receivable in the accompanying statements of financial position include grant and contract expenses incurred in advance of the receipt of funds. There is no allowance for grants, as collection is reasonably assured based on historical experience. Funds received in advance of incurred grant and contract expenses are reported as deferred revenue in the accompanying statements of financial position.

Income Taxes

The Museum is exempt from income taxation under the provisions of Section 501(c)(3) of the Internal Revenue Code and a comparable state of Illinois statute. Management believes there are no material uncertain tax positions that require recognition in the accompanying financial statements.

The Museum has a policy to record interest and penalties (if any) related to income tax matters in income tax expense. The Museum has determined that its tax positions satisfy the more-likely-than-not criterion. For the years ended December 31, 2020 and 2019, no interest and penalties were recorded.

Financial Instruments

The Museum's financial instruments include cash, interest and dividends receivable, accounts receivable, pledges receivable, investments, accounts payable, notes payable, pension assets and interest rate swaps. The fair values of pension assets are based on market quotes as of the reporting date. Other than the Museum's investment in a limited partnership multi-family portfolio, investments are reported at fair value based on market quotes as of the reporting date. The fair value of the interest rate swaps is obtained from a third party as of the measurement date.

The investment in the limited partnership multi-family portfolio is stated at its appraised value as of the date of the donation and will be adjusted if information becomes available to support a different value.

Fair value is defined as the exchange price that would be received for an asset or paid to transfer a liability (an exit price) in the principal or most advantageous market for the asset or liability in an orderly transaction between market participants. There is a three-tiered value hierarchy that distinguishes between assumptions based on market data (observable inputs) and the Museum's assumptions (unobservable inputs). Fair value measurements are classified under the following hierarchy:

- Level 1 refers to instruments with quoted prices in an active market.
- Level 2 refers to instruments not traded on an active market but for which observable market inputs are readily available.
- Level 3 refers to instruments not traded in an active market and for which no significant observable market inputs are available.

Field Museum of Natural History

NOTES TO FINANCIAL STATEMENTS - CONTINUED

December 31, 2020 and 2019

Functional Allocation of Expenses

The costs of providing Museum programs and administration have been summarized on a functional basis in Note K. The Museum classifies expenses directly to the categories the expense is supporting. In some instances, expenses may be attributable to more than one function. These expenses related to utilities and debt service have been allocated among the program and support services based on square footage and debt uses.

Paycheck Protection Program (PPP) Loan Payable

In April 2020, the Museum received a PPP loan in the amount of \$6,339,255 (see note G). The Museum has recorded the amount received as a debt liability and gain or loss on extinguishment of debt will be recognized when a response is received from the application for loan forgiveness.

Pension Plan

The Museum recognizes the overfunded or underfunded status of its defined benefit pension plan (the "Plan") as an asset or liability in its statements of financial position (see Note H).

COVID-19

The COVID-19 global pandemic continues to impact the Museum's operations. On March 14, 2020, the Museum closed to the public and remained closed until July 17, 2020 in accordance with directives issued by the State of Illinois (State) and City of Chicago (City) due to the COVID-19 global pandemic. The Museum reopened on July 17, 2020 and operated at a reduced capacity until November 20, 2020 when the Museum closed again to the public in accordance with directives issued by the State and City. These closures resulted in reduced revenue related to admissions, membership, program service fees and business enterprises. The loss of revenue was mitigated by expense adjustments, including temporary workforce and salary reductions, postponed program expenses, and delayed capital expenditures.

NOTE C - INVESTMENTS

Under the Museum's articles of incorporation and its bylaws, the Investment Committee of the Board has overall responsibility for the establishment of policies and general governance related to investments of the Museum. The Investment Committee reports to the Board and is responsible for recommending, reviewing and monitoring policies, and programs affecting the finances of the Museum.

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

| | 2020 | 2019 |
|--------------------------------|----------------|----------------|
| Money market funds | \$ 45,556,205 | \$ 16,523,918 |
| Equity security funds | 336,916,844 | 309,074,607 |
| Fixed-income securities funds | 61,353,966 | 64,579,331 |
| Hedged equity funds | 61,691,671 | 39,387,082 |
| Absolute return funds | 58,136,314 | 57,060,238 |
| Limited partnership | 1,760,000 | 1,760,000 |
| Receivable for investment sold | - | 10,409,189 |
| | \$ 565,415,000 | \$ 498,794,365 |
| Total | | |

The following tables summarize assets and liabilities measured at fair value on a recurring basis at December 31, 2020 and 2019:

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NOTES TO FINANCIAL STATEMENTS - CONTINUED

December 31, 2020 and 2019

| | | 2020 | | | | |
|-------------------------------|----|---|--|--|-----------------------------------|-----------------------|
| | | Quoted Prices in Active Markets for Identical Assets Level 1 | Significant Other Observable Inputs Level 2 | Significant Other Observable Inputs Level 3 | Investments Measured at NAV | Total |
| Assets | | | | | | |
| Money market funds | \$ | 45,556,205 | \$ - | \$ - | \$ - | \$ 45,556,205 |
| Equity security funds | | 34,616,024 | - | - | 302,300,820 | 336,916,844 |
| Fixed-income securities funds | | 61,353,966 | - | - | - | 61,353,966 |
| Hedged equity funds | | - | - | - | 61,691,671 | 61,691,671 |
| Absolute return funds | | - | - | - | 58,136,314 | 58,136,314 |
| Total investments, fair value | | <u>\$ 141,526,195</u> | <u>\$ -</u> | <u>\$ -</u> | <u>\$ 422,128,805</u> | |
| Limited partnership, cost | | | | | | 1,760,000 |
| Total investments | | | | | | <u>\$ 565,415,000</u> |
| Liabilities | | | | | | |
| Interest rate swaps | \$ | - | \$ 23,624,485 | \$ - | \$ - | \$ 23,624,485 |
| Total | | <u>\$ -</u> | <u>\$ 23,624,485</u> | <u>\$ -</u> | <u>\$ -</u> | <u>\$ 23,624,485</u> |

| | | 2019 | | | | |
|--------------------------------|----|---|--|--|-----------------------------------|-----------------------|
| | | Quoted Prices in Active Markets for Identical Assets Level 1 | Significant Other Observable Inputs Level 2 | Significant Other Observable Inputs Level 3 | Investments Measured at NAV | Total |
| Assets | | | | | | |
| Money market funds | \$ | 16,523,918 | \$ - | \$ - | \$ - | \$ 16,523,918 |
| Equity security funds | | 44,915,520 | - | - | 264,159,087 | 309,074,607 |
| Fixed-income securities funds | | 64,579,331 | - | - | - | 64,579,331 |
| Hedged equity funds | | - | - | - | 39,387,082 | 39,387,082 |
| Absolute return funds | | - | - | - | 57,060,238 | 57,060,238 |
| Total investments, fair value | | <u>\$ 126,018,769</u> | <u>\$ -</u> | <u>\$ -</u> | <u>\$ 360,606,407</u> | 486,625,176 |
| Receivable for investment sold | | | | | | 10,409,189 |
| Limited partnership, cost | | | | | | 1,760,000 |
| Total investments | | | | | | <u>\$ 498,794,365</u> |
| Liabilities | | | | | | |
| Interest rate swaps | \$ | - | \$ 19,083,122 | \$ - | \$ - | \$ 19,083,122 |
| Total | | <u>\$ -</u> | <u>\$ 19,083,122</u> | <u>\$ -</u> | <u>\$ -</u> | <u>\$ 19,083,122</u> |

These levels are evaluated on an annual basis, and transfers between levels are recognized as of the end of each fiscal year. For the years ended December 31, 2020 and 2019, there were no transfers in or out of Level 1, Level 2 or Level 3.

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NOTES TO FINANCIAL STATEMENTS - CONTINUED

December 31, 2020 and 2019

The following tables disclose additional information about investments recorded at NAV or its equivalent, such as percentage of capital, at December 31, 2020 and 2019:

| | 2020 | | | |
|-----------------------------------|----------------------|----------------------|--|--------------------------|
| | Fair Value | Unfunded Commitments | Redemption Frequency (if currently eligible) | Redemption Notice Period |
| Equity security funds (a) | \$302,300,820 | \$ - | Daily - Quarterly | 0-60 days |
| Hedged equity funds (b) | 61,691,671 | - | Quarterly - Annually | 45-80 days |
| Absolute return funds (c) | <u>58,136,314</u> | <u>-</u> | Quarterly - Annually | 45-100 days |
| Total investments recorded at NAV | <u>\$422,128,805</u> | <u>\$ -</u> | | |

| | 2019 | | | |
|-----------------------------------|----------------------|----------------------|--|--------------------------|
| | Fair Value | Unfunded Commitments | Redemption Frequency (if currently eligible) | Redemption Notice Period |
| Equity security funds (a) | \$264,159,087 | \$ - | Daily - Quarterly | 0-60 days |
| Hedged equity funds (b) | 39,387,082 | - | Quarterly - Annually | 45-80 days |
| Absolute return funds (c) | <u>57,060,238</u> | <u>-</u> | Quarterly - Annually | 45-100 days |
| Total investments recorded at NAV | <u>\$360,606,407</u> | <u>\$ -</u> | | |

(a) This category includes investments in equity securities funds primarily consisting of common stocks, real estate investment trusts, limited partnerships, bonds and depositary receipts that have readily available price data. The NAV or its equivalent, such as percentage of capital, of the funds is determined using the fair value of the underlying securities. These funds have no future capital calls. Some of the funds have redemption frequency limitations, and some do have a redemption notice period. None of these assets are in the process of being redeemed as of December 31, 2020.

(b) This category includes investments in several hedge funds that invest both long and short term, primarily in global equities with an emphasis on the United States and Europe. Management of the hedge funds has the ability to shift investments from value to growth strategies, from small to large capitalization stakes, and from a net long position to a net short position. The fair values of the investments in this category have been estimated using the NAV per share of the investments or its equivalent, such as percentage of capital. The funds have redemption frequency limitations and have a redemption notice period, and less than 1% of the hedged equity funds are in redemption as of December 31, 2020.

(c) This category includes several multi-strategy absolute return investments focused on analyzing the probability-adjusted returns of individual securities and assets and capturing the alpha in mispriced assets/securities across conventional and alternative financial strategies. Management initiates long and

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NOTES TO FINANCIAL STATEMENTS - CONTINUED

December 31, 2020 and 2019

short positions in various corporate and sovereign securities, debt, currencies and derivatives targeting solid absolute risk-adjusted returns. The fair values of the investments in this category have been estimated using the NAV per share of the investments or its equivalent, such as percentage of capital. The funds can be redeemed on an annual basis at various redemption dates and have a redemption notice period, and approximately 1% of the absolute return funds are in redemption as of December 31, 2020.

All investments stated at NAV and described above, include terms and conditions, including liquidity provisions, which are different for each fund. The Museum believes that the carrying amount of its investments stated at NAV or its equivalent, such as percentage of capital, is a reasonable estimate of the fair value of such investments as of December 31, 2020 and 2019. As is typical of investment portfolios of similar types of institutions, investments stated at NAV or its equivalent, such as percentage of capital, are not readily marketable and their estimated value is subject to uncertainty and, therefore, may differ from the value that would have been used had a ready market for such investments existed.

NOTE D - ENDOWMENT

The Museum's endowment is comprised of both donor-restricted endowment funds and funds designated by the Board to function as endowments. Net assets associated with endowment funds, including funds designated by the Board to function as endowments, are classified and reported based on the existence or absence of donor-imposed restrictions and time restrictions. The Board has pooled certain donor restricted funds (without donor-specified restrictions on the earnings of such funds) to be included in the Board-designated endowment balances shown in the following tables until such time as the net assets are used for their intended donor-stipulated purposes.

Endowment net asset composition by type of fund is as follows as of December 31:

| | 2020 | | |
|----------------------------------|-------------------------------|----------------------------|----------------|
| | Without Donor Restrictions | With Donor Restrictions | Total |
| Donor-restricted endowment funds | \$ - | \$ 273,937,894 | \$ 273,937,894 |
| Board-designated endowment funds | 250,385,126 | 14,329,590 | 264,714,716 |
| Total | \$ 250,385,126 | \$ 288,267,484 | \$ 538,652,610 |
| | 2019 | | |
| | Without Donor Restrictions | With Donor Restrictions | Total |
| Donor-restricted endowment funds | \$ - | \$ 235,984,584 | \$ 235,984,584 |
| Board-designated endowment funds | 223,164,430 | 14,308,991 | 237,473,421 |
| Total | \$ 223,164,430 | \$ 250,293,575 | \$ 473,458,005 |

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NOTES TO FINANCIAL STATEMENTS - CONTINUED
December 31, 2020 and 2019

During 2020, the Museum had the following endowment-related cash activities:

| | Without Donor Restrictions | With Donor Restrictions | Total |
|---|-------------------------------|----------------------------|-----------------------|
| Endowment net assets, beginning of year | \$ 223,164,430 | \$ 250,293,575 | \$ 473,458,005 |
| Investment return, net | 38,056,268 | 36,710,733 | 74,767,001 |
| Additions | | | |
| New cash gifts and pledge payments | 9,301 | 9,815,796 | 9,825,097 |
| Appropriation of endowment assets for expenditure | (12,643,317) | (6,041,237) | (18,684,554) |
| Net assets released for time transfers from Board-approved spending | 2,511,383 | (2,511,383) | - |
| Transfers from Board-designated endowment funds and donor-restricted fund | (712,939) | - | (712,939) |
| Endowment net assets, end of year | <u>\$ 250,385,126</u> | <u>\$ 288,267,484</u> | <u>\$ 538,652,610</u> |

During 2019, the Museum had the following endowment-related cash activities:

| | Without Donor Restrictions | With Donor Restrictions | Total |
|---|-------------------------------|----------------------------|-----------------------|
| Endowment net assets, beginning of year | \$ 193,388,945 | \$ 208,140,548 | \$ 401,529,493 |
| Investment return, net | 42,287,282 | 38,057,279 | 80,344,561 |
| Additions | | | |
| New cash gifts and pledge payments | 25,047 | 11,709,908 | 11,734,955 |
| Appropriation of endowment assets for expenditure | (11,973,357) | (5,284,253) | (17,257,610) |
| Net assets released for time transfers from Board-approved spending | 2,220,045 | (2,220,045) | - |
| Transfers from Board-designated endowment funds and donor-restricted fund | (2,783,532) | (109,862) | (2,893,394) |
| Endowment net assets, end of year | <u>\$ 223,164,430</u> | <u>\$ 250,293,575</u> | <u>\$ 473,458,005</u> |

The endowment-related cash activities table above represents the endowment pool on a cash basis, consistent with the manner in which management and the Board manage and evaluate the endowment. A portion of the Museum's pledges are for assets to be restricted in perpetuity and, when received, the payments will be reflected as new cash gifts and pledge payments with donor restrictions.

Funds with Deficiencies

The fair value of assets associated with individual donor-restricted endowment funds may fall below the level the donor requires the Museum to retain as a fund of perpetual duration. At December 31, 2020, and December 31, 2019 there were no deficiencies of this nature.

Field Museum of Natural History
NOTES TO FINANCIAL STATEMENTS - CONTINUED
December 31, 2020 and 2019

NOTE E - MUSEUM PROPERTY, NET

Museum property at December 31, 2020 and 2019, consists of the following:

| | <u>2020</u> | <u>2019</u> |
|---|-----------------------|-----------------------|
| Building and building improvements | \$ 326,348,266 | \$ 324,434,361 |
| Exhibit hall improvements (excluding artifacts and historical treasures) | 107,450,146 | 105,918,572 |
| Research and office equipment | <u>29,857,987</u> | <u>29,581,334</u> |
| Total property and equipment | 463,656,399 | 459,934,267 |
| Less accumulated depreciation | <u>(251,108,218)</u> | <u>(239,273,290)</u> |
| Net depreciable property and equipment | 212,548,181 | 220,660,977 |
| Construction in progress | <u>1,516,817</u> | <u>1,880,670</u> |
| Museum property, net | <u>\$ 214,064,998</u> | <u>\$ 222,541,647</u> |

At December 31, 2020 and 2019, the Museum has \$3,584,287 and \$3,730,585 of net capitalized interest included in Museum property, respectively.

The Museum operates on land owned by the Chicago Park District, which is made available to the Museum at no charge. The value of this arrangement is not readily determinable and, accordingly, is not reflected in the accompanying financial statements.

It will cost approximately \$3,900,000 to complete the Museum's construction in progress as of December 31, 2020.

NOTE F - PLEDGES RECEIVABLE

Unconditional promises to give are included in the financial statements as pledges and revenue with donor restrictions. Pledges are recorded after discounting to the present value the expected future cash flows using discount rates ranging between 0.53% and 2.75%.

Field Museum of Natural History

NOTES TO FINANCIAL STATEMENTS - CONTINUED

December 31, 2020 and 2019

Pledges receivable were as follows as of December 31, 2020 and 2019:

| | 2020 | 2019 |
|--------------------------------------|---------------|---------------|
| Due within one year | \$ 11,780,853 | \$ 12,674,211 |
| Due between two to five years | 9,046,190 | 14,962,266 |
| Due after five years | 3,000,000 | 4,000,000 |
| | 23,827,043 | 31,636,477 |
| Less | | |
| Allowance for uncollectible accounts | (154,876) | (205,637) |
| Present value discount | (989,506) | (1,482,188) |
| Pledges receivable, net | \$ 22,682,661 | \$ 29,948,652 |

NOTE G - PPP LOAN PAYABLE AND NOTES PAYABLE

On April 10, 2020, the Museum received a forgivable PPP loan of \$6,339,255 that was granted by the Small Business Administration (SBA) under the Coronavirus Aid, Relief, and Economic Security Act (CARES Act) that was signed into law on March 27, 2020. PPP loan funds are forgivable after twenty-four weeks as long as the borrower uses the loan proceeds for eligible purposes.

The Museum has recorded the amount received as a debt liability and gain on extinguishment of debt will be recognized when a response is received from the application for loan forgiveness. The application for forgiveness has been submitted to the lender and SBA. However, at the time of issuance of the financial statements, notice of forgiveness had not yet been received from the lender and SBA. If any portion of the loan must be repaid, the terms (1% per annum, repayable over a maximum of five years, beginning July 2021) are such that the Museum has sufficient liquidity to repay the unforgiven portion.

Notes payable at December 31, 2020 and 2019, consist of the following amounts due to the Illinois Finance Authority, which issued bonds on the Museum's behalf:

| | 2020 | | | |
|---------------------|-----------------------|---------------------------|--|---------------------|
| | Original Principal | Principal Paid in 2020 | Principal Outstanding December 31, 2020 | Maturity Date |
| Series 2019 | \$ 87,160,000 | \$ 1,000,000 | \$ 85,260,000 | November 1, 2034 |
| Series 2002 | 90,000,000 | - | 78,000,000 | November 1, 2036 |
| Total | \$ 177,160,000 | \$ 1,000,000 | 163,260,000 | |
| SBA Loan 2020 | | | 6,339,255 | |
| Bond issuance costs | | | (1,249,753) | |
| Notes payable, net | | | \$ 168,349,502 | |

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NOTES TO FINANCIAL STATEMENTS - CONTINUED
December 31, 2020 and 2019

| | 2019 | | | |
|---------------------|-----------------------|---------------------------|--|---------------------|
| | Original Principal | Principal Paid in 2019 | Principal Outstanding December 31, 2019 | Maturity Date |
| Series 2015 A | \$ 30,000,000 | \$ 28,200,000 | \$ - | November 1, 2025 |
| Series 2015 B | 29,000,000 | 28,500,000 | - | November 1, 2034 |
| Series 2015 C | 29,500,000 | 29,500,000 | - | November 1, 2034 |
| Series 2019 | 87,160,000 | 900,000 | 86,260,000 | November 1, 2034 |
| Series 2002 | 90,000,000 | - | 78,000,000 | November 1, 2036 |
| Total | \$ 265,660,000 | \$ 87,100,000 | 164,260,000 | |
| Bond issuance costs | | | (1,367,894) | |
| Notes payable, net | | | \$ 162,892,106 | |

In 2019, the Museum replaced Series 2015 tax-exempt direct placement bonds with a new Series 2019 tax-exempt bond issue totaling \$87.16 million. The Series 2019 bonds were initially issued as floating rate notes (FRN).

The Series 2019 FRN bonds are subject to a mandatory tender on September 1, 2022, with sinking fund payments each year until maturity in November 2034. Interest on the Series 2019 bonds during the initial FRN period are based on 68% of 1-month LIBOR plus an initial FRN spread of 0.50%. The Series 2019 Bonds outstanding at December 31, 2020 bore interest of 0.605%.

The Series 2002 Bonds were issued on September 1, 2002, as Adjustable Medium-Term Revenue Bonds. The Series 2002 Bonds are rated A by Standard & Poor's and A2 by Moody's, and are not secured by a letter of credit. The Series 2002 Bonds bear interest at a rate of 3.90% to 5.50%, depending on duration. The current blended rate as of December 31, 2020, is 4.36% (weighted), and interest is payable each November 1 and May 1.

The total interest costs incurred on these bonds in 2020 and 2019 were \$6,944,457 and \$7,677,158, respectively. Capitalized interest is classified as a depreciable asset within Museum property.

The Museum entered into two interest rate swap agreements to hedge variable interest rate exposure as follows:

- The first swap, dated September 2005, expires on November 1, 2032, and effectively fixes the interest rate on a notional value of \$45 million at 3.258% through October 31, 2008, 4.369% from November 1, 2008 through October 31, 2010, and 3.769% from November 1, 2010 through November 1, 2032.
- The second swap, dated June 2008, is effective January 1, 2009, and expires on November 1, 2032. This agreement effectively fixes the interest rate on a notional value of \$43 million at 3.43%. The notional amount outstanding at December 31, 2020 was \$39.3 million.

Field Museum of Natural History

NOTES TO FINANCIAL STATEMENTS - CONTINUED

December 31, 2020 and 2019

These agreements are considered derivative financial instruments and are reported at their fair values as a liability of \$23,624,485 and \$19,083,122 at December 31, 2020 and 2019, respectively. The fair value is recorded in interest rate swaps in the accompanying statements of financial position. The unrealized loss on interest rate swaps for 2020 was \$4,541,363 and 2019 was \$4,240,682. The net change in fair value of the agreements is reported as a separate line item in the non-operating section of the accompanying statements of activities.

NOTE H - PENSION PLAN

The Museum sponsors a defined benefit pension plan (the "Plan") covering substantially all of its employees, which provides pension benefits based on years of service and average compensation, as determined under the Plan. The Museum's funding policy is to contribute amounts necessary to maintain the long-term stability of the Plan. The Plan was amended to freeze participation and all benefit accruals under the Plan effective December 31, 2014, which resulted in a curtailment gain as of June 30, 2014. The existing contributory defined contribution plan has been amended to include matching and discretionary components beginning January 1, 2015. In 2020 and 2019, Museum contributions expensed with respect to the defined contribution plan were \$445,337 and \$893,946, respectively.

The change in benefit obligation, change in plan assets and the composition of the amounts recognized in the accompanying statements of financial position as of and for the year ended December 31, 2020 and 2019, are as follows:

| | 2020 | 2019 |
|---|----------------|----------------|
| Change in benefit obligation | | |
| Benefit obligation - beginning of year | \$ 29,943,092 | \$ 27,634,379 |
| Service cost | 69,044 | 205,031 |
| Interest cost | 824,300 | 1,033,827 |
| Actuarial loss | 2,186,366 | 2,241,888 |
| Benefits paid | (1,948,433) | (1,172,033) |
| Benefit obligation - end of year | \$ 31,074,369 | \$ 29,943,092 |
| Change in plan assets | | |
| Fair value of plan assets - beginning of year | \$ 26,738,385 | \$ 22,522,264 |
| Actual return on plan assets | 4,840,915 | 5,183,154 |
| Employer contribution | 70,000 | 205,000 |
| Benefits paid | (1,948,433) | (1,172,033) |
| Fair value of plan assets - end of year | \$ 29,700,867 | \$ 26,738,385 |
| Funded status | \$ (1,373,502) | \$ (3,204,707) |

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NOTES TO FINANCIAL STATEMENTS - CONTINUED
December 31, 2020 and 2019

Amounts that have not yet been recognized as a component of net periodic benefit cost consist of the following at December 31, 2020 and 2019:

| | <u>2020</u> | <u>2019</u> |
|----------------------|---------------------|---------------------|
| Prior service credit | \$ (50,463) | \$ (57,672) |
| Net actuarial loss | <u>3,620,538</u> | <u>5,017,201</u> |
| Total | <u>\$ 3,570,075</u> | <u>\$ 4,959,529</u> |

Net periodic benefits costs expected to be recognized in the next fiscal years are as follows at December 31, 2020 and 2019:

| | <u>2020</u> | <u>2019</u> |
|----------------------|-------------|-------------|
| Prior service credit | \$ (7,209) | \$ (7,209) |
| Net actuarial loss | 18,004 | 69,755 |

The following table sets forth the rollforward of the pension liability for the years ended December 31, 2020 and 2019:

| | <u>2020</u> | <u>2019</u> |
|--|-----------------------|-----------------------|
| Pension liability - beginning of year | \$ (3,204,707) | \$ (5,112,115) |
| Net periodic pension (cost) income | 371,751 | (35,627) |
| Pension-related changes other than net periodic pension cost | | |
| Net actuarial gain | 1,396,663 | 1,745,244 |
| Amortization of prior service credit | (7,209) | (7,209) |
| Employer contribution | <u>70,000</u> | <u>205,000</u> |
| Pension liability - end of year | <u>\$ (1,373,502)</u> | <u>\$ (3,204,707)</u> |

Other changes in pension plan assets and benefit obligation recognized during the years ended December 31, 2020 and 2019, are as follows:

| | <u>2020</u> | <u>2019</u> |
|--|-----------------------|-----------------------|
| Net actuarial gain | \$ (1,186,629) | \$ (1,607,650) |
| Items amortized | | |
| Prior service credit | 7,209 | 7,209 |
| Net actuarial loss | <u>(210,034)</u> | <u>(137,594)</u> |
| Total pension-related changes other than net periodic benefit cost | <u>\$ (1,389,454)</u> | <u>\$ (1,738,035)</u> |

Field Museum of Natural History
NOTES TO FINANCIAL STATEMENTS - CONTINUED
December 31, 2020 and 2019

The components of net periodic benefit cost (income) for the years ended December 31, 2020 and 2019, are as follows:

| | 2020 | 2019 |
|------------------------------------|--------------|-------------|
| Service cost | \$ 69,044 | \$ 205,031 |
| Interest cost | 824,300 | 1,033,827 |
| Expected return on assets | (1,467,920) | (1,333,616) |
| Amortization of net actuarial loss | 63,555 | 137,594 |
| Prior service credit | (7,209) | (7,209) |
| Settlement/Curtailment expense | 146,479 | - |
| Net periodic pension cost (income) | \$ (371,751) | \$ 35,627 |

The following table presents the key actuarial assumptions used in developing the data for 2020 and 2019:

| | 2020 | 2019 |
|---|-------|-------|
| Weighted-average assumptions used to determine benefit obligations at December 31 | | |
| Discount rate | 2.25% | 3.00% |
| Rate of compensation increase | N/A | N/A |
| Weighted-average assumptions used to determine net periodic benefit cost for the year beginning January 1 | | |
| Discount rate | 3.00% | 4.00% |
| Expected return on plan assets | 6.00% | 6.00% |
| Rate of compensation increase | N/A | N/A |

The Museum determines the long-term expected rate of return on plan assets by examining historic capital market returns, correlations between asset classes and the Plan's normal asset allocation. Current and near-term market factors, such as inflation and interest rates, are then evaluated to arrive at the expected return on Plan assets. Peer group or benchmarking data are also reviewed to ensure a reasonable and appropriate assumption.

The following table represents the Museum's estimated future benefit payments in each of the next five years and in the aggregate for the five fiscal years thereafter:

| | |
|-----------|--------------|
| 2021 | \$ 4,317,000 |
| 2022 | 4,115,000 |
| 2023 | 2,448,000 |
| 2024 | 1,794,000 |
| 2025 | 1,457,000 |
| 2026-2030 | 7,907,000 |

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NOTES TO FINANCIAL STATEMENTS - CONTINUED
December 31, 2020 and 2019

The following table presents the Plan's asset allocation at December 31, 2020, by asset category:

| | | Range |
|-------------------------------|------|-------|
| Money market funds | 1% | 0-5% |
| Equity security funds | 78 | 50-90 |
| Fixed-income securities funds | 21 | 20-40 |
| | 100% | |

The following table presents the Plan's asset allocation at December 31, 2019, by asset category:

| | | Range |
|-------------------------------|------|-------|
| Money market funds | 4% | 0-5% |
| Equity security funds | 69 | 50-90 |
| Fixed-income securities funds | 27 | 20-40 |
| | 100% | |

The Museum's investment approach is based on modern portfolio theory. Multiple asset classes are implemented in order to obtain the benefits of diversification and maximize long-term return for a given level of risk. Risk tolerance is developed by reviewing the funded status of the Plan, duration of the Plan's liabilities, the income and liquidity requirements, legal constraints and the financial condition of the Museum. The investment portfolio comprises a diversified combination of cash, equity securities funds, fixed-income securities funds and high-yield funds. The allocation among equity securities funds, fixed-income securities funds, high-yield funds and cash is determined by prevailing market conditions and relative valuations among asset classes. The Plan's financial condition is monitored on an ongoing basis by means of quarterly investment portfolio reviews, an annual independent actuarial valuation and periodic assets/liability studies.

The following represents the Plan's investments measured at fair value on a recurring basis at December 31, 2020:

| | 2020 | | | | |
|----------------------------------|--|--|--|-----------------------------------|---------------|
| | Quoted Prices in Active Markets for Identical Assets (Level 1) | Significant Other Observable Inputs (Level 2) | Significant Other Observable Inputs (Level 3) | Investments Measured at NAV | |
| Assets | | | | | |
| Money market funds | \$ - | \$ - | \$ - | \$ 255,172 | \$ 255,172 |
| Equity security funds | 1,744,723 | - | - | 21,389,606 | 23,134,329 |
| Fixed-income securities funds | 6,311,366 | - | - | - | 6,311,366 |
| Total | \$ 8,056,089 | \$ - | \$ - | \$ 21,644,778 | \$ 29,700,867 |

Field Museum of Natural History

NOTES TO FINANCIAL STATEMENTS - CONTINUED

December 31, 2020 and 2019

The following represents the Plan's investments measured at fair value on a recurring basis at December 31, 2019:

| | 2019 | | | | Total |
|-------------------------------|--|---|---|-----------------------------|----------------------|
| | Quoted Prices in Active Markets for Identical Assets (Level 1) | Significant Other Observable Inputs (Level 2) | Significant Other Observable Inputs (Level 3) | Investments Measured at NAV | |
| Assets | | | | | |
| Money market funds | \$ - | \$ - | \$ - | \$ 1,184,333 | \$ 1,184,333 |
| Equity security funds | 2,146,536 | - | - | 16,175,740 | 18,322,276 |
| Fixed-income securities funds | 7,231,776 | - | - | - | 7,231,776 |
| Total | <u>\$ 9,378,312</u> | <u>\$ -</u> | <u>\$ -</u> | <u>\$ 17,360,073</u> | <u>\$ 26,738,385</u> |

These levels are evaluated on an annual basis, and transfers between levels are recognized as of the end of each fiscal year. For the years ended December 31, 2020 and 2019, there were no transfers in or out of Level 1, Level 2 or Level 3.

The following table discloses additional information about investments recorded at NAV at December 31, 2020 and 2019:

| | 2020 | | | |
|---------------------------|----------------------|----------------------|----------------------------------|--------------------------|
| | Fair Value | Unfunded Commitments | Redemption Frequency Limitations | Redemption Notice Period |
| Assets | | | | |
| Money market funds (a) | \$ 255,172 | - | None | 0 days |
| Equity security funds (b) | 21,389,606 | - | None | 0-5 days |
| Total value | <u>\$ 21,644,778</u> | | | |

| | 2019 | | | |
|---------------------------|----------------------|----------------------|----------------------------------|--------------------------|
| | Fair Value | Unfunded Commitments | Redemption Frequency Limitations | Redemption Notice Period |
| Assets | | | | |
| Money market funds (a) | \$ 1,184,333 | - | None | 0 days |
| Equity security funds (b) | 16,175,740 | - | None | 0-5 days |
| Total value | <u>\$ 17,360,073</u> | | | |

(a) This category includes investments primarily consisting of a broad range of high-quality, U.S. dollar-denominated government, bank and commercial obligations that are available in the money markets. The funds' objective is to maintain a stable NAV of \$1.00 per share and maximize current income to the extent consistent with the preservation of capital and maintaining liquidity. The NAV of the fund is determined using the fair value of the underlying securities. The funds have no commitments, no redemption frequency limitations, and allow for same-day notice for redemption.

Field Museum of Natural History

NOTES TO FINANCIAL STATEMENTS - CONTINUED

December 31, 2020 and 2019

(b) This category includes investments in equity securities funds primarily consisting of common stocks that have readily available price data. The NAV of the funds is determined using the fair value of the underlying securities. The funds have no commitments or redemption frequency limitations, but do have a redemption notice period.

There was no minimum contribution due to the Plan in 2020 or 2019. The Museum contributed to the Plan \$70,000 in 2020 and \$205,000 in 2019.

NOTE I - LINE OF CREDIT

The Museum has an unsecured uncommitted demand revolving line of credit for \$15,000,000. The agreement bears interest at the federal funds rate plus 0.50%. The Museum incurred interest \$23,202 and \$0 on the line of credit in 2020 and 2019. At December 31, 2020 and 2019, the Museum had no borrowings against the line of credit.

NOTE J - RELATED PARTIES

The Museum receives financial support from individual members of its Board. In 2020, approximately 33% of contributions were from members of the Board and approximately 73% of the pledge receivables were due from members of its Board. In 2019, approximately 47% of contributions were from members of the Board and approximately 62% of the pledge receivables were due from members of its Board.

NOTE K - FUNCTIONAL EXPENSES

The Museum's operating expenses for the year ended December 31, 2020, and 2019, are classified functionally as follows:

| <u>2020</u> | Program Services | | | | | Total |
|--|--------------------------|---------------------|-------------------------|---------------------|---------------------|----------------------|
| | Science and Education | Public Programs | Business Enterprises | Museum Outreach | Museum Services | |
| Compensation | \$ 13,731,145 | \$ 4,307,897 | \$ 639,311 | \$ 2,497,490 | \$ 4,516,632 | \$ 25,692,475 |
| Supplies | 402,717 | 385,698 | 18,174 | 47,417 | 784,678 | 1,638,684 |
| Cost of goods sold | - | - | 42,865 | - | - | 42,865 |
| Postage, freight, and miscellaneous | 349,531 | 197,426 | 75,438 | 154,309 | 2,998 | 779,702 |
| Travel | 223,511 | 231,044 | 6,977 | 27,215 | 16,362 | 505,109 |
| Outside services | 1,016,659 | 1,606,027 | 319,394 | 1,862,024 | 2,331,396 | 7,135,500 |
| Utilities | 887,782 | 732,912 | 70,614 | 16,541 | 303,253 | 2,011,102 |
| Repairs and maintenance | 2,532 | 108,456 | - | 40 | 284,523 | 395,551 |
| Debt service | 4,180,396 | 2,005,450 | 154,480 | 17,641 | 650,959 | 7,008,926 |
| Total | <u>\$ 20,794,273</u> | <u>\$ 9,574,910</u> | <u>\$ 1,327,253</u> | <u>\$ 4,622,677</u> | <u>\$ 8,890,801</u> | <u>\$ 45,209,914</u> |

Field Museum of Natural History

NOTES TO FINANCIAL STATEMENTS - CONTINUED

December 31, 2020 and 2019

| 2020 (continued) | Supporting Services | | | Total Expenses |
|-------------------------------------|----------------------------|---------------------|---------------------|----------------------|
| | General and Administrative | Fundraising | Total | |
| Compensation | \$ 3,337,032 | \$ 2,983,726 | \$ 6,952,937 | \$ 32,013,233 |
| Supplies | 512,212 | 30,837 | 43,613 | 2,181,733 |
| Cost of goods sold | - | - | - | 42,865 |
| Postage, freight, and miscellaneous | 589,189 | 16,597 | 758,487 | 1,385,488 |
| Travel | 132,215 | 57,474 | 196,188 | 694,798 |
| Outside services | 1,275,426 | 404,352 | 2,254,787 | 8,815,278 |
| Utilities | 26,828 | 9,895 | 43,569 | 2,047,825 |
| Repairs and maintenance | 10,472 | - | 10,472 | 406,023 |
| Debt service | 25,984 | 48,967 | 74,951 | 7,083,877 |
| Total | \$ 5,909,358 | \$ 3,551,848 | \$ 9,461,206 | \$ 54,671,120 |

| 2019 | Program Services | | | | | Total |
|-------------------------------------|-----------------------|----------------------|----------------------|---------------------|----------------------|----------------------|
| | Science and Education | Public Programs | Business Enterprises | Museum Outreach | Museum Services | |
| Compensation | \$ 14,974,102 | \$ 4,650,593 | \$ 818,189 | \$ 2,783,595 | \$ 5,622,408 | \$ 28,848,887 |
| Supplies | 919,144 | 467,463 | 25,456 | 107,481 | 1,061,790 | 2,581,334 |
| Cost of goods sold | - | - | 275,489 | - | - | 275,489 |
| Postage, freight, and miscellaneous | 469,847 | 476,306 | 333,487 | 87,291 | 627 | 1,367,558 |
| Travel | 1,219,102 | 659,967 | 52,270 | 88,080 | 84,035 | 2,103,454 |
| Outside services | 1,952,434 | 1,750,016 | 1,091,221 | 3,246,784 | 3,455,177 | 11,495,632 |
| Utilities | 948,347 | 783,889 | 75,602 | 18,108 | 329,641 | 2,155,587 |
| Repairs and maintenance | 17,561 | 33,236 | - | 224 | 298,967 | 349,988 |
| Debt service | 4,667,504 | 2,239,129 | 172,481 | 19,695 | 726,811 | 7,825,620 |
| Total | \$ 25,168,041 | \$ 11,060,599 | \$ 2,844,195 | \$ 6,351,258 | \$ 11,579,456 | \$ 57,003,549 |

| 2019 (continued) | Supporting Services | | | Total Expenses |
|-------------------------------------|----------------------------|---------------------|----------------------|----------------------|
| | General and Administrative | Fundraising | Total | |
| Compensation | \$ 3,746,486 | \$ 2,967,926 | \$ 6,714,412 | \$ 35,563,299 |
| Supplies | 466,625 | 73,347 | 539,972 | 3,121,306 |
| Cost of goods sold | - | - | - | 275,489 |
| Postage, freight, and miscellaneous | 612,953 | 28,319 | 641,272 | 2,008,830 |
| Travel | 229,796 | 115,281 | 345,077 | 2,448,531 |
| Outside services | 1,327,687 | 771,132 | 2,098,819 | 13,594,451 |
| Utilities | 29,039 | 10,757 | 39,796 | 2,195,383 |
| Repairs and maintenance | 11,008 | - | 11,008 | 360,996 |
| Debt service | 29,012 | 54,672 | 83,684 | 7,909,304 |
| Total | \$ 6,452,606 | \$ 4,021,434 | \$ 10,474,040 | \$ 67,477,589 |

NOTE L - LEASES

The Museum has an operating lease with a food service provider (“Lessee”) expiring in 2023, with an option to extend for a five-year term immediately upon expiration and a second option to extend for an additional five years upon expiration of the first extension. As a part of the lease agreement, the Lessee was required to make an initial capital investment of \$3,500,000 to improve the Museum’s facilities. The Museum recorded the \$3,500,000 of improvements as other assets and deferred revenue. The Museum is amortizing the other asset and the deferred revenue on a straight-line basis over a 20-year period in accordance with the amortization schedule of the improvement in the agreement.

Field Museum of Natural History

NOTES TO FINANCIAL STATEMENTS - CONTINUED

December 31, 2020 and 2019

The Museum has an operating lease with a retail service provider (Lessee) expiring in 2028. As a part of the lease agreement, the Lessee made \$361,280 of improvements to the Museum's facilities. The Museum recorded the \$361,280 of improvements as other assets and deferred revenue. The Museum is amortizing the other asset and the deferred revenue on a straight-line basis over a ten-year period in accordance with the amortization schedule of the improvement in the agreement.

In 2020 and 2019, the Museum amortized \$213,029 and \$194,019, respectively. The other asset and deferred revenue balances pertaining to the arrangements discussed above at December 31, 2020 and 2019, were \$2,477,149 and \$2,690,178, respectively.

Lease revenue associated with these two leases for the years ended December 31, 2020 and 2019, were \$326,579 and \$1,866,700, respectively. Future cash flows vary based on the amount of revenue generated by the service providers and Museum attendance.

NOTE M - AVAILABLE RESOURCES AND LIQUIDITY

The Museum regularly monitors liquidity required to meet its operational needs. The Museum forecasts its future cash flows and strives to budget annual revenue to cover general expenditures and capital expenditures. The Museum considers all expenditures related to its programs, management and fundraising to be general expenditures. As of December 31, 2020 and 2019, the following financial assets could readily be made available within one year to meet general expenditures.

| | <u>2020</u> | <u>2019</u> |
|---|--------------------------|--------------------------|
| Cash and cash equivalents | \$ 787,599 | \$ 2,530,905 |
| Accounts receivable | 3,828,018 | 4,571,242 |
| Contribution pledges for general expenditures due in one year or less | 6,567,962 | 6,228,574 |
| Approved endowment distribution in next 12 months | 23,516,252 | 18,684,554 |
| Short-term investments available in next 12 months | <u>25,278,665</u> | <u>23,231,841</u> |
| Financial assets available in next 12 months | <u>\$ 59,978,496</u> | <u>\$ 55,247,116</u> |

Amounts not available in 2020 include: \$5,137,891 of contribution pledges due within one year to be held in perpetuity, \$178,204,255 of investments held in perpetuity, \$336,932,103 of investments held until approved for spending distribution by the Board, and \$1,483,725 of other investments. The Museum also has a line of credit available to meet short-term needs (see Note I).

NOTE N - NET ASSETS WITHOUT DONOR RESTRICTIONS

Net assets without donor restrictions consist of the following as of December 31, 2020 and 2019:

| | <u>2020</u> | <u>2019</u> |
|-----------------|---------------------------|---------------------------|
| Quasi-endowment | \$ 250,385,126 | \$ 223,164,430 |
| Designated | 7,960,762 | 8,493,055 |
| Undesignated | <u>4,468,205</u> | <u>17,964,861</u> |
| Total | <u>\$ 262,814,093</u> | <u>\$ 249,622,346</u> |

Field Museum of Natural History

NOTES TO FINANCIAL STATEMENTS - CONTINUED

December 31, 2020 and 2019

Quasi-endowment includes assets with no donor-imposed restrictions that have been designated by the Board to be held as long-term investments. Designated assets include assets with no donor-imposed restriction that have been designated by management for program use.

NOTE O - NET ASSETS WITH DONOR RESTRICTIONS

Net assets with donor restrictions consist of the following at December 31, 2020 and 2019:

| | <u>2020</u> | <u>2019</u> |
|--|-----------------------|-----------------------|
| To be held in perpetuity | \$ 178,204,255 | \$ 168,409,059 |
| Program restrictions | 34,535,143 | 34,813,841 |
| Time restrictions | <u>132,545,886</u> | <u>111,410,071</u> |
| Total net assets with donor restrictions | <u>\$ 345,285,284</u> | <u>\$ 314,632,971</u> |

Net assets to be held in perpetuity include assets whose use by the Museum is limited by donor-imposed stipulations that neither expire by passage of time nor can be fulfilled or otherwise removed by actions of the Museum. Program-restricted net assets include assets with donor-imposed purpose restrictions. Time-restricted net assets include pledges and long-term investments with donor-imposed restrictions awaiting appropriation and amounts for underwater endowment funds. Investment income from endowment funds are released upon Board approval and satisfying donor-imposed purpose restrictions.

NOTE P - REVENUE RECOGNITION

For the years ended December 31, 2020 and 2019, the Museum recognized revenue of \$1.5 million and \$2.7 million, respectively, from amounts that were included in deferred revenues at the beginning of the year.

At December 31, 2020, deferred revenues totaled \$6,498,342. Of that amount, 54%, 72% and 78%, respectively, of the performance obligation surrounding this liability is expected to be satisfied within one, three and five years, respectively, and the remaining thereafter.

At December 31, 2019, deferred revenues totaled \$7,073,086. Of that amount, 46%, 68% and 77%, respectively, of the performance obligation surrounding this liability is expected to be satisfied within one, three and five years, respectively, and the remaining thereafter.

NOTE Q - SUBSEQUENT EVENTS

Management has evaluated subsequent events through May 17, 2021, the date the financial statements were issued.

Subsequent to December 31, 2020, the Museum reopened to visitors at a reduced capacity on January 21, 2021. There is uncertainty regarding when capacity restrictions will be lifted and when visitor demand will resume to pre-COVID-19 levels. Management has developed a fiscal plan in 2021 based on a gradual increase in activity. The related financial impact and duration cannot be reasonably estimated at this time. Since the reopening, visitor demand has exceeded the Museum's conservative projections. The Museum has submitted its application requesting PPP loan forgiveness totaling \$6,339,255 to the SBA. Additionally, the Museum has applied for a Shuttered Venues Operating Grant (SVOG), which is pending review. The SVOG would positively impact the Museum's operations if awarded.

The Museum is not aware of any other subsequent events that would require recognition or disclosure in the financial statements.

SUPPLEMENTARY INFORMATION

Field Museum of Natural History

SCHEDULE OF DEPARTMENT EXPENSES

Year ended December 31, 2020, with comparative totals for the year ended December 31, 2019

| | Salaries and Wages | Pension and Employee Benefits | Cost of Sales | Supplies | Postage, Freight and Miscellaneous | Travel, Dues and Meetings | Printing and Publications | Professional and Outside Services | Utilities | Repairs and Maintenance | Interest and Amortization | Exhibits and Equipment | Total | 2019 Total |
|------------------------------------|----------------------|-------------------------------|-------------------|---------------------|------------------------------------|---------------------------|---------------------------|-----------------------------------|---------------------|-------------------------|---------------------------|------------------------|----------------------|----------------------|
| Science and education | | | | | | | | | | | | | | |
| Action center | \$ 2,302,864 | \$ 588,209 | \$ - | \$ 36,097 | \$ 9,189 | \$ 38,366 | \$ 47,310 | \$ 226,198 | \$ 21,977 | \$ - | \$ - | \$ - | \$ 3,270,210 | \$ 3,981,522 |
| Collections center | 3,190,078 | 811,179 | - | 116,917 | 24,060 | 36,589 | 66,644 | 112,659 | 672,694 | 42 | - | - | 5,030,862 | 6,004,383 |
| Integrative research center | 3,964,817 | 1,209,871 | - | 202,906 | 285,891 | 113,164 | 22,373 | 405,716 | 134,598 | 2,490 | - | - | 6,341,826 | 7,819,967 |
| Learning center | 854,262 | 230,198 | - | 24,258 | 64 | 17,185 | 277 | 101,127 | 40,769 | - | - | - | 1,268,140 | 1,812,074 |
| Strategic Science Initiatives | - | - | - | - | - | - | - | - | - | - | - | - | - | 184,484 |
| Scientific support | 439,972 | 139,695 | - | 22,539 | 30,327 | 18,207 | 28,495 | 5,860 | 17,744 | - | - | - | 702,839 | 698,107 |
| Total science and education | 10,751,993 | 2,979,152 | - | 402,717 | 349,531 | 223,511 | 165,099 | 851,560 | 887,782 | 2,532 | - | - | 16,613,877 | 20,500,537 |
| Public programs | | | | | | | | | | | | | | |
| Exhibitions | 2,727,680 | 626,078 | - | 374,296 | 197,294 | 230,556 | 267,070 | 1,277,165 | 707,033 | 6,393 | - | 102,063 | 6,515,628 | 6,707,777 |
| Guest relations | 910,629 | 43,510 | - | 11,402 | 132 | 488 | 173 | 61,619 | 25,879 | - | - | - | 1,053,832 | 2,113,693 |
| Total public programs | 3,638,309 | 669,588 | - | 385,698 | 197,426 | 231,044 | 267,243 | 1,338,784 | 732,912 | 6,393 | - | 102,063 | 7,569,460 | 8,821,470 |
| Business enterprises | 500,794 | 138,517 | 42,865 | 18,174 | 75,438 | 6,977 | 590 | 318,804 | 70,614 | - | - | - | 1,172,773 | 2,671,714 |
| Museum outreach | | | | | | | | | | | | | | |
| Public relations | 1,342,284 | 358,450 | - | 32,378 | 152 | 19,802 | 92,211 | 1,192,882 | 9,695 | - | - | - | 3,047,854 | 3,965,250 |
| Science outreach and communication | 135,927 | 28,650 | - | 2,263 | 1,456 | 914 | 289 | 1,633 | - | 40 | - | - | 171,172 | 258,490 |
| Total museum outreach | 1,478,211 | 387,100 | - | 34,641 | 1,608 | 20,716 | 92,500 | 1,194,515 | 9,695 | 40 | - | - | 3,219,026 | 4,223,740 |
| Museum services | | | | | | | | | | | | | | |
| Protection services | 1,258,117 | 247,305 | - | 23,883 | 258 | 1,520 | - | 145,366 | 10,661 | 1,470 | - | - | 1,688,580 | 2,132,291 |
| Housekeeping | 299,942 | 45,927 | - | 42,313 | - | - | - | 559,142 | 53,545 | - | - | - | 1,000,869 | 1,371,026 |
| Facility, planning and operations | 1,407,016 | 130,576 | - | 216,148 | 64 | 6,433 | - | 1,182,855 | 154,471 | 267,250 | - | - | 3,364,813 | 4,903,539 |
| Technology | 758,444 | 217,247 | - | 481,623 | 1,348 | 8,409 | 32 | 443,868 | 80,253 | - | - | - | 1,991,224 | 2,205,089 |
| General services | 126,925 | 25,133 | - | 20,711 | 1,328 | - | - | 133 | 4,323 | 15,803 | - | - | 194,356 | 240,700 |
| Total museum services | 3,850,444 | 666,188 | - | 784,678 | 2,998 | 16,362 | 32 | 2,331,364 | 303,253 | 284,523 | - | - | 8,239,842 | 10,852,645 |
| General and administrative | | | | | | | | | | | | | | |
| Administration | 1,402,013 | 358,715 | - | 484,175 | 583,230 | 121,546 | 2,258 | 1,130,620 | 10,605 | 10,472 | 23,022 | - | 4,126,656 | 4,355,939 |
| Finance | 723,042 | 177,952 | - | 20,999 | 1,262 | 771 | 4,000 | 70,109 | 8,853 | - | - | - | 1,006,988 | 1,101,506 |
| Human resources | 561,699 | 113,611 | - | 7,038 | 4,697 | 9,898 | 126 | 45,291 | 7,370 | - | - | - | 749,730 | 966,149 |
| Total general and administrative | 2,686,754 | 650,278 | - | 512,212 | 589,189 | 132,215 | 6,384 | 1,246,020 | 26,828 | 10,472 | 23,022 | - | 5,883,374 | 6,423,594 |
| Institutional advancement | | | | | | | | | | | | | | |
| Development | 2,303,649 | 680,077 | - | 30,837 | 16,597 | 57,474 | 97,491 | 306,861 | 9,895 | - | - | - | 3,502,881 | 3,966,762 |
| Auxiliary groups | 181,054 | 49,871 | - | 7,765 | 1,120 | 4,164 | 32 | 157,296 | 2,507 | - | - | - | 403,809 | 764,063 |
| Membership | 319,624 | 81,630 | - | 5,011 | 151,581 | 2,335 | 204,732 | 212,949 | 4,339 | - | - | - | 982,201 | 1,343,760 |
| Total institutional advancement | 2,804,327 | 811,578 | - | 43,613 | 169,298 | 63,973 | 302,255 | 677,106 | 16,741 | - | - | - | 4,888,891 | 6,074,585 |
| Debt service | - | - | - | - | - | - | - | 21,270 | - | - | 7,062,607 | - | 7,083,877 | 7,909,304 |
| Total 2020 expenses | \$ 25,710,832 | \$ 6,302,401 | \$ 42,865 | \$ 2,181,733 | \$ 1,385,488 | \$ 694,798 | \$ 834,103 | \$ 7,979,423 | \$ 2,047,825 | \$ 303,960 | \$ 7,085,629 | \$ 102,063 | \$ 54,671,120 | \$ 67,477,589 |
| Total 2019 expenses | \$ 27,704,659 | \$ 7,858,640 | \$ 275,489 | \$ 3,121,306 | \$ 2,009,002 | \$ 2,448,531 | \$ 665,238 | \$ 13,161,187 | \$ 2,195,383 | \$ 327,969 | \$ 7,677,158 | \$ 33,027 | \$ 67,477,589 | |

Field Museum of Natural History
SCHEDULE OF DEPARTMENT EXPENSES
Year ended December 31, 2019

| | Salaries and Wages | Pension and Employee Benefits | Cost of Sales | Supplies | Postage, Freight and Miscellaneous | Travel, Dues and Meetings | Printing and Publications | Professional and Outside Services | Utilities | Repairs and Maintenance | Interest and Amortization | Exhibits and Equipment | Total |
|------------------------------------|----------------------|-------------------------------|-------------------|---------------------|------------------------------------|---------------------------|---------------------------|-----------------------------------|---------------------|-------------------------|---------------------------|------------------------|----------------------|
| Science and education | | | | | | | | | | | | | |
| Action center | \$ 2,393,760 | \$ 608,129 | \$ - | \$ 81,518 | \$ 9,217 | \$ 410,221 | \$ 6,288 | \$ 447,998 | \$ 24,391 | \$ - | \$ - | \$ - | \$ 3,981,522 |
| Collections center | 3,360,550 | 899,985 | - | 232,821 | 45,629 | 213,588 | 76,365 | 457,012 | 716,810 | 1,623 | - | - | 6,004,383 |
| Integrative research center | 4,436,536 | 1,312,810 | - | 496,455 | 399,018 | 447,586 | 27,640 | 540,773 | 143,211 | 15,938 | - | - | 7,819,967 |
| Learning center | 1,048,449 | 251,995 | - | 78,557 | 861 | 84,129 | 18,919 | 285,066 | 44,098 | - | - | - | 1,812,074 |
| Strategic Science Initiatives | 118,846 | 40,558 | - | 2,186 | - | 4,580 | - | 17,645 | 669 | - | - | - | 184,484 |
| Scientific support | 400,182 | 102,302 | - | 27,607 | 15,122 | 58,998 | 26,642 | 48,086 | 19,168 | - | - | - | 698,107 |
| Total science and education | 11,758,323 | 3,215,779 | - | 919,144 | 469,847 | 1,219,102 | 155,854 | 1,796,580 | 948,347 | 17,561 | - | - | 20,500,537 |
| Public programs | | | | | | | | | | | | | |
| Exhibitions | 2,481,970 | 600,355 | - | 405,353 | 475,992 | 645,093 | 146,051 | 1,163,674 | 756,053 | 209 | - | 33,027 | 6,707,777 |
| Guest relations | 1,198,408 | 369,860 | - | 62,110 | 314 | 14,874 | - | 440,291 | 27,836 | - | - | - | 2,113,693 |
| Total public programs | 3,680,378 | 970,215 | - | 467,463 | 476,306 | 659,967 | 146,051 | 1,603,965 | 783,889 | 209 | - | 33,027 | 8,821,470 |
| Business enterprises | 641,658 | 176,531 | 275,489 | 25,456 | 333,487 | 52,270 | 8,355 | 1,082,866 | 75,602 | - | - | - | 2,671,714 |
| Museum outreach | | | | | | | | | | | | | |
| Public relations | 1,449,962 | 445,123 | - | 88,846 | 241 | 37,639 | 57,251 | 1,875,626 | 10,562 | - | - | - | 3,965,250 |
| Science outreach and communication | 174,753 | 58,446 | - | 5,214 | 8,653 | 3,362 | 177 | 7,597 | 64 | 224 | - | - | 258,490 |
| Total museum outreach | 1,624,715 | 503,569 | - | 94,060 | 8,894 | 41,001 | 57,428 | 1,883,223 | 10,626 | 224 | - | - | 4,223,740 |
| Museum services | | | | | | | | | | | | | |
| Protection services | 1,243,320 | 364,545 | - | 49,469 | 213 | 7,515 | 154 | 455,603 | 11,302 | 170 | - | - | 2,132,291 |
| Housekeeping | 666,166 | 179,693 | - | 127,065 | - | 329 | - | 340,562 | 57,211 | - | - | - | 1,371,026 |
| Facility, planning and operations | 1,538,109 | 417,814 | - | 339,719 | 110 | 29,994 | - | 2,149,790 | 164,532 | 263,471 | - | - | 4,903,539 |
| Technology | 811,041 | 239,407 | - | 510,277 | 263 | 46,009 | 86 | 506,030 | 91,976 | - | - | - | 2,205,089 |
| General services | 117,811 | 44,502 | - | 35,260 | 41 | 188 | 105 | 2,847 | 4,620 | 35,326 | - | - | 240,700 |
| Total museum services | 4,376,447 | 1,245,961 | - | 1,061,790 | 627 | 84,035 | 345 | 3,454,832 | 329,641 | 298,967 | - | - | 10,852,645 |
| General and administrative | | | | | | | | | | | | | |
| Administration | 1,280,170 | 569,639 | - | 450,247 | 609,500 | 183,594 | 4,339 | 1,235,813 | 11,629 | 11,008 | - | - | 4,355,939 |
| Finance | 845,826 | 226,042 | - | 4,687 | 1,092 | 833 | 4,000 | 9,435 | 9,591 | - | - | - | 1,101,506 |
| Human resources | 653,935 | 170,874 | - | 11,691 | 2,361 | 45,369 | 1,404 | 72,696 | 7,819 | - | - | - | 966,149 |
| Total general and administrative | 2,779,931 | 966,555 | - | 466,625 | 612,953 | 229,796 | 9,743 | 1,317,944 | 29,039 | 11,008 | - | - | 6,423,594 |
| Institutional advancement | | | | | | | | | | | | | |
| Development | 2,332,411 | 635,515 | - | 73,347 | 28,319 | 115,281 | 108,593 | 662,539 | 10,757 | - | - | - | 3,966,762 |
| Auxiliary groups | 183,578 | 48,490 | - | 4,355 | 1,598 | 20,127 | 5,652 | 497,531 | 2,732 | - | - | - | 764,063 |
| Membership | 327,218 | 96,025 | - | 9,066 | 76,799 | 26,952 | 173,217 | 629,733 | 4,750 | - | - | - | 1,343,760 |
| Total institutional advancement | 2,843,207 | 780,030 | - | 86,768 | 106,716 | 162,360 | 287,462 | 1,789,803 | 18,239 | - | - | - | 6,074,585 |
| Debt service | - | - | - | - | 172 | - | - | 231,974 | - | - | 7,677,158 | - | 7,909,304 |
| Total 2019 expenses | \$ 27,704,659 | \$ 7,858,640 | \$ 275,489 | \$ 3,121,306 | \$ 2,009,002 | \$ 2,448,531 | \$ 665,238 | \$ 13,161,187 | \$ 2,195,383 | \$ 327,969 | \$ 7,677,158 | \$ 33,027 | \$ 67,477,589 |