



BOSTON UNIVERSITY

Independent Auditors' Reports as Required by Title 2
U.S. Code of Federal Regulations Part 200, *Uniform Administrative
Requirements, Cost Principles, and Audit Requirements for Federal
Awards and Government Auditing Standards* and Related Information

Year ended June 30, 2021

BOSTON UNIVERSITY

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Awards and Government Auditing Standards* and Related Information
Year ended June 30, 2021

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KPMG LLP
Two Financial Center
60 South Street
Boston, MA 02111

Independent Auditors' Report

The Board of Trustees
Boston University:

Report on the Consolidated Financial Statements

We have audited the accompanying consolidated financial statements of Boston University and its subsidiaries (the University), which comprise the consolidated statements of financial position as of June 30, 2021 and 2020, the related consolidated statements of activities and cash flows for the years then ended, and the related notes to the consolidated financial statements.

Management's Responsibility for the Consolidated Financial Statements

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

Auditors' Responsibility

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

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

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

Opinion

In our opinion, the consolidated financial statements referred to above present fairly, in all material respects, the financial position of Boston University and its subsidiaries as of June 30, 2021 and 2020, and the changes in their net assets and their cash flows for the years then ended in accordance with U.S. generally accepted accounting principles.



Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated September 22, 2021 on our consideration of the University's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the University's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the University's internal control over financial reporting and compliance.

KPMG LLP

Boston, Massachusetts
September 22, 2021

BOSTON UNIVERSITY • CONSOLIDATED STATEMENTS OF FINANCIAL POSITION

June 30, 2021 and 2020
(\$000)

	2021	2020
ASSETS		
Cash and cash equivalents	\$ 253,258	\$ 440,879
Cash and cash equivalents-restricted	183,470	285,966
Short-term investments	884,959	464,657
Accounts and loans receivable, net.	205,919	224,318
Pledges receivable, net	189,376	218,845
Prepaid expenses and other assets	72,181	83,721
Investment in residual asset note	41,849	52,711
Right-of-use assets-operating leases	123,135	100,533
Long-term investments.	3,514,608	2,572,754
Property, plant, and equipment, net.	2,823,127	2,766,178
Total assets	\$ 8,291,882	\$ 7,210,562
LIABILITIES AND NET ASSETS		
Liabilities:		
Accrued payroll and related expenses	\$ 168,967	\$ 136,546
Accounts payable and accrued expenses	111,637	107,886
Deferred revenue	69,188	69,909
Student deposits.	122,983	111,594
Operating lease obligations	126,183	103,748
Finance lease obligations	80,343	81,066
Other long-term obligations	50,935	72,168
Deferred ground lease revenue.	95,231	96,392
Fair value of interest rate exchange agreements.	356,776	460,830
Bonds and notes payable, net	1,761,122	1,770,879
Total liabilities	2,943,365	3,011,018
Net assets:		
Without donor restrictions	3,018,463	2,423,654
With donor restrictions	2,330,054	1,775,890
Total net assets	5,348,517	4,199,544
Total liabilities and net assets	\$ 8,291,882	\$ 7,210,562

BOSTON UNIVERSITY • CONSOLIDATED STATEMENTS OF ACTIVITIES

For the years ended June 30, 2021 and 2020
(\$000)

	2021		
	Without Donor Restrictions	With Donor Restrictions	Total
OPERATING REVENUES			
Student tuition and fees, net of student aid of \$496.2 million in 2021	\$ 1,152,579	\$	\$ 1,152,579
Sponsored programs-direct	411,472		411,472
Sponsored programs-indirect	108,054		108,054
External fringe benefit recoveries	32,511		32,511
Contributions	55,102		55,102
Sales and services	76,848		76,848
Spending formula amount and other investment income	80,607		80,607
Sponsored program income for student aid	28,163		28,163
Auxiliary enterprises, net of student aid of \$18.4 million in 2021	153,911		153,911
Contributions used for operations	13,720		13,720
Total operating revenues	2,112,967		2,112,967
OPERATING EXPENSES			
Salaries and wages	955,465		955,465
Employee benefits	202,057		202,057
Supplies and services	538,486		538,486
Utilities, rent, and repairs	87,621		87,621
Depreciation	132,653		132,653
Interest	53,196		53,196
Total operating expenses	1,969,478		1,969,478
Change in net assets from operating activities	143,489		143,489
NONOPERATING ACTIVITIES			
Contributions		55,861	55,861
Contributions used for operations		(13,720)	(13,720)
Reinvested endowment and other investment income	12,897	14,312	27,209
Net realized and unrealized gains on investments and other assets	403,587	555,653	959,240
Spending formula amount	(38,508)	(52,643)	(91,151)
Net realized and unrealized gains (losses) on interest rate exchange agreements	70,399		70,399
Net assets released from restrictions- building funds and other	2,606	(2,606)	
Other additions (deductions) and transfers, net	339	(2,693)	(2,354)
Net nonoperating activities	451,320	554,164	1,005,484
Change in net assets	594,809	554,164	1,148,973
Beginning net assets	2,423,654	1,775,890	4,199,544
Ending net assets	\$ 3,018,463	\$ 2,330,054	\$ 5,348,517

BOSTON UNIVERSITY • CONSOLIDATED STATEMENTS OF ACTIVITIES

For the years ended June 30, 2021 and 2020
(\$000)

2020			
Without Donor Restrictions	With Donor Restrictions	Total	
\$ 1,168,192	\$	\$ 1,168,192	OPERATING REVENUES
333,773		333,773	Student tuition and fees, net of student aid of \$456.6 million in 2020
105,695		105,695	Sponsored programs-direct
44,457		44,457	Sponsored programs-indirect
47,106		47,106	External fringe benefit recoveries
89,399		89,399	Contributions
			Sales and services
92,044		92,044	Spending formula amount and other investment income
31,038		31,038	Sponsored program income for student aid
			Auxiliary enterprises, net of student aid of \$18.0 million in 2020
224,480		224,480	Contributions used for operations
12,661		12,661	Total operating revenues
<u>2,148,845</u>		<u>2,148,845</u>	OPERATING EXPENSES
			Salaries and wages
967,193		967,193	Employee benefits
271,852		271,852	Supplies and services
530,351		530,351	Utilities, rent, and repairs
89,376		89,376	Depreciation
131,397		131,397	Interest
60,119		60,119	Total operating expenses
<u>2,050,288</u>		<u>2,050,288</u>	Change in net assets from operating activities
98,557		98,557	NONOPERATING ACTIVITIES
	33,826	33,826	Contributions
	(12,661)	(12,661)	Contributions used for operations
14,160	17,528	31,688	Reinvested endowment and other investment income
			Net realized and unrealized gains on investments and other assets
64,045	80,915	144,960	Spending formula amount
(36,159)	(48,759)	(84,918)	Net realized and unrealized gains (losses) on interest rate exchange agreements
(145,021)		(145,021)	Net assets released from restrictions- building funds and other
13,612	(13,612)		Other additions (deductions) and transfers, net
(1,048)	(986)	(2,034)	Net nonoperating activities
<u>(90,411)</u>	<u>56,251</u>	<u>(34,160)</u>	Change in net assets
8,146	56,251	64,397	Beginning net assets
2,415,508	1,719,639	4,135,147	Ending net assets
<u>\$ 2,423,654</u>	<u>\$ 1,775,890</u>	<u>\$ 4,199,544</u>	

See accompanying notes to consolidated financial statements.

BOSTON UNIVERSITY • CONSOLIDATED STATEMENTS OF CASH FLOWS

For the years ended June 30, 2021 and 2020
(\$000)

	2021	2020
CASH FLOWS FROM OPERATING ACTIVITIES		
Change in net assets	\$ 1,148,973	\$ 64,397
Adjustments to reconcile change in net assets to net cash provided by operating activities:		
Depreciation	132,653	131,397
Amortization of debt premium and issuance costs, net	(4,192)	(3,767)
Amortization of right-of-use assets-finance leases	1,807	2,141
Amortization of right-of-use assets-operating leases	20,773	13,339
Loss on disposal of property and equipment	896	1,639
Unrealized (gains) losses on interest rate exchange agreements	(104,054)	117,668
Settlements on swap replacement transactions, net	12,138	9,654
Net realized and unrealized gains on investments	(967,491)	(155,032)
Contributions and pledge payments restricted for long-term investment . .	(85,330)	(41,285)
Restricted gifts of securities	(1,934)	(25)
Unrealized losses (gains) on currency exchange	2,594	(657)
Bond issuance costs-redeemed debt		115
Changes in operating assets and liabilities:		
(Increase) decrease in accounts and loans receivable, net	(20,951)	5,885
Decrease in pledges receivable, net	29,469	7,462
Decrease in prepaid expenses and other assets	11,540	7,302
Increase in accrued payroll and related expenses	32,421	18,715
Increase (decrease) in accounts payable and accrued expenses	11,810	(12,337)
Decrease in operating lease obligations	(20,940)	(12,950)
Decrease in deferred revenue	(721)	(3,903)
Increase (decrease) in student deposits	11,389	(9,189)
Decrease in other long-term obligations	(8,431)	(6,888)
Decrease in deferred ground lease revenue	(1,161)	(1,162)
Net cash provided by operating activities	<u>201,258</u>	<u>132,519</u>
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchases of investments	(2,615,560)	(2,166,779)
Proceeds from sales and maturities of investments	2,248,372	2,559,382
Purchases of property and equipment	(189,511)	(233,083)
Net cash (used in) provided by investing activities	<u>(556,699)</u>	<u>159,520</u>
CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds from bonds and notes	179	285,765
Bond premium received		12,240
Payment of bonds, notes, and mortgages	(8,223)	(106,240)
Payment of bond issuance costs	(115)	(655)
Payments for finance lease obligations	(723)	(2,467)
Funds transferred to escrow for bond defeasance		(100,000)
Prepayment to escrow of interest and refunding premiums		(54,444)
(Decrease) increase in other long-term liabilities-annuity obligations . .	(920)	306
Contributions and pledge payments restricted for long-term investment . .	85,330	41,285
Proceeds from sale of restricted gifts of securities	1,934	25
Settlements on swap replacement transactions, net	(12,138)	(9,654)
Net cash provided by financing activities	<u>65,324</u>	<u>66,161</u>
Net (decrease) increase in cash, cash equivalents, and restricted cash	(290,117)	358,200
Cash, cash equivalents, and restricted cash beginning of year	726,845	368,645
Cash, cash equivalents, and restricted cash end of year	<u>\$ 436,728</u>	<u>\$ 726,845</u>

For the years ended June 30, 2021 and 2020

1. Organization and Summary of Significant Accounting Policies

Organization:

Boston University (the University) is an independent, nonprofit, coeducational, nonsectarian institute of higher education, founded in 1839 and chartered under the laws of the Commonwealth of Massachusetts on May 26, 1869. The University has three principal campuses, the Charles River Campus in the Back Bay, the Fenway Campus in Boston, and the Medical Campus in the South End, offering students more than 300 areas of study in 17 schools and colleges.

Effective June 1, 2018, Wheelock College merged with and into the University, with the University as the surviving corporation. As a result of the merger, the University's School of Education was renamed the Boston University Wheelock College of Education & Human Development, combining the doctoral programs and research capabilities of the University's School of Education with the early childhood expertise of Wheelock College's School of Education, Child Life and Family Studies.

The University is required to establish and maintain appropriate academic or administrative space for the Boston University Wheelock College of Education & Human Development on the Wheelock Campus until the fifth anniversary of the merger on June 1, 2023. Accordingly, this property, plant, and equipment has been classified as with donor restrictions.

COVID-19 Pandemic:

In March 2020, the World Health Organization declared the novel coronavirus (COVID-19) a pandemic. As a result, the University suspended in-person education and other campus-based activities for the Spring 2020 semester and provided a combination of credits and refunds for a portion of residence and dining revenues, as described later in note 1. To address the potential impacts on revenues and incremental costs required as a result of COVID-19, the University took proactive budget actions in fiscal year 2021 to build significant contingent budget reserves. These actions included salary freezes, targeted operating and personnel budget reductions, and the suspension of retirement contributions as described in note 9.

The University received funding under the Coronavirus Aid, Relief, and Economic Security Act (CARES Act) in fiscal year 2020 and the Coronavirus Response and Relief Supplemental Appropriations Act (CRRSAA Act) in fiscal year 2021, as described later in note 1. These funds were used to provide emergency financial aid to students, to defray expenses associated with the transition to online education, and to fund required investments in testing and health and safety protocols.

The full extent of the impact of COVID-19 on the University's finances is uncertain and will depend on the duration and depth of the pandemic. The University continually evaluates external available funding resources to support expenses related to the pandemic, including funds available under the American Rescue Plan (ARP Act) and reimbursements from the Federal Emergency Management Agency (FEMA).

Summary of Significant Accounting Policies:

Basis of Presentation:

The accompanying consolidated financial statements have been prepared on the accrual basis in accordance with U.S. generally accepted accounting principles (GAAP).

The consolidated financial statements include the University and its wholly owned subsidiaries. All significant inter-company transactions and accounts have been eliminated.

Boston Medical Center is the primary teaching affiliate of the Boston University School of Medicine. Boston Medical Center is a separately governed legal entity organized as a 501(c)(3) and is not consolidated in the accompanying consolidated financial statements.

Net Asset Classification:

Net assets, revenues, and investment returns are classified based on the existence or absence of donor-imposed restrictions. Accordingly, net assets and changes in net assets are classified as follows:

- Net assets without donor restrictions are not subject to donor stipulations restricting their use, but may be designated for a specific purpose by the University or may be limited by contractual agreements with outside parties.
- Net assets with donor restrictions are subject to donor stipulations that expire by the passage of time, can be fulfilled by actions pursuant to the stipulations, or which may be perpetual.

For the years ended June 30, 2021 and 2020

Net assets classified as with donor restrictions that expire by the passage of time totaled \$1,398,176,000 and \$916,705,000 as of June 30, 2021 and 2020, respectively. Net assets classified as with perpetual donor restrictions totaled \$931,878,000 and \$859,185,000 as of June 30, 2021 and 2020 respectively.

The composition of net assets as of June 30, 2021 and 2020, in thousands of dollars, is as follows:

	2021		
	Without Donor Restrictions	With Donor Restrictions	Total Net Assets
Endowment:			
General purpose	\$ 1,101,943	\$ 485,158	\$ 1,587,101
Scholarships	142,891	637,304	780,195
Professorships	143,823	552,179	696,002
Awards, prizes, fellowships, and other	34,450	140,226	174,676
Research	23,914	106,809	130,723
Annuities		23,816	23,816
Total endowment and annuity funds	<u>1,447,021</u>	<u>1,945,492</u>	<u>3,392,513</u>
Other funds:			
General and plant funds	1,345,295	98,494	1,443,789
Building and gift funds	116,330	33,636	149,966
Pledges		189,376	189,376
Student loan funds	21,071	35,522	56,593
Unexpended endowment distributions	88,746	27,534	116,280
Total other funds	<u>1,571,442</u>	<u>384,562</u>	<u>1,956,004</u>
Total net assets	<u>\$ 3,018,463</u>	<u>\$ 2,330,054</u>	<u>\$ 5,348,517</u>
	2020		
	Without Donor Restrictions	With Donor Restrictions	Total Net Assets
Endowment:			
General purpose	\$ 808,793	\$ 326,589	\$ 1,135,382
Scholarships	102,900	462,327	565,227
Professorships	101,641	409,622	511,263
Awards, prizes, fellowships, and other	25,068	97,579	122,647
Research	15,614	55,351	70,965
Annuities		15,631	15,631
Total endowment and annuity funds	<u>1,054,016</u>	<u>1,367,099</u>	<u>2,421,115</u>
Other funds:			
General and plant funds	1,176,367	98,502	1,274,869
Building and gift funds	98,489	31,168	129,657
Pledges		218,845	218,845
Student loan funds	19,178	36,093	55,271
Unexpended endowment distributions	75,604	24,183	99,787
Total other funds	<u>1,369,638</u>	<u>408,791</u>	<u>1,778,429</u>
Total net assets	<u>\$ 2,423,654</u>	<u>\$ 1,775,890</u>	<u>\$ 4,199,544</u>

For the years ended June 30, 2021 and 2020

Collections:

The University's collections, acquired through purchases and contributions since the University's inception, are not recognized as assets on the Consolidated Statements of Financial Position. Purchases of collection items are recorded as decreases in net assets without donor restrictions in the year in which the items are acquired.

The University's collections are made up of artifacts of historical significance, scientific specimens, and art objects that are held for educational, research, scientific, and curatorial purposes. Each of the items is cataloged, preserved, and cared for, and activities verifying their existence and assessing their condition are performed regularly. The collections are subject to a policy that requires proceeds from dispositions to be used to acquire other items for collections.

Use of Estimates:

The preparation of consolidated financial statements in conformity with 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 dates of the consolidated financial statements and the reported amounts of revenues and expenses during the reporting periods. Actual results may differ from those estimates.

Related Party Transactions:

Under the University's conflict of interest policy, all business and financial relationships among the University and entities affiliated with Trustees or Officers of the University are subject to the review and approval of the Audit Committee of the Board of Trustees.

Cash and Cash Equivalents:

Cash equivalents consist primarily of short-term money market mutual funds and treasury bills with original maturities of 90 days or less that are not invested as part of the long-term investment assets.

Cash and cash equivalents-restricted represent collateral posted with counterparties under the terms of certain derivative agreements.

Fair Value Measurements:

Investments and interest rate exchange agreements are reported at fair value in the University's consolidated financial statements. Fair value represents the price that would be received upon the sale of an asset or paid upon the transfer of a liability in an orderly transaction between market participants as of the measurement date. GAAP establishes a fair value hierarchy that prioritizes inputs used to measure fair value into three levels:

- Level 1—quoted prices (unadjusted) in active markets that are accessible at the measurement date for identical assets or liabilities.
- Level 2—observable prices that are based on inputs not quoted in active markets, but corroborated by market data.
- Level 3—unobservable inputs that are used when little or no market data is available.

The fair value hierarchy gives the highest priority to Level 1 inputs and the lowest priority to Level 3 inputs. In determining fair value, the University utilizes valuation techniques that maximize the use of observable inputs and minimize the use of unobservable inputs to the extent possible.

The majority of the University's long-term investments are held through limited partnerships and commingled funds for which fair value is estimated using net asset value (NAV) reported by fund managers as a practical expedient. Fair values of investments in funds similar to mutual funds, deemed to have readily determinable fair value, are measured at published NAV.

The NAVs or their equivalents, as estimated and reported by the general partners or investment managers, are reviewed, monitored, and evaluated by the University's Investment Office, in accordance with valuation procedures established by the University's Investment Committee, the Chief Investment Officer, and the Senior Vice President, CFO, and Treasurer.

Valuation results, changes in valuation policies and procedures, and issues regarding valuation that may arise from time to time are reviewed with the University's Investment Committee, the Chief Investment Officer, and the Senior Vice President, CFO, and Treasurer.

For the years ended June 30, 2021 and 2020

Non-core institutional real estate is valued using one or more of the following valuation techniques: the use of prices and other information generated by other relevant market transactions, or an income approach determining valuation by direct capitalization of net income or discounting future cash flows. Inputs such as capitalization rates, price information, operating statistics, specific and broad credit data, recent transactions, discount rates, and other factors are used in the valuation calculations.

Funds Held in Trust by Others:

The University is the beneficiary of certain perpetual trusts held and administered by outside trustees. The University's interests are reported at estimated fair value, based on the value of the underlying assets, which approximates the present value of future income from these trusts. These assets are categorized in Level 3 of the hierarchy. Income distributions from these trusts are recorded as investment income for current operations.

The University's split-interest agreements with donors consist of irrevocable charitable gift annuities and charitable remainder trusts held and administered by others. For annuity contracts, the contributed assets are included in investments at fair value. Contribution revenue, net of the accompanying obligation, is recognized as of the date the donated assets are transferred to the University, and liabilities are recorded at the present value of estimated future payments to the donors and beneficiaries. The liabilities are adjusted during the term of the agreements and contracts to reflect actuarial gains and losses.

The present values of the estimated future cash receipts from charitable remainder trusts are recognized as assets and contribution revenues as of the dates the trusts are established. Distributions from these trusts are recorded as investment income, and the carrying value of the assets is adjusted for changes in estimates of future receipts.

Property, Plant, and Equipment:

Land, buildings, equipment, and library books are reported at cost or estimated fair value at the date of contribution. Maintenance and repairs are expensed as incurred and improvements that increase the useful life of the asset are capitalized. Costs associated with the construction of new facilities are reported as additions to construction in progress when expended until such projects are completed. Equipment includes general and scientific equipment, computers, furniture, and vehicles.

For the years ended June 30, 2021 and 2020, the University acquired equipment and other assets of approximately \$7,528,000 and \$5,145,000, respectively, through the use of federal funds. In most cases, the University continues to maintain the assets after the granting agreement expires.

Depreciation is computed on a straight-line basis over the remaining useful lives of assets as follows: buildings, 50 years; renovations and improvements, 20 years or lease term, if shorter; University buildings used in sponsored research activities, 12 to 50 years, based on the distinct useful lives for each major building component; equipment, 2 to 20 years; internally used software, 20 years; and library books, 10 years. Depreciation expense for the years ended June 30, 2021 and 2020 was \$132,653,000 and \$131,397,000, respectively.

Long-lived assets and certain intangibles are reviewed for impairment whenever events or changes in circumstances indicate that their carrying amount may not be recoverable. When such events or changes in circumstances indicate an asset may not be recoverable, the impairment loss recognized is the amount by which the asset's net carrying value exceeds its estimated fair value.

Leasing:

The University determines if an arrangement is a lease at inception. The University has both leases under which it is obligated as a lessee and leases for which it is a lessor. Operating leases as a lessee are included in right-of-use assets-operating leases and operating lease obligations in the Consolidated Statements of Financial Position. Finance leases as a lessee are included in property, plant, and equipment and finance lease obligations in the Consolidated Statements of Financial Position.

For the years ended June 30, 2021 and 2020

Right-of-use assets represent the University’s right to use an underlying asset for the lease term. Lease obligations represent the University’s liability to make lease payments arising from the lease. Operating and finance lease right-of-use assets and related obligations are recognized at commencement date based on the present value of lease payments over the lease term discounted using an appropriate incremental borrowing rate. The incremental borrowing rate is based on the information available at commencement date in determining the present value of lease payments. The value of an option to extend or terminate a lease is reflected to the extent it is reasonably certain management will exercise that option. Lease expense for lease payments is recognized on a straight-line basis over the lease term. Interest expense is recognized as a component of the lease payment for finance leases.

Rental income arising from operating leases as a lessor is included in operating revenue in auxiliary enterprises in the Consolidated Statements of Activities.

Conditional Asset Retirement Obligations:

The University recognizes the fair value of a liability for legal obligations associated with asset retirements in the period in which the obligation is incurred. When the liability is initially recorded, the cost of the asset retirement obligation is capitalized by increasing the carrying amount of the related long-lived asset. The liability is accreted to its present value each period, and the capitalized cost associated with the retirement obligation is depreciated over the useful life of the related asset. Upon settlement of the obligation, any difference between the cost to settle the asset retirement obligation and the liability recorded is recognized as a gain or loss in the Consolidated Statements of Activities.

The asset retirement obligation at June 30, 2021 and 2020 was \$12,487,000 and \$12,808,000, respectively, and is included in other long-term obligations in the Consolidated Statements of Financial Position.

Revenue from Contracts with Customers:

Under Accounting Standards Codification (ASC) Topic 606, revenue from contracts with customers is recognized when control of the promised goods or services is transferred in an amount that reflects the consideration to which the University expects to be entitled in exchange for those goods or services (i.e., the transaction price).

Revenue from student education, residence, and dining services is reflected net of reductions from institutional student aid and is recognized as the services are provided over the academic year, which generally aligns with the University’s fiscal year. Aid in excess of a student’s tuition and fees is reflected as a reduction of residence and dining charges.

Disbursements made directly to students for living or other costs are reported as an expense. Payments for student services are generally received prior to the commencement of each academic term and are reported as student deposits to the extent services will be rendered in the following fiscal year.

The composition of net student tuition and fees revenue was as follows for the years ended June 30, 2021 and 2020, in thousands of dollars:

	2021	2020
Undergraduate	\$ 682,769	\$ 707,357
Postgraduate	450,584	431,451
Other	19,226	29,384
Total	<u>\$ 1,152,579</u>	<u>\$ 1,168,192</u>

Net auxiliary enterprises revenue consists of the following for the years ended June 30, 2021 and 2020, in thousands of dollars:

	2021	2020
Residence and dining services, net of student aid	\$ 116,707	\$ 152,196
Arena, parking, and retail operations	37,204	72,284
Total	<u>\$ 153,911</u>	<u>\$ 224,480</u>

As a result of the COVID-19 pandemic, the University decided to close the residential campus effective March 22, 2020. Due to this closure, the University issued credits to students for room and board charges based on a prorated amount.

For the years ended June 30, 2021 and 2020

These credits amounted to \$29,276,000 for room and \$15,529,000 for board charges and resulted in a reduction of auxiliary enterprise revenue for the fiscal year ended June 30, 2020.

Sales and services include revenues from clinical operations, public broadcasting, and other miscellaneous activities. Such revenues are recognized when goods or services are provided to customers.

Revenue from Sponsored Programs:

Grants and contracts awarded by federal and other sponsors, which are generally considered nonreciprocal transactions restricted by sponsors for certain purposes, are recognized as revenue when qualifying expenditures are incurred and conditions under the agreements are met. The University has elected the simultaneous release policy available under GAAP, which allows a not-for-profit organization to recognize a restricted contribution directly in net assets without donor restrictions if the restriction is met in the same period that the revenue is recognized. Grant revenue used for the construction or acquisition of plant is reported within nonoperating activities. The University recognizes reimbursement of facilities and administrative costs relating to government and foundation contracts and grants at authorized rates each year. All funds expended in connection with government grants and contracts are subject to audit by granting agencies. In the opinion of management, any potential liability resulting from these audits will not have a material effect on the University's financial position. Total revenue from grants and contracts recognized in net assets without donor restrictions was \$547,689,000 and \$470,506,000 for the years ended June 30, 2021 and 2020, respectively. Payments received from sponsors in advance of conditions being met are reported as deferred revenue, and totaled \$57,995,000 and \$59,884,000 as of June 30, 2021 and 2020, respectively. Conditional awards from federal and other sponsors outstanding as of June 30, 2021 and 2020 were \$313,361,000 and \$445,152,000, respectively.

As a result of the COVID-19 pandemic, the University received funds under the Higher Education Emergency Relief Fund (HEERF). Under Section 18004(a)(1) of the CARES Act and Section 314(a)(1) of the CRRSAA Act, the University provided emergency financial aid grants to students of \$11,438,000 and \$14,995,000 for the years ended June 30, 2021 and 2020, respectively. These funds were recognized as revenue under sponsored program income for student aid. In addition, \$11,755,000 of these funds were used to defray expenses associated with the transition to online education and required investments in testing as well as health and safety protocols during the year ended June 30, 2021. These funds are recognized as revenue under sponsored programs-direct.

External Fringe Benefit Recoveries:

External fringe benefit recoveries includes payments from affiliated organizations for the cost of fringe benefits paid by the University under a common paymaster agreement.

Contributions:

Contributions, including unconditional promises to give, are recognized upon receipt at fair value. Contributions other than cash are recorded at fair value at the date of contribution. Contributions whose restrictions are met in the same fiscal year as their receipt are reported as contributions without donor restrictions. Contributions with donor-imposed restrictions are reported as revenues with donor restrictions and are reclassified to net assets without donor restrictions when an expenditure is incurred that satisfies the restriction or when the designated time elapses. Pledges receivable are carried at estimated net present value, net of allowance for uncollectible amounts. Conditional promises to give are not recognized until the conditions on which they depend are substantially met.

Income Taxes:

The University is generally exempt from income tax under Section 501(c)(3) of the U.S. Internal Revenue Code (IRC), except to the extent the University has unrelated business income. As of June 30, 2021 the University's federal net operating loss carryforwards prior to June 30, 2018 are \$22,377,000, and expire in various years from 2024 to 2037. These losses may be applied to offset taxable income for any unrelated business activity earned in future years. IRC Section 512(a)(6), enacted in December 2017 as part of the Tax Cut and Jobs Act, requires tax exempt organizations with multiple sources of unrelated business income to separately compute (silo) net unrelated business income and losses on an activity by activity basis; for taxable years beginning after December 31, 2017, expenses from one unrelated business activity may no longer be used to offset the income from another. Net operating loss carryforwards beginning July 1, 2018 through June 30, 2021 are \$22,130,000 and may be carried forward indefinitely, but may only be used to offset income from the activity generating the loss. The University believes that unrelated business activities

For the years ended June 30, 2021 and 2020

will generate future taxable income during the periods in which these operating loss carryforwards will become deductible and has recorded deferred tax assets totaling \$2,647,000 as of June 30, 2021 and 2020. The University has no material uncertain tax positions.

Nonoperating Activities:

Nonoperating activities reflect transactions of a long-term investment or capital nature, including contributions to be received in the future, gains and losses on interest rate exchange agreements, the excess of investment returns over the spending formula amount, and certain other activities.

Supplemental Disclosure of Cash Flow Information:

The following information is intended to supplement the Consolidated Statements of Cash Flows for the years ended June 30, 2021 and 2020, in thousands of dollars:

	2021	2020
Interest paid in cash, net of capitalized interest of \$5,811 and \$679	\$ 54,779	\$ 61,665
Noncash investing activities:		
Increase (decrease) in accounts payable for property, plant, and equipment	2,794	(7,590)
(Decrease) increase in payables for purchases of investments	(10,853)	4,014
Decrease in receivables for sales of investments.	39,350	3,323

The following table summarizes cash paid for amounts included in the measurement of lease liabilities, under ASC 842, for operating and finance leases as a lessee for the years ended June 30, 2021 and 2020, in thousands of dollars:

	2021	2020
Operating cash flows from finance leases	\$ 3,584	\$ 4,606
Operating cash flows from operating leases	22,117	16,982
Financing cash flows from finance leases.	723	2,467

Recent Accounting Pronouncements:

In November 2016, the FASB issued Accounting Standards Update (ASU) 2016-18, *Statement of Cash Flows (Topic 230): Restricted Cash* that requires the statement of cash flows to explain changes during the period for the total of cash, cash equivalents, and amounts generally described as restricted cash or restricted cash equivalents. Therefore, amounts generally described as restricted cash and restricted cash equivalents should be included with cash and cash equivalents when reconciling the beginning-of-period and end-of-period total amounts shown on the Consolidated Statement of Cash Flows.

The following table summarizes cash, cash equivalents, and restricted cash reported on the Consolidated Statement of Cash Flows as of June 30, 2021 and 2020, in thousands of dollars:

	2021	2020
Cash and cash equivalents.	\$ 253,258	\$ 440,879
Cash and cash equivalents-restricted	183,470	285,966
Total cash, cash equivalents, and restricted cash.	<u>\$ 436,728</u>	<u>\$ 726,845</u>

Reclassifications:

Certain 2020 balances previously reported have been reclassified to conform to the 2021 presentation.

For the years ended June 30, 2021 and 2020

2. Financial Assets and Liquidity Resources

As of June 30, 2021 and 2020, financial assets and liquidity resources available within one year for general expenditures, including operating expenses, scheduled principal payments on debt, and capital construction costs not financed by debt are as follows, in thousands of dollars:

	2021	2020
Financial assets, at year-end	\$ 5,273,439	\$ 4,260,130
Less: those unavailable for general expenditures within one year, due to:		
Contractual or donor-imposed restrictions:		
Donor restricted endowment	1,945,492	1,367,099
Pledges receivable due in greater than one year or restricted for use	181,858	209,856
Restricted cash and cash equivalents.	183,470	285,966
Student loans receivable due in greater than one year.	38,143	44,895
Investment in residual asset note.	41,849	52,711
Board designations:		
Quasi-endowment funds.	1,447,021	1,054,016
Add: approved endowment spending distribution for next fiscal year	94,761	88,874
Financial assets available to meet cash needs for general expenditures within one year	<u>\$ 1,530,367</u>	<u>\$ 1,334,461</u>

The University's cash flows have seasonal variations attributable primarily to the timing of tuition billing and contributions received. The University has various sources of liquidity including cash and cash equivalents, marketable debt securities, and access to lines of credit with five financial institutions. To manage liquidity, the University maintains a working capital portfolio conservatively invested corresponding to the amounts and duration of projected liquidity needs. Although the University does not intend to spend from board designated endowment funds other than amounts appropriated for operations, the University's quasi-endowment funds, as well as accumulated gains and losses with donor restrictions, could be made available, if necessary, with approval from the Board of Trustees, subject to liquidity of the underlying investments and to the extent allowed by law.

3. Investments

Basis of Reporting:

Investments consist of directly held equity and fixed income securities, registered mutual funds, exchange traded funds, commingled funds, limited partnerships, non-core institutional real estate, and funds held in trust by others. Investments are reported at estimated fair value.

If an investment is held directly by the University and an active market with quoted prices exists, the market price of an identical security is used as the reported fair value. The majority of the University's investments are in shares or units of institutional commingled funds and limited partnerships invested in equity, fixed income, hedge, natural resources, private equity, or real estate strategies. Hedge strategies involve funds whose managers have the authority to invest in various asset classes at their discretion, including the ability to invest long and short. Funds with hedge strategies generally hold securities or other financial instruments for which a ready market exists and may include stocks, bonds, put or call options, swaps, currency hedges, and other instruments, which are valued by the investment manager. Private equity funds employ buyout, growth, venture capital, and distressed security strategies. Real estate and natural resources funds generally hold interests in private real estate, oil and gas partnerships, and mineral holdings.

For the years ended June 30, 2021 and 2020

The University’s interests in commingled investment funds are generally reported at the NAV reported by the fund managers and determined to be reasonable by the University. NAV is used as a practical expedient to estimate the fair value of the University’s interest therein, unless it is probable that all or a portion of the investment will be sold for an amount different from NAV. As of June 30, 2021 and 2020, the University had no plans or intentions to sell investments at amounts different from NAV.

Although the University’s alternative fund managers generally adhere to fair value accounting in determining NAV, because of inherent uncertainties in valuation assumptions, the estimated fair values for alternative investments may differ significantly from values that would have been used had a ready market existed, and the differences could be material. Such valuations are determined by fund managers and generally consider variables such as operating results, earnings of the underlying holdings, projected cash flows, recent sales prices, and other pertinent information.

The fair value of non-core institutional real estate is based on independent appraisals and broker opinions of value, including recent sales of relevant properties in the same region and in an active market. The determination of whether a real estate market is active is based on the median number of days to sale for properties with a similar geographic location, type, size, condition, and long-term occupancy rate. When independent appraisals have not been carried out and where comparable sales information is not available, a direct capitalization model is used, with significant assumptions including rental rates ranging from \$15 to \$62 per square foot and weighted average capitalization rates of 6.5%. Significant changes in these inputs may result in a significantly lower or higher fair value measure.

Cash and investments included in the Consolidated Statements of Financial Position at June 30, 2021 and 2020 were as follows, in thousands of dollars:

	<u>2021</u>	<u>2020</u>
Cash and cash equivalents	\$ 253,258	\$ 440,879
Cash and cash equivalents-restricted	183,470	285,966
Short-term investments	884,959	464,657
Investment in residual asset note	41,849	52,711
Long-term investments	<u>3,514,608</u>	<u>2,572,754</u>
	4,878,144	3,816,967
Less: assets not reported at fair value:		
Investment in residual asset note	(41,849)	(52,711)
Real estate partnerships accounted for under the equity method	<u>(27,300)</u>	<u>(26,966)</u>
Total cash and investments at fair value	<u>\$ 4,808,995</u>	<u>\$ 3,737,290</u>

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For the years ended June 30, 2021 and 2020

The following tables summarize the University's cash and investments in the fair value hierarchy as of June 30, 2021 and 2020, in thousands of dollars:

As of June 30, 2021	Investments	Investments Classified in the Fair Value Hierarchy			Total Fair Value
	Measured at NAV	Level 1	Level 2	Level 3	
Assets at fair value:					
Cash and cash equivalents	\$	\$ 436,728	\$	\$	\$ 436,728
Common and preferred equities:					
Domestic	190,791	94,155			284,946
International	414,271	112,159	71,460		597,890
	<u>605,062</u>	<u>206,314</u>	<u>71,460</u>		<u>882,836</u>
Fixed income:					
Domestic		877	2,189		3,066
International		6	293		299
U.S. government and agencies		1,025,749	11,483		1,037,232
		<u>1,026,632</u>	<u>13,965</u>		<u>1,040,597</u>
Alternatives:					
Hedge	910,319				910,319
Natural resources	57,492				57,492
Private	1,031,970			333	1,032,303
Real estate	92,234			342,641	434,875
	<u>2,092,015</u>			<u>342,974</u>	<u>2,434,989</u>
Funds held in trust by others				13,845	13,845
Total assets at fair value	\$ 2,697,077	\$ 1,669,674	\$ 85,425	\$ 356,819	\$ 4,808,995

As of June 30, 2020	Investments	Investments Classified in the Fair Value Hierarchy			Total Fair Value
	Measured at NAV	Level 1	Level 2	Level 3	
Assets at fair value:					
Cash and cash equivalents	\$	\$ 726,845	\$	\$	\$ 726,845
Common and preferred equities:					
Domestic	138,603	50,416			189,019
International	333,332	74,284	65,856		473,472
	<u>471,935</u>	<u>124,700</u>	<u>65,856</u>		<u>662,491</u>
Fixed income:					
Domestic		889	2,006		2,895
International		19	300		319
U.S. government and agencies		579,507	656		580,163
		<u>580,415</u>	<u>2,962</u>		<u>583,377</u>
Alternatives:					
Hedge	674,620				674,620
Natural resources	59,445				59,445
Private	600,540			333	600,873
Real estate	75,191			342,641	417,832
	<u>1,409,796</u>			<u>342,974</u>	<u>1,752,770</u>
Funds held in trust by others				11,807	11,807
Total assets at fair value	\$ 1,881,731	\$ 1,431,960	\$ 68,818	\$ 354,781	\$ 3,737,290

For the years ended June 30, 2021 and 2020

The following tables present a summary of the University's activity for the years ended June 30, 2021 and 2020 for investment categorized in Level 3, in thousands of dollars:

2021	Alternatives		Funds	Total
	Private	Real Estate	Held in Trust by Others	Assets in Level 3
Fair value, July 1, 2020	\$ 333	\$ 342,641	\$ 11,807	\$ 354,781
Additions		2,090		2,090
Unrealized loss		(2,090)	2,038	(52)
Fair value, June 30, 2021	\$ 333	\$ 342,641	\$ 13,845	\$ 356,819

2020	Alternatives		Funds	Total
	Private	Real Estate	Held in Trust by Others	Assets in Level 3
Fair value, July 1, 2019	\$ 333	\$ 289,961	\$ 12,528	\$ 302,822
Additions		53,288		53,288
Sales or redemptions		(608)		(608)
Unrealized gains			(721)	(721)
Fair value, June 30, 2020	\$ 333	\$ 342,641	\$ 11,807	\$ 354,781

Investment Related Derivatives:

The endowment employs certain derivative financial instruments to replicate long asset positions more cost effectively than through purchases or sales of the underlying assets.

As a result of entering investment derivative agreements, the University is subject to market volatility consistent with the underlying asset classes. The University has established policies, procedures, and internal controls governing the use of derivatives.

The purchase and sale of exchange-traded derivatives require collateral deposits with the Futures Commission Merchant (FCM). Collateral is posted and moved on a daily basis as required by the rules of the exchange on which the derivatives are traded. In the event of the FCM's insolvency, recovery may be limited to the University's pro-rata share of segregated customer funds available. It is possible that the recovery amount could be less than the total cash or other collateral posted. The collateral is generally in the form of debt obligations issued by the U.S. Treasury or cash. Cash collateral and certain securities owned by the University were held at counterparty brokers to collateralize these positions and are included in cash and cash equivalents-restricted on the Consolidated Statements of Financial Position.

As of June 30, 2021, the aggregate notional exposure on long-term assets was \$12,097,000. The associated unrealized loss on these assets was \$368,000 as of June 30, 2021. During the fiscal year 2020, the University sold certain derivative investments eliminating the notional exposure as of June 30, 2020. Realized losses on these assets were \$14,010,000 for the year ended June 30, 2020.

Residual Asset Note:

In June 2006, the University securitized its interest in an investment banking partnership that owned rights to residual future cash flows. To effect the securitization, the rights to receive the future cash flows were transferred from the University to a 100% owned, bankruptcy remote, special purpose limited liability corporation called BU Funding, LLC (LLC). To finance the transaction, the LLC issued a zero coupon note to Deutsche Bank Litigation Fee Trust (DBLF), collateralized by the LLC's rights to the future cash flow stream. The note had an initial face value of \$88,227,000, the aggregate amount of scheduled cash flows to be received between 2007 and 2021. The purchase price of the note was \$25,244,000 and is non-recourse to the University. As of June 30, 2021 and 2020, the carrying value of the investment in residual asset note receivable is \$41,849,000 and \$52,711,000, respectively.

For the years ended June 30, 2021 and 2020

The LLC is consolidated in the financial statements of the University. The LLC's discounted note obligation is recorded as a liability and its investment has been recorded as an asset on the Consolidated Statements of Financial Position. The valuation of this investment was based on a present value analysis using readily available observable market discount factors applied to contractually committed cash inflows and outflows. The discount on the note is amortized over its scheduled maturity using the effective interest method and the note obligation decreases as future residual cash flows are received. As a result, the value of the note obligation is expected to decline to a balance of zero in fiscal 2022. Upon expected extinguishment of the note in fiscal 2022, the University remains the beneficiary of \$39,800,000 of cash flows scheduled for 2022–2025.

Real Estate Partnerships:

The University owns shares ranging from 45% to 50% in certain University business-related real estate partnerships with a related party, which have been accounted for using the equity method. The University's ownership interest in these partnerships has been recorded within long-term investments on the Consolidated Statements of Financial Position.

Investment Return:

The following summarizes, in thousands of dollars, the investment return, as reflected in the Consolidated Statements of Activities:

For the year ended June 30, 2021	Without Donor Restrictions	With Donor Restrictions	Total
Dividend and interest income	\$ 10,448	\$ 6,724	\$ 17,172
Net realized and unrealized gains on investments and other assets	403,587	555,653	959,240
Total return on investments and other assets . . .	414,035	562,377	976,412
Less: spending formula	(38,508)	(52,643)	(91,151)
Less: other non-endowment income	(5,575)	—	(5,575)
	(44,083)	(52,643)	(96,726)
Excess of investment return over spending formula amount	\$ 369,952	\$ 509,734	\$ 879,686
For the year ended June 30, 2020	Without Donor Restrictions	With Donor Restrictions	Total
Dividend and interest income	\$ 29,587	\$ 11,299	\$ 40,886
Net realized and unrealized gains on investments and other assets	64,045	80,915	144,960
Total return on investments and other assets . . .	93,632	92,214	185,846
Less: spending formula	(36,159)	(48,759)	(84,918)
Less: other non-endowment income	(23,991)	(141)	(24,132)
	(60,150)	(48,900)	(109,050)
Excess of investment return over spending formula amount	\$ 33,482	\$ 43,314	\$ 76,796

For the years ended June 30, 2021 and 2020

Commitments:

Private equity, natural resources, and real estate investments are generally made through private limited partnerships. Under the terms of the partnership agreements, the University makes a commitment of a specific amount of capital to a partnership and is obligated to remit committed funding periodically when capital calls are exercised by the General Partner as the partnership executes on its investment strategy. Private equity, natural resources, and real estate funds are typically structured with investment periods of 3 to 7 years. Subsequent to the expiration of the investment period, a fund is usually prohibited from calling capital for new investments. The aggregate amount of unfunded commitments associated with private limited partnerships as of June 30, 2021 and 2020 was \$502,520,000 and \$436,463,000, respectively. Of this amount, approximately 10% of commitments as of June 30, 2021 and 2020, was for funds whose investment period had expired. The timing and amount of capital calls expected to be exercised in any particular future year is uncertain.

Liquidity:

Investment liquidity is aggregated below based on redemption or sale period, in thousands of dollars:

As of June 30, 2021	Daily	Monthly	Quarterly	Annually	>1 Year	Total
Cash and cash equivalents*	\$ 436,728	\$	\$	\$	\$	\$ 436,728
Common and preferred equities:						
Domestic	93,009	1,218	105,226	85,493		284,946
International	112,142	232,165	79,443	41,140	133,000	597,890
	205,151	233,383	184,669	126,633	133,000	882,836
Fixed income:						
Domestic	3,045	21				3,066
International	293	6				299
U.S. government and agencies .	1,037,232					1,037,232
	1,040,570	27				1,040,597
Alternatives:						
Hedge			169,641	398,786	341,892	910,319
Natural resources.					57,492	57,492
Private					1,032,303	1,032,303
Real estate				340,465	94,410	434,875
			169,641	739,251	1,526,097	2,434,989
Funds held in trust by others					13,845	13,845
Total assets at fair value	\$1,682,449	\$ 233,410	\$ 354,310	\$ 865,884	\$1,672,942	\$4,808,995

*Cash and cash equivalents includes \$182,546,000 of collateral posted with counterparties under the terms of certain derivative agreements; these funds are held in escrow and earn interest at short-term rates.

For the years ended June 30, 2021 and 2020

As of June 30, 2020	Daily	Monthly	Quarterly	Annually	>1 Year	Total
Cash and cash equivalents*	\$ 726,845	\$	\$	\$	\$	\$ 726,845
Common and preferred equities:						
Domestic	49,644	886	75,161	63,328		189,019
International	74,257	226,833	50,003	29,596	92,783	473,472
	<u>123,901</u>	<u>227,719</u>	<u>125,164</u>	<u>92,924</u>	<u>92,783</u>	<u>662,491</u>
Fixed income:						
Domestic	2,838	57				2,895
International	300	19				319
U.S. government and agencies .	580,163					580,163
	<u>583,301</u>	<u>76</u>				<u>583,377</u>
Alternatives:						
Hedge			137,438	380,964	156,218	674,620
Natural resources.					59,445	59,445
Private					600,873	600,873
Real estate				340,465	77,367	417,832
			<u>137,438</u>	<u>721,429</u>	<u>893,903</u>	<u>1,752,770</u>
Funds held in trust by others					11,807	11,807
Total assets at fair value	<u>\$1,434,047</u>	<u>\$ 227,795</u>	<u>\$ 262,602</u>	<u>\$ 814,353</u>	<u>\$ 998,493</u>	<u>\$3,737,290</u>

*Cash and cash equivalents includes \$285,043,000 of collateral posted with counterparties under the terms of certain derivative agreements; these funds are held in escrow and earn interest at short-term rates.

Certain hedge funds contain lockup provisions. Under such provisions, share classes of the investment are available for redemption at various times in accordance with the management agreement with the fund.

The University has sole discretion to liquidate its direct holdings in non-core real estate included in the table above. These assets are located in the greater Boston market. While activity has been reduced in this market due to COVID-19, there continue to be enough market participants to provide opportunities for sale under the right conditions. Notwithstanding that relevant market assumptions have been incorporated where applicable, determining the fair values of such assets involves significant judgment, and their ultimate sales price may be materially different than the values reported.

Investments in the “>1 Year” category include non-redeemable assets totaling \$1,201,536,000 and \$770,729,000, as well as investments with rolling lockup periods totaling \$471,406,000 and \$227,764,000 as of June 30, 2021 and 2020, respectively.

4. Endowment Funds

Total endowment assets as of June 30, 2021 and 2020 are \$3,397,221,000 and \$2,440,824,000, respectively. A pooled endowment fund is included as part of the University’s investments. The amounts distributed from the investment return of pooled investments in any one year may include interest, dividends, and a portion of accumulated investment gains. The distribution amount is established annually and is between 3% and 5% of the market value per share as of the most recent December 31. The actual distribution amount is recommended by management, and approved by the Trustee Executive Committee. If interest, dividends, and gains are not sufficient to support the current year drawdown, the balance is provided from prior year accumulated earnings. Income attributable to shares from new donor-restricted and institution designated endowment funds during the first six months after establishment is not spent; such income is included in net assets without donor restrictions or with donor restrictions, depending on the nature of the endowment fund. For the fiscal years ended June 30, 2021 and 2020, respectively, the distribution as a percentage of the prior December 31 fair value of the pooled endowment fund was 3.7% and 4.0%.

For the years ended June 30, 2021 and 2020

The University’s endowment includes both donor-restricted endowment funds and funds designated by the Board of Trustees to function as endowments. As required by GAAP, net assets associated with endowment funds, including funds designated by the Board of Trustees to function as endowments, are classified and reported based on the existence or absence of donor-imposed restrictions.

The University classifies as net assets with donor restrictions (a) the original value of contributions donated to the permanent endowment, (b) the original value of subsequent contributions to the permanent endowment, and (c) accumulations to the permanent endowment made in accordance with the direction of the applicable donor gift instrument at the time the accumulation is added to the fund. Original gift amounts consist of donor restricted gifts to the University’s endowment to be held in perpetuity as well as gifts held in the endowment subject to donor time and purpose restrictions. Also included in net assets with donor restrictions is accumulated appreciation on donor restricted endowment funds until those amounts are appropriated for expenditure by the University in a manner consistent with the standard of prudence prescribed by the Uniform Prudent Management of Institutional Funds Act (UPMIFA). In accordance with UPMIFA, the University considers the following factors in making a determination to appropriate or accumulate donor-restricted endowment funds:

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

The University has investment and spending policies for its endowment and similar funds that emphasize long-term capital appreciation as a primary source of return while balancing the dual objectives of growth in capital and principal preservation. Investments are expected to earn inflation-adjusted long-term returns sufficient to maintain or grow the purchasing power of assets, net of spending and investment expenses, within acceptable risk parameters. To satisfy its long-term rate of return objectives, the University relies on a total return strategy in which investment returns are achieved through both capital appreciation and current yield. The University targets a diversified asset allocation of U.S. treasury bills, common and preferred equities, fixed income, hedge funds, natural resources, private equity, and real estate. The portfolio is expected to produce risk-adjusted returns that exceed the policy benchmarks, a blended rate of indices.

The following table represents endowment net asset composition by type of fund as of June 30, 2021, in thousands of dollars:

	Without Donor Restrictions	With Donor Restrictions		Total with Donor Restrictions	Total
		Original Gift	Accumulated Gains		
Quasi	\$ 1,447,021	\$	\$	\$	\$1,447,021
Donor restricted:					
All other funds	<u> </u>	<u>764,519</u>	<u>1,180,973</u>	<u>1,945,492</u>	<u>1,945,492</u>
Endowment net assets at end of year	<u>\$ 1,447,021</u>	<u>\$ 764,519</u>	<u>\$ 1,180,973</u>	<u>\$ 1,945,492</u>	<u>\$3,392,513</u>

There were no underwater endowment funds reported in net assets with donor restrictions as of June 30, 2021 and 2020.

BOSTON UNIVERSITY • NOTES TO CONSOLIDATED FINANCIAL STATEMENTS *CONTINUED*

For the years ended June 30, 2021 and 2020

The following table represents changes in endowment net assets for the fiscal year ended June 30, 2021, in thousands of dollars:

	Without Donor Restrictions	With Donor Restrictions	Total
Endowment net assets at beginning of year	\$ 1,054,016	\$ 1,367,099	\$ 2,421,115
Reinvested income distribution	8,858	2,426	11,284
Realized and unrealized gains	408,460	562,377	970,837
Less: spending formula	(38,508)	(52,643)	(91,151)
Undistributed investment income.	378,810	512,160	890,970
Contributions	10,415	36,759	47,174
Pledge payments	71	30,811	30,882
Other additions (deductions), transfers, and net asset reclassifications	3,709	(1,337)	2,372
Endowment net assets at end of year	<u>\$ 1,447,021</u>	<u>\$ 1,945,492</u>	<u>\$ 3,392,513</u>

The following table represents endowment net asset composition by type of fund as of June 30, 2020, in thousands of dollars:

	Without Donor Restrictions	With Donor Restrictions			Total
		Original Gift	Accumulated Gains	Total with Donor Restrictions	
Quasi	\$ 1,054,016	\$	\$	\$	\$1,054,016
Donor restricted:					
All other funds		690,652	676,447	1,367,099	1,367,099
Endowment net assets at end of year	<u>\$ 1,054,016</u>	<u>\$ 690,652</u>	<u>\$ 676,447</u>	<u>\$ 1,367,099</u>	<u>\$ 2,421,115</u>

The following table represents changes in endowment net assets for the fiscal year ended June 30, 2020, in thousands of dollars:

	Without Donor Restrictions	With Donor Restrictions	Total
Endowment net assets at beginning of year	\$ 991,076	\$ 1,301,461	\$ 2,292,537
Reinvested income distribution	7,959	1,788	9,747
Realized and unrealized gains	69,641	92,073	161,714
Less: spending formula	(36,159)	(48,759)	(84,918)
Undistributed investment income.	41,441	45,102	86,543
Contributions	5,445	8,902	14,347
Pledge payments	46	16,841	16,887
Net assets released from restrictions-other	4,151	(4,151)	
Other additions (deductions), transfers, and net asset reclassifications	11,857	(1,056)	10,801
Endowment net assets at end of year	<u>\$ 1,054,016</u>	<u>\$ 1,367,099</u>	<u>\$ 2,421,115</u>

For the years ended June 30, 2021 and 2020

5. Accounts Receivable and Pledges Receivable

Accounts Receivable:

Accounts and loans receivable at June 30, 2021 and 2020, in thousands of dollars, consist of the following:

	2021	2020
Accounts receivable, net:		
Students	\$ 21,245	\$ 19,135
Less: allowances	(7,116)	(6,469)
	14,129	12,666
Grants and contracts	91,398	77,517
Unsettled investment trades	7,712	47,062
Departmental sales, services, and other	55,476	42,598
Less: allowances	(8,735)	(8,941)
	145,851	158,236
Student loans	50,316	58,705
Less: allowances	(4,377)	(5,289)
	45,939	53,416
Total accounts and loans receivable, net	\$ 205,919	\$ 224,318

Federally sponsored student loans receivable represented \$20,924,000 and \$27,088,000 as of June 30, 2021 and 2020, respectively, of total student loans receivable, which consist of amounts due from current and former students under various federal government loan programs, including Perkins and health professional programs offered to graduate and undergraduate students. The University's advances under Perkins and other federally funded student loan programs were \$25,916,000 and \$34,012,000 as of June 30, 2021 and 2020, respectively, and are included in other long-term obligations on the Consolidated Statements of Financial Position. The University has the right to assign loans disbursed under these programs to the federal government upon default by the borrower; therefore, no allowance has been provided for these loans.

Departmental sales, services, and other receivables include outstanding notes, mortgages, and advances bearing interest at rates up to 4.46% at June 30, 2021 and 2020, respectively, to certain employees. The aggregate amount as of June 30, 2021 and 2020 is \$9,471,000 and \$9,104,000, respectively.

Pledges Receivable:

Pledges consist of unconditional written promises by donors to contribute to the University in the future. At June 30, 2021 and 2020, pledges, in thousands of dollars, are expected to be realized in the following time frame:

	2021	2020
In one year or less	\$ 52,748	\$ 59,272
Between one year and five years	130,813	171,734
More than five years	41,620	29,075
	225,181	260,081
Discount to present value (at rates ranging from 1.07% to 4.02%) . .	(13,387)	(18,490)
Less: allowance for unfulfilled pledges	(22,418)	(22,746)
Total pledges receivable, net	\$ 189,376	\$ 218,845

As of June 30, 2021 and 2020, over 70% of the University's gross pledges receivable was due from four and five donors, respectively.

For the years ended June 30, 2021 and 2020

6. Property, Plant, and Equipment

Property, plant, and equipment and related accumulated depreciation and amortization of right-of-use assets at June 30, 2021 and 2020, in thousands of dollars, consist of the following:

	2021	2020
Land	\$ 217,191	\$ 217,191
Buildings and improvements	3,578,300	3,477,121
Construction in progress	379,725	315,345
Software	57,558	57,558
Equipment	320,446	321,597
Library books	273,018	261,005
	<u>4,826,238</u>	<u>4,649,817</u>
Less: accumulated depreciation	(1,976,078)	(1,858,413)
Less: amortization of right-of-use assets	(27,033)	(25,226)
Total property, plant, and equipment, net.	<u>\$ 2,823,127</u>	<u>\$ 2,766,178</u>

As of June 30, 2021 and 2020, gross land, buildings and improvements and equipment include \$95,116,000, associated with equipment and office, research, and retail space finance leases.

7. Other Long-Term Obligations

Other long-term obligations at June 30, 2021 and 2020, in thousands of dollars, were as follows:

	2021	2020
Federal loan advances	\$ 25,916	\$ 34,012
Conditional asset retirement obligation	12,487	12,808
Annuities and split-interest agreements payable	6,725	7,645
Residual asset note obligation	4,132	16,014
Other	1,675	1,689
Total other long-term obligations	<u>\$ 50,935</u>	<u>\$ 72,168</u>

For the years ended June 30, 2021 and 2020

8. Indebtedness

Bonds and Notes Payable:

The principal amounts of bonds and notes payable at June 30, 2021 and 2020, in thousands of dollars, are summarized in the table below. Tax exempt and certain taxable bonds were issued through the Massachusetts Development Finance Agency (MDFA) and through the Massachusetts Health and Educational Facilities Authority (HEFA) prior to its merger with MDFA.

	Final Bond Maturity	Interest Rate at June 30, 2021	Interest Rate at June 30, 2020	Outstanding Principal	
				2021	2020
Fixed rate bonds and notes payable:					
MDFA Series P, blended fixed rate	05/15/2059	5.63%	5.63%	\$ 100,000	\$ 100,000
MDFA Series W (taxable)	10/01/2045	5.20%	5.20%	100,470	100,470
MDFA Series X, blended fixed rate	10/01/2048	4.78%	4.78%	111,485	111,485
MDFA Series BB-1	10/01/2046	4.54%	4.54%	111,270	111,270
MDFA Series BB-2	10/01/2040	3.95%	3.95%	52,260	52,260
MDFA Series BB-3	10/01/2029	5.00%	5.00%	38,290	38,290
MDFA Series DD-1	10/01/2042	5.00%	5.00%	63,965	63,965
MDFA Series DD-2	10/01/2033	5.00%	5.00%	21,800	21,800
Series CC (taxable)	10/01/2048	4.06%	4.06%	300,000	300,000
Series EE (taxable)	10/01/2050	3.17%	3.17%	150,000	150,000
Series EE (taxable)	10/01/2035	2.58%	2.58%	50,000	50,000
Century notes (taxable)	07/15/2097	7.63%	7.63%	100,000	100,000
Boston Redevelopment Authority					
note (taxable)	06/15/2021	0.00%	0.00%		1,145
WBUR PPP Loan	08/03/2026	1.00%	n/a	179	
Various notes payable (taxable)	various	various	various	368	598
Total fixed rate bonds and notes payable				<u>1,200,087</u>	<u>1,201,283</u>
Variable rate bonds and notes payable:					
HEFA Series N (taxable)	10/01/2034	0.07%	0.15%	25,515	26,650
MDFA Series U-1	10/01/2040	0.64%	0.72%	50,000	50,000
MDFA Series U-2	10/01/2040	0.17%	0.51%	50,000	50,000
MDFA Series U-3	10/01/2040	0.01%	0.10%	50,000	50,000
MDFA Series U-5A	10/01/2031	0.58%	0.64%	26,800	28,600
MDFA Series U-5B	10/01/2031	0.58%	0.64%	28,000	29,900
MDFA Series U-6A	10/01/2042	0.52%	0.62%	62,850	62,850
MDFA Series U-6C	10/01/2042	0.03%	0.10%	52,545	52,545
MDFA Series U-6E	10/01/2042	0.02%	0.10%	62,695	62,695
Royal Bank of Scotland (taxable)	08/15/2029	0.54%	0.74%	21,870	21,289
MDFA Series Y	10/01/2039	0.47%	0.57%	35,000	35,000
MDFA Series AA-1	10/01/2039	0.17%	0.49%	81,370	81,370
MDFA Series AA-2	10/01/2039	0.42%	0.75%	81,370	81,370
Total variable rate bonds and notes payable				<u>628,015</u>	<u>632,269</u>
Total bonds and notes payable				1,828,102	1,833,552
Add: unamortized bond premium and discount, net				37,413	41,954
Less: unamortized bond issuance costs				(4,393)	(4,627)
Less: trust assets to refund Century notes				(100,000)	(100,000)
Total bonds and notes payable, net				<u>\$ 1,761,122</u>	<u>\$ 1,770,879</u>

For the years ended June 30, 2021 and 2020

Certain bond and bank obligations are collateralized by a pledge on tuition revenues, and certain other notes payable are collateralized by plant and property with a net carrying value of \$40,399,000 and \$41,552,000 as of June 30, 2021 and 2020, respectively. The University’s bank agreements require annual compliance with financial covenants, including a minimum level of debt service coverage and a minimum level of expendable resources relative to debt. The University was in compliance with all debt covenants as of June 30, 2021 and 2020.

Scheduled principal payments on bonds and notes payable, in thousands of dollars, are presented in the table below:

Fiscal Year	Scheduled Principal Maturities
2022	\$ 7,940
2023	8,079
2024	8,590
2025	8,925
2026	18,655
Thereafter	<u>1,775,913</u>
Total	<u>\$ 1,828,102</u>

Scheduled principal maturities represent aggregate annual payments as required under long-term debt repayment schedules. As of June 30, 2021, the University’s debt portfolio includes variable rate demand bonds (VRDBs) of \$190,755,000, Series N, U-3, U-6C, and U-6E, that are supported by irrevocable letters of credit (LOCs). The LOCs are provided by a diverse group of financial institutions to secure bond repayment and interest obligations and have various maturity dates between December 2021 and January 2023. In the event that a VRDB cannot be remarketed, the bond may be “put” to the LOC provider, resulting in a loan to the University to fund redemption of the bond. If all outstanding VRDBs had been “put” as of June 30, 2021, aggregate scheduled loan repayments under the VRDB-related LOCs would be as follows: \$31,793,000, \$63,585,000, \$63,585,000, and \$31,792,000 in fiscal years 2022, 2023, 2024, and 2025, respectively. There have been no instances where a bond failed to be remarketed and was put back to the University.

In August 2019, the University issued \$63,965,000 Series DD-1 and \$21,800,000 Series DD-2 tax exempt fixed rate bonds. The bonds were issued at a premium, generating proceeds of \$73,370,000 and \$25,000,000, respectively, which were used to refinance Series Z-1, Series Z-2, and Series H bonds. An associated fixed receiver swap with a notional amount of \$97,110,000 was entered into when the Series DD-1 and Series DD-2 bonds were issued to offset existing long dated fixed payer swaps.

In June 2020, the University issued Series EE of taxable bonds totaling \$200,000,000, structured with two maturities: \$50,000,000 maturing in 15 years (2035) at a rate of 2.58%, and \$150,000,000 maturing in 30 years (2050) at a coupon rate of 3.17%, resulting in an annual net effective rate of 3.04%. Net proceeds of \$154,444,000 from this issuance, as determined and reported by an independent third-party escrow verification agent, were placed in an irrevocable trust for the defeasance of all interest and principal payment obligations of the Century notes through the call date of July 15, 2027. On the call date, the escrow agent will release the final payments due on the Century notes at a redemption price equal to 102.78% of par. Per the Refunding Escrow Agreement and consistent with the determination of the independent third-party escrow verification agent, the funds within the trust have been invested by the escrow agent primarily in U.S. Government securities and, including earnings, will be sufficient to pay all debt service requirements of the Century notes, including interest and principal, in full through the call date. Trust assets equal to the par value of the Century notes, \$100,000,000, are presented in the University’s Consolidated Statements of Financial Position as a contra-liability reduction of bonds and notes payable, net. The remaining \$54,444,000 of trust assets will be used to fund interest expense over the life of the notes and are included in the University’s Consolidated Statements of Financial Position within prepaid expenses and other assets. The balance of the trust assets remaining as of June 30, 2021 was \$144,247,000. The remaining proceeds of approximately \$45,556,000 from the Series EE issuance will be utilized for operations.

For the years ended June 30, 2021 and 2020

Bank Lines:

The University has a total of \$160,000,000 in committed lines of credit with five financial institutions. There were no draws or outstanding loans under these lines of credit as of and for the years ended June 30, 2021 and 2020. The current expiration dates for all lines of credit are in June 2024. The University plans to renew the lines of credit upon expiration.

Debt-Related Derivatives:

The University has entered into various long-term interest rate exchange agreements to hedge all or a portion of the variable interest rate exposure on certain debt issues, thereby managing the interest cost and risk associated with its outstanding debt. The contracts require the University to make fixed rate interest payments in exchange for variable rate interest payments on the respective notional principal amounts. The variable rate payments received are expected to approximate the interest payable on the underlying variable rate debt. Scheduled reductions of the notional amounts under the swap agreements also generally match the scheduled amortization of the underlying debt.

Below is a summary of the terms of the University's outstanding debt-related derivatives as of June 30, 2021 and 2020, in thousands of dollars:

Swap	Notional Amount	Fair Value		Effective Date	Termination Date	University Pays	University Receives
		6/30/21	6/30/20				
Series DD-1	\$ 92,010	\$ (1,930)	\$ (2,925)	08/01/2019	10/01/2023	SIFMA	1.15%
Series DD-2	25,000	6,910	8,835	10/03/2008	12/01/2027	5.28%	SIFMA
Series N	18,915	5,829	7,751	10/03/2008	10/01/2027	6.79%	LIBOR
Series U1-3	75,000	29,969	39,391	10/03/2008	10/01/2040	4.01%	69% of 1-Mo. USD LIBOR
Series U1-3	75,000	29,450	38,964	10/01/2007	10/01/2040	3.94%	69% of 1-Mo. USD LIBOR
Series U5-AB	54,800	10,445	14,092	10/03/2008	10/01/2031	4.10%	67% of 1-Mo. USD LIBOR
Series U6	59,750	43,250	55,977	10/03/2008	10/01/2042	5.39%	SIFMA
Series U6	90,000	65,959	85,237	10/03/2008	10/01/2042	5.44%	SIFMA
Series U6	30,000	21,984	28,399	07/01/2008	10/01/2042	5.44%	SIFMA - 1-Mo.
Series U6	59,750	43,246	55,951	07/01/2008	10/01/2042	5.39%	SIFMA - 1-Mo.
Series U6	5,600	194	456	10/03/2008	10/01/2022	4.16%	67% of 1-Mo. USD LIBOR
Series Y	35,000	18,085	23,611	10/01/2014	10/01/2039	4.70%	SIFMA - 1-Mo.
Series AA-1	81,370	42,050	54,562	10/01/2015	10/01/2039	4.95%	67% of 1-Mo. USD LIBOR - .027%*
Series AA-2	81,370	41,241	53,112	10/01/2015	10/01/2039	4.95%	79% of 1-Mo. USD LIBOR + .032%**
Royal Bank of Scotland	21,870	4,554	5,548	08/15/2006	08/15/2029	5.645%	3-Mo. GBP LIBOR +45 basis points
Less: credit valuation adjustment . . .		(4,460)	(8,131)				
Total		<u>\$ 356,776</u>	<u>\$ 460,830</u>				

*Until April 1, 2025; thereafter SIFMA

**Until April 1, 2026; thereafter SIFMA

SIFMA—Securities Industry and Financial Markets Association Municipal Swap Index

LIBOR—London Interbank Offered Rate

For the years ended June 30, 2021 and 2020

Interest rate exchange liabilities are valued using observable inputs, such as quotations received from the counterparty, dealers, or brokers, whenever available and considered reliable. In instances where models are used to validate third-party quotations, the value of the interest rate exchange liability depends upon the contractual terms of, and specific risks inherent in, the instrument, as well as the availability and reliability of observable inputs. Such inputs include market prices for reference securities, credit curves, assumptions for nonperformance risk, and correlations of such inputs. The fair value of interest rate exchange agreements is categorized within Level 2 of the valuation hierarchy.

In 2021 and 2020, the University's net settlement payments on interest rate exchange agreements were \$33,655,000 and \$27,353,000, respectively. These net settlement costs have been reported in nonoperating activities in net realized and unrealized gains on interest rate agreements on the Consolidated Statements of Activities.

For purposes of the Consolidated Statements of Cash Flows, net settlements under the University's interest rate exchange agreements are generally included in cash flows from operating activities. However, in October 2008, the University elected to terminate its existing interest rate exchange agreements with a subsidiary of Lehman Brothers after that firm's bankruptcy and simultaneously entered replacement agreements with new counterparties who provided cash to facilitate settlement of the existing agreements. Accordingly, future net settlements under various replacement agreements, with a total notional amount of \$308,750,000 at June 30, 2021, are considered financing activities. During 2021 and 2020, respectively, \$12,138,000 and \$9,654,000 of the net settlement payments were classified as cash flows used in financing activities.

The University's interest rate exchange agreements necessarily involve counterparty credit exposure. The counterparties for the University's agreements are a diversified group of major financial institutions that meet the University's criteria for financial stability and creditworthiness. Interest rate exchange agreements provide for two-way collateral posting requirements intended to mitigate credit risk. At June 30, 2021 and 2020, the University was required to post collateral of \$181,891,000 and \$285,043,000, respectively. Posted collateral balances are included on the Consolidated Statements of Financial Position in cash and cash equivalents-restricted. Contractual bilateral collateral posting levels are based on counterparty public debt ratings; current University posting amounts could increase or decrease should the University's credit ratings change. Additionally, interest rate exchange contracts provide for early termination should a counterparty's credit ratings fall below investment grade.

9. Defined Contribution Plan

All employees who work at least 50% of a full-time schedule and have an appointment or an expected assignment duration of at least nine months are eligible to participate in defined contribution benefit plans. The University traditionally contributes a specified percentage of each employee's salary to the plan. In response to COVID-19, the University suspended these contributions for the fiscal year 2021. These contributions have been reinstated for fiscal year 2022. Contributions for the year ended June 30, 2020 were \$82,019,000.

For the years ended June 30, 2021 and 2020

10. Leases

Leases:

The University is committed to minimum annual rent payments under several long-term non-cancellable operating and capital leases for educational and office space through fiscal year 2066.

The components of lease expense are as follows, in thousands of dollars:

	2021	2020
<i>Lease cost:</i>		
Finance lease expense:		
Amortization of right-of-use assets	\$ 1,807	\$ 2,141
Interest on lease liabilities	3,584	4,606
Operating lease expense	23,393	18,043
Short-term lease expense	2,469	3,920
Total lease expense	\$ 31,253	\$ 28,710

Other Information:

Right-of-use assets obtained in exchange for new operating lease liabilities . . .	\$ 43,375	\$ 10,055
Weighted-average remaining lease term-finance leases	44 years	45 years
Weighted-average remaining lease term-operating leases	9.1 years	7.8 years
Weighted-average discount rate-finance leases	4.28%	4.28%
Weighted-average discount rate-operating leases	1.97%	3.21%

Payments due include options to extend leases that are reasonably certain through fiscal year 2066, in thousands of dollars, and are summarized below as of June 30, 2021:

Fiscal Year	Operating	Finance
2022	\$ 16,858	\$ 4,189
2023	14,920	4,064
2024	13,248	4,064
2025	13,363	4,064
2026	13,628	4,064
Thereafter	66,047	160,343
	138,064	180,788
Less: amounts representing interest . .	(11,881)	(100,445)
Total	\$ 126,183	\$ 80,343

The University is the lessor in several long-term non-cancellable leases for commercial space through fiscal year 2040. Future minimum rental revenue due, excluding from ground leases discussed in note 11, is summarized below as of June 30, 2021, in thousands of dollars:

Fiscal Year	Operating
2022	\$ 9,448
2023	8,203
2024	7,488
2025	6,770
2026	4,867
Thereafter	30,389
Total	\$ 67,165

For the years ended June 30, 2021 and 2020

11. Commitments and Contingencies

Deferred Ground Lease Revenue:

In December 2012, in connection with the sale of a non-core asset, the University entered into a 75-year ground agreement to lease the related land to the purchaser of the building. The lease term is through 2087. In connection with this transaction, the University received a prepaid lease payment of \$38,625,000 that will be amortized on a straight-line basis over the term of the lease. For each of the years ended June 30, 2021 and 2020, the University recognized rental revenue of \$515,000 related to the ground lease. The unamortized deferred ground lease revenue as of June 30, 2021 and 2020 is \$34,247,000 and \$34,762,000, respectively.

In connection with the sale of non-core assets, the University entered into four 99-year agreements to lease the related land to the purchaser of the buildings. The lease term is through 2115. In connection with this transaction, the University received a prepaid lease payment of \$64,000,000 that will be amortized on a straight-line basis over the term of the lease. For the years ended June 30, 2021 and 2020, the University recognized rental revenue of \$646,000 related to the ground lease. The unamortized deferred rent as of June 30, 2021 and 2020 is \$60,984,000 and \$61,630,000, respectively.

Other:

As of June 30, 2021, the University has commitments of approximately \$459,759,000 related to open construction contracts and capital acquisitions. This amount is expected to be financed from operating cash flows, federal government grants, and borrowings.

Effective July 1, 1996, the University entered into a support agreement with Boston Medical Corporation, which was formed from the merger of Boston City Hospital and Boston Medical Center Hospital. The University agreed to continue its support of clinical department operations at a level of support proportionately consistent to what was provided before the merger. The University's commitment for fiscal year 2021 was approximately \$8,583,000 and is reflected in operating expenses.

The University is a defendant in various legal actions arising in the normal course of its operations. Although the final outcome of such actions cannot currently be determined, the University believes that any resulting liability would not have a material effect on the University's financial position.

12. Functional Classification of Expenses

The Consolidated Statements of Activities present expenses by natural classification. The University also summarizes expenses by functional classification. The University's primary program services are instruction and departmental research. Expenses for educational support and auxiliary enterprises are incurred in support of this primary program activity. Operation and maintenance of plant expenses are allocated to program and supporting activities based upon a periodic assessment of facilities usage. Other natural expenses attributable to more than one functional expense category are allocated using a variety of cost allocation techniques such as square footage and time and effort.

Expenses presented by functional classification for the year ended June 30, 2021 are as follows, in thousands of dollars:

	Instruction and Departmental Research	Educational Support Activities	Sponsored Programs	Institutional Support	Auxiliary Enterprises	Total
Salaries and wages	\$ 552,517	\$ 103,049	\$ 160,347	\$ 112,951	\$ 26,601	\$ 955,465
Employee benefits	123,603	22,914	23,827	26,304	5,409	202,057
Supplies and services	117,689	65,646	221,674	56,971	76,506	538,486
Utilities, rent, and repairs . .	40,285	4,340	3,464	10,690	28,842	87,621
Depreciation	82,252	8,821	5,309	7,848	28,423	132,653
Interest	26,513	177		10,323	16,183	53,196
Total operating expenses	<u>\$ 942,859</u>	<u>\$ 204,947</u>	<u>\$ 414,621</u>	<u>\$ 225,087</u>	<u>\$ 181,964</u>	<u>\$ 1,969,478</u>

For the years ended June 30, 2021 and 2020

Expenses presented by functional classification for the year ended June 30, 2020 are as follows, in thousands of dollars:

	Instruction and Departmental Research	Educational Support Activities	Sponsored Programs	Institutional Support	Auxiliary Enterprises	Total
Salaries and wages	\$ 573,218	\$ 103,388	\$ 147,727	\$ 113,609	\$ 29,251	\$ 967,193
Employee benefits	159,562	28,499	30,027	46,455	7,309	271,852
Supplies and services	149,539	68,413	151,667	59,977	100,755	530,351
Utilities, rent, and repairs . .	46,228	4,481	3,019	9,688	25,960	89,376
Depreciation	81,876	8,747	5,486	7,151	28,137	131,397
Interest	30,004	196		11,630	18,289	60,119
Total operating expenses	<u>\$ 1,040,427</u>	<u>\$ 213,724</u>	<u>\$ 337,926</u>	<u>\$ 248,510</u>	<u>\$ 209,701</u>	<u>\$ 2,050,288</u>

13. Subsequent Events

The University has assessed the impact of subsequent events through September 22, 2021, the date the Consolidated Financial Statements were issued.

BOSTON UNIVERSITY
 Supplementary Schedule of Expenditures of Federal Awards
 Year ended June 30, 2021

Federal Grantor/Pass-through Grantor/Program or Cluster Title	Federal CFDA number	Direct award or pass-through entity identifying number	Passed through to subrecipients	Total federal expenditures
Research and Development Cluster:				
Agency for International Development:				
Right to Care	98.001	Pass-Through Number Not Available	\$ —	123,150
Right to Care	98.001	120160003000	—	383,125
The Health Economics and Epidemiology Research Office	98.001	Pass-Through Number Not Available	—	433,727
Trustees of Tufts College, Inc.	98.001	AI0007	—	123,287
Agency for International Development Total			—	1,063,289
Department of Agriculture:				
CRDF Global	10.001	DAA3-19-65672-1	—	52,265
Department of Agriculture	10.310	Direct	96,269	325,635
President & Fellows of Harvard College	10.310	131728-5116949	—	6,672
Subtotal			96,269	332,307
Department of Agriculture	10.UNK	Direct	—	4,692
Department of Agriculture Total			96,269	389,264
Department of Commerce:				
Georgetown University	11.016	AWD7772402-GR205663	—	44,814
Department of Commerce	11.016	Direct	99,367	187,157
Subtotal			99,367	231,971
Massachusetts Institute of Technology	11.417	S4607	—	50,018
University of Rhode Island	11.417	0008602/05012020	—	9,443
University of Rhode Island	11.417	0007086/03292018	14,922	57,615
Subtotal			14,922	117,076
Department of Commerce	11.420	Direct	—	52,929
Department of Commerce	11.431	Direct	—	133,250
Trustees Of Columbia University In The City of New York	11.431	5(GG015537)	—	47,506
Trustees Of Columbia University In The City of New York	11.431	G12632	—	49,362
University Corporation for Atmospheric Research	11.431	SUBAWD00248	—	5,950
University Corporation for Atmospheric Research	11.431	SUBAWD001110	—	9,354
Subtotal			—	245,422
Department of Commerce	11.609	Direct	18,994	173,764
University of Delaware	11.478	51859	—	24,322
Department of Commerce Total			133,283	845,484
Department of Defense:				
Department of Defense	12.300	Direct	2,012,540	5,115,380
Arizona State University	12.300	ASUB00000773	—	22,025
Arizona State University	12.300	17-205	—	(1,578)
Northwestern University	12.300	60053836 BOS	—	63,931
Regents of the University of Minnesota	12.300	A005988201	—	77,512
University of California, Santa Barbara	12.300	KK1755	—	68,406
University of Maryland	12.300	88403-Z8262201	—	77,205
Trustees of the University of Pennsylvania	12.300	577484	—	14,615
Subtotal			2,012,540	5,437,496
Department of Defense	12.351	Direct	126,364	230,704
Department of Defense	12.420	Direct	945,758	3,278,954
Augusta University	12.420	31760-2	—	50,484
Baylor College of Medicine	12.420	7000001043	—	32,259
Boston Medical Center Corporation	12.420	7669	—	72,005
Brown University	12.420	00001552	—	19,006
Drexel University	12.420	840030_BU	—	6,206
Duke University	12.420	3130844	—	3,289
Duke University	12.420	3130929	—	23,188
Northern California Institute for Research and Education	12.420	CHAO2022-02	—	1,989
Nova Southeastern University	12.420	331243	—	9,838
Nova Southeastern University	12.420	331252	—	1,460
The Henry M. Jackson Foundation	12.420	5481	—	44,073
The Regents of the University of California	12.420	11159sc	—	29,533
University Hospitals of Cleveland	12.420	W81XWH-15-1-0080	—	(5,096)
University of South Carolina	12.420	19-3715	—	78,285
University of Texas Health Science Center	12.420	162153/155536	—	105,254
Subtotal			945,758	3,750,727
Department of Defense	12.431	Direct	576,879	1,472,252
Massachusetts Institute of Technology	12.431	36080	—	166,607
SRI International	12.431	PO48788	—	148,499
Subtotal			576,879	1,787,358

BOSTON UNIVERSITY
 Supplementary Schedule of Expenditures of Federal Awards
 Year ended June 30, 2021

Federal Grantor/Pass-through Grantor/Program or Cluster Title	Federal CFDA number	Direct award or pass-through entity identifying number	Passed through to subrecipients	Total federal expenditures
Department of Defense	12.630	Direct	\$ —	89,676
Trustees of Tufts College, Inc.	12.630	DOD255	—	31,510
University of Utah	12.630	10028801-BU-BPP	49,991	450,669
Subtotal			49,991	571,855
Department of Defense	12.800	Direct	—	878,599
Florida International University	12.800	800011034-05UG	—	96,754
Northwestern University	12.800	SP0032777-PROJ0011974	—	55,971
University of Texas, Arlington	12.800	2016GC6246	—	231,114
Subtotal			—	1,262,438
Department of Defense	12.901	Direct	—	33,000
Department of Defense	12.910	Direct	448,548	1,210,309
Embry-Riddle Aeronautical University, Inc.	12.910	61654-03	—	38,587
Massachusetts General Hospital	12.910	234430	—	56,446
Massachusetts Institute of Technology	12.910	5710004066	—	128,052
Massachusetts Institute of Technology	12.910	111648	—	235,794
University of California, Berkeley	12.910	00009549	—	185,356
University of California, Berkeley	12.910	00010241	—	293,383
University of California, Berkeley	12.910	00010358	—	335,365
University of California, Berkeley	12.910	00010531	—	321,104
University of Washington	12.910	UWSC10498	—	126,999
Subtotal			448,548	2,931,395
Department of Defense	12.UNK	Direct	—	761,808
Charles River Analytics, Inc.	12.UNK	SC1825101	—	(45,957)
Charles River Analytics, Inc.	12.UNK	SC1930301	—	20,608
Dana-Farber Cancer Institute	12.UNK	3089301	—	9,907
Draper Laboratory, Inc.	12.UNK	SC001-0000001215	—	91,561
DRS Network & Imaging Systems, LLC	12.UNK	10P0049295	—	124,663
GreenSight	12.UNK	Pass-Through Number Not Available	—	24,328
HRL Laboratories, LLC	12.UNK	15082-193206-QS	—	80,000
Immunome, Inc.	12.UNK	Pass-Through Number Not Available	—	64,105
LongShortWay, Inc	12.UNK	Pass-Through Number Not Available	—	9,871
Massachusetts Institute of Technology	12.UNK	S4596	—	(23,524)
Massachusetts Institute of Technology	12.UNK	S4966	—	38,961
Massachusetts Institute of Technology	12.UNK	Pass-Through Number Not Available	—	19,006
Massachusetts Institute of Technology	12.UNK	7000443517	—	24,244
Massachusetts Institute of Technology	12.UNK	7000507225	—	16,300
Massachusetts Institute of Technology	12.UNK	7000512315	—	11,852
Massachusetts Institute of Technology	12.UNK	7000515622	—	1,914
Northeastern University	12.UNK	505176-78051	—	108,808
Nova Southeastern University	12.UNK	331914	—	111,450
Physical Sciences, Inc.	12.UNK	10-05806-4465-46	—	63,550
Power Fingerprinting, Inc.	12.UNK	BU-1015-DARPA-01	—	6,065
SRI International	12.UNK	37211	—	105,974
The Henry M. Jackson Foundation	12.UNK	988066	—	109,006
University of California, San Diego	12.UNK	127963670	—	68,255
University of Illinois at Urbana-Champaign	12.UNK	084424-16186	—	106,208
Subtotal			—	1,908,963
Department of Defense Total			4,160,080	17,913,936
Department of Education:				
Department of Education	84.017	Direct	—	25,973
Department of Education	84.022	Direct	—	1,420
Department of Education	84.305	Direct	295,320	414,316
University of Missouri-Kansas City	84.305	0094167/00064391	—	29,786
Subtotal			295,320	444,102
Department of Education	84.324	Direct	44,598	327,655
Department of Education	84.325	Direct	156,843	548,724
University of Nebraska-Lincoln	84.365	24-1708-0112-002	—	33,903
SERP Institute	84.411	Pass-Through Number Not Available	—	20,376
Department of Education Total			496,761	1,402,153
Department of Energy:				
Department of Energy	81.049	Direct	227,237	3,125,332
Northeastern University	81.049	503036-78050	—	118,710
Precision Combustion, Inc.	81.049	Pass-Through Number Not Available	—	18,575
The Leland Stanford Junior University	81.049	61351721-124215	—	84,498
The University of Iowa	81.049	S00459-01	—	85,031
University of California, Berkeley	81.049	00010482	—	7,988
University of Illinois	81.049	090634-16923	—	194,008
Subtotal			227,237	3,634,142

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Federal Grantor/Pass-through Grantor/Program or Cluster Title	Federal CFDA number	Direct award or pass-through entity identifying number	Passed through to subrecipients	Total federal expenditures
Department of Energy	81.086	Direct	\$ 83,718	239,920
Worcester Polytechnic Institute	81.087	10694-GR	—	78,163
Department of Energy	81.089	Direct	—	96,345
Worcester Polytechnic Institute	81.089	10459-GR	—	90,939
Subtotal			—	187,284
Department of Energy	81.121	Direct	—	31,370
Department of Energy	81.135	Direct	26,712	422,674
University of Delaware	81.135	46100	—	129,779
Subtotal			26,712	552,453
Argonne National Laboratory	81.UNK	9F-60168	—	10,877
Battelle Memorial Institute	81.UNK	543144	—	74,029
Brookhaven National Laboratory	81.UNK	354281	79,915	273,660
Brookhaven National Laboratory	81.UNK	360581	—	70,421
Brookhaven National Laboratory	81.UNK	380312	—	109,101
Fermi National Accelerator Laboratory	81.UNK	655628	—	19,057
Fermi National Accelerator Laboratory	81.UNK	662769	—	107,809
Fermi National Accelerator Laboratory	81.UNK	671086	—	19,390
Fermi National Accelerator Laboratory	81.UNK	672109	—	25,911
Honeywell Federal Manufacturing & Technology	81.UNK	N000370847	—	80,999
Lawrence Berkeley National Laboratory	81.UNK	7526778	—	179,501
Lawrence Livermore National Laboratory	81.UNK	B639637	—	72,033
Lawrence Livermore National Laboratory	81.UNK	B644754	—	48,007
Pacific Northwest National Laboratory	81.UNK	434121	—	52,866
Pacific Northwest National Laboratory	81.UNK	503480	—	16,308
Saint-Gobain Ceramics and Plastics, Inc.	81.UNK	Pass-Through Number Not Available	—	265
Saint-Gobain Ceramics and Plastics, Inc.	81.UNK	DE-EE0008377	—	71,064
Sandia National Laboratories	81.UNK	1797608	—	138,216
Sandia National Laboratories	81.UNK	2036428	—	20,805
University of Texas at Austin	81.UNK	UTA18-001353	—	43,400
Subtotal			79,915	1,433,719
Department of Energy Total			417,582	6,157,051
Department of Health and Human Services:				
Department of Health and Human Services	93.059	Direct	—	744,155
Commonwealth of Massachusetts – Department of Public Health	93.073	INTF3122H78500224071	—	6,446
Commonwealth of Massachusetts – Department of Public Health	93.073	INTF3122H78500224081	—	395,383
Commonwealth of Massachusetts – Department of Public Health	93.073	INTF3122H78500224088	—	3,113
Commonwealth of Massachusetts – Department of Public Health	93.073	INTF3122H78500224099	—	2,623
Subtotal			—	407,565
Department of Health and Human Services	93.077	Direct	—	145,812
Massachusetts General Hospital	93.077	237005	—	360,246
Subtotal			—	506,058
Boston Medical Center Corporation	93.084	01_BU_05517	—	4,045
Massachusetts General Hospital	93.103	237255	—	33,412
Progeria Research Foundation	93.103	PRFFDA2-2019	—	(2,389)
Subtotal			—	31,023
Department of Health and Human Services	93.110	Direct	46,955	530,932
Boston Medical Center Corporation	93.110	7840	—	74,932
Department of Health and Human Services	93.110	020221-95	—	18,400
Subtotal			46,955	624,264
Department of Health and Human Services	93.113	Direct	895,068	5,463,226
Harvard Pilgrim Health Care	93.113	PH000552E	—	(2)
Henry Ford Health System	93.113	B11166BU	—	110,157
Icahn School of Medicine at Mount Sinai	93.113	0255-0182-4609	—	21,910
Icahn School of Medicine at Mount Sinai	93.113	0255-1871-4609	—	24,667
Icahn School of Medicine at Mount Sinai	93.113	0255-B391-4609	—	58,854
President & Fellows of Harvard College	93.113	112150-5098856	—	10,188
President & Fellows of Harvard College	93.113	112579-5115839	—	33,176
The Brigham and Women's Hospital, Inc.	93.113	121830	—	119,347
The Research Foundation for the State University of New York	93.113	89132/2/1163594	—	53,596
Trustees of Indiana University	93.113	8093_BUMC	—	10,284
University of Connecticut Health Center	93.113	UCHC7-123117068-A1	—	23,189
University of Connecticut Health Center	93.113	UCHC7-126071607-A1	—	18,560
University of Michigan	93.113	SUBK00010621	—	33,919
University of Southern California	93.113	133618543	—	111,846
Subtotal			895,068	6,092,917

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Federal Grantor/Pass-through Grantor/Program or Cluster Title	Federal CFDA number	Direct award or pass-through entity identifying number	Passed through to subrecipients	Total federal expenditures
Department of Health and Human Services	93.121	Direct	\$ 119,676	3,014,851
Boston Medical Center Corporation	93.121	7808	—	134,653
Oregon Health Science University	93.121	1008430_BOSTON	—	85,933
The University of Alabama at Birmingham	93.121	000521323-SC015	—	73,129
Subtotal			119,676	3,308,566
Boston Medical Center Corporation	93.136	7074	—	73,547
RAND Corporation	93.136	SCON-00000280	—	39,191
Subtotal			—	112,738
Department of Health and Human Services	93.143	Direct	233,833	753,695
Department of Health and Human Services	93.172	Direct	—	73,027
Department of Health and Human Services	93.173	Direct	2,134,223	7,774,890
Brigham Young University	93.173	18-0529	—	157,771
Massachusetts General Hospital	93.173	230322	—	318,989
Subtotal			2,134,223	8,251,650
Boston Medical Center Corporation	93.186	BMC ID 6888	—	11,864
Department of Health and Human Services	93.213	Direct	—	32,668
Boston Medical Center Corporation	93.213	7531	—	12,070
Boston Medical Center Corporation	93.213	7532	—	24,753
Boston Medical Center Corporation	93.213	7855	—	51,129
Butler Hospital	93.213	5001651-1	—	34,793
Butler Hospital	93.213	9244-8311	—	(95)
Yale University	93.213	GR110376 (CON-80002496)	—	86,750
Yale University	93.213	GR110779 (CON-80002548)	—	42,029
Subtotal			—	284,097
Boston Medical Center Corporation	93.225	7474	—	128,191
Department of Health and Human Services	93.226	Direct	74,003	219,446
Duke Clinical Research Institute	93.226	A032551	—	4,604
The George Washington University	93.226	19-M31	—	112,209
University of Utah	93.226	10042477-03	—	(997)
Subtotal			74,003	335,262
Department of Health and Human Services	93.242	Direct	1,850,853	10,225,988
Beth Israel Deaconess Medical Center, Inc.	93.242	01061188	—	32,211
Boston Medical Center Corporation	93.242	7064	—	38,637
Boston Medical Center Corporation	93.242	7711	—	11,239
Brown University	93.242	00001522	—	18,613
Butler Hospital	93.242	5001571-RCT	—	18,887
Cleveland Clinic Lerner College of Medicine	93.242	1379-SUB	—	69,290
Duke University	93.242	A030163	—	(951)
Duke University	93.242	A032179	—	49,223
Emory University	93.242	A395232	—	16,560
Icahn School of Medicine at Mount Sinai	93.242	0255-4261-4609	—	4,752
Massachusetts General Hospital	93.242	229354	—	109,258
Massachusetts General Hospital	93.242	233148	—	349,389
Massachusetts Institute of Technology	93.242	S4406 PO 194827	—	5,495
McLean Hospital Corporation	93.242	401566	—	19,153
McLean Hospital Corporation	93.242	401659	—	23,184
Medical University of South Carolina	93.242	A00-2190-S001	—	121,120
Palo Alto Institute for Research and Education	93.242	WIS0003-01	—	26,140
President & Fellows of Harvard College	93.242	132692-5116627	—	45,958
Regents of the University of Colorado	93.242	FY20.941.004	—	35,614
The Miriam Hospital	93.242	7147135JR	—	33,226
Trustees Of Columbia University In The City of New York	93.242	6(GG012936-04)	—	166,702
University of Connecticut	93.242	313994	—	8,265
University of Massachusetts, Boston	93.242	B001032928	—	144,648
University of Massachusetts, Boston	93.242	B001117580	—	55,147
University of North Carolina at Chapel Hill	93.242	5119311	—	56,314
University of Pittsburgh	93.242	AWD00002015 (134205-1)	—	24,041
Subtotal			1,850,853	11,708,103
Department of Health and Human Services	93.250	Direct	—	170,121
Department of Health and Human Services	93.262	Direct	82,866	363,848
Harvard School of Public Health	93.262	114960-5109547	—	4,040
Icahn School of Medicine at Mount Sinai	93.262	0254-5943-4609	—	15,004
President & Fellows of Harvard College	93.262	114960-5097784	—	150,954
Subtotal			82,866	533,846

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 Supplementary Schedule of Expenditures of Federal Awards
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Federal Grantor/Pass-through Grantor/Program or Cluster Title	Federal CFDA number	Direct award or pass-through entity identifying number	Passed through to subrecipients	Total federal expenditures
Department of Health and Human Services	93.273	Direct	\$ 515,730	5,608,146
Boston Medical Center Corporation	93.273	5584	—	128,801
Boston Medical Center Corporation	93.273	6242	—	11,920
Boston Medical Center Corporation	93.273	7585	—	51,536
Boston Medical Center Corporation	93.273	BMC ID 6884	—	168,362
Butler Hospital	93.273	5001411-BLEVINS	—	7,117
Butler Hospital	93.273	5001491-ABRANTES	—	9,897
Butler Hospital	93.273	5001681BU	—	6,326
Butler Hospital	93.273	9053-8311	—	614
Butler Hospital	93.273	9132-8311	—	8,698
Butler Hospital	93.273	9452-8311	—	304
Colorado Research Partners LLC	93.273	2019-02	—	277,466
Syracuse University	93.273	27189-04107-S01	—	221,034
The Regents of the University of California	93.273	10444sc	—	40,455
The Regents of the University of California	93.273	9820sc	—	33,084
University of California, Los Angeles	93.273	2000 G XJ711	1,024	58,859
Vanderbilt University Medical Center	93.273	VUMC 64150	—	71,248
Subtotal			516,754	6,703,867
Department of Health and Human Services	93.279	Direct	1,592,508	5,017,265
Boston Medical Center Corporation	93.279	03_BUSPH_04401	—	6,673
Boston Medical Center Corporation	93.279	4268	—	77,538
Boston Medical Center Corporation	93.279	5777	—	3,907
Boston Medical Center Corporation	93.279	6049	—	7,301
Boston Medical Center Corporation	93.279	6064	—	52,545
Boston Medical Center Corporation	93.279	6162	—	175,234
Boston Medical Center Corporation	93.279	7281	—	(525)
Boston Medical Center Corporation	93.279	7314	—	14,709
Boston Medical Center Corporation	93.279	7349	—	1,674,130
Boston Medical Center Corporation	93.279	BMC ID 6660	—	31,002
Brandeis University	93.279	GR403953_BU	—	(1,013)
Brown University	93.279	00001196	—	71,401
Brown University	93.279	00001639	—	18,409
Butler Hospital	93.279	5001461BU-ABRANTES	—	37,956
Butler Hospital	93.279	5001471BU-ABRANTES	—	8,315
Butler Hospital	93.279	9242-8311	—	107
Denver Health Medical Center	93.279	A19-0001-S006	—	11,081
Emory University	93.279	A351029	—	47,632
Giner Inc.	93.279	404061	—	9,640
Hennepin Healthcare Research Institute	93.279	15260-4 (A) and 15260-7	—	251,693
Howard University	93.279	0009847-1000095806	—	25,351
The Miriam Hospital	93.279	7149993ELC	—	3,594
The Scripps Research Institute	93.279	5-53667	—	5,732
The University of Tennessee on behalf of its Health Science Center	93.279	20-4985-BOSTN	—	9,089
University of Pittsburgh	93.279	AWD00002428 (134666-1)	—	5,267
University of Wisconsin System	93.279	813K385	—	(344)
Weill Medical College of Cornell	93.279	191194-1	—	831
Weill Medical College of Cornell	93.279	201209-1	—	26,860
Weill Medical College of Cornell	93.279	201851-2	—	58,729
Yale University	93.279	GK000703 (CON-80000646)	—	76,539
Yale University	93.279	GR112326(CON-80002922)	—	40,958
Subtotal			1,592,508	7,767,606
Department of Health and Human Services	93.286	Direct	952,436	4,864,643
Hansjorg Wyss Institute for Biologically	93.286	Chen.NIH.UH3	—	50,426
Massachusetts General Hospital	93.286	231361	—	993
Massachusetts General Hospital	93.286	234765	—	46,234
Massachusetts General Hospital	93.286	234776	—	56,461
Massachusetts General Hospital	93.286	237498	—	14,988
Massachusetts General Hospital	93.286	235502	—	117,974
Northeastern University	93.286	500632-78050	—	48,414
Photothermal Spectroscopy Corp.	93.286	Pass-Through Number Not Available	—	39,469
The Brigham and Women's Hospital, Inc.	93.286	123875	—	110,894
Tristan Technologies	93.286	TTIBU001-03	—	75,464
Subtotal			952,436	5,425,960
Department of Health and Human Services	93.307	Direct	73,527	703,328
Massachusetts General Hospital	93.307	236743	—	8,985
New York University	93.307	F0611-01	—	30,066
President & Fellows of Harvard College	93.307	112527-5091238	—	7,862
President & Fellows of Harvard College	93.307	112527-5096602-CEC	8,400	64,621
President & Fellows of Harvard College	93.307	112527-5096605	—	10,617
President & Fellows of Harvard College	93.307	112527-5096607-P3	—	52,881
President & Fellows of Harvard College	93.307	112527-5116912	—	134,556
The Children's Hospital Corporation	93.307	GENFD0001905564	—	24,973
Tufts – New England Medical Center	93.307	103574-00001_DECLERCQ	—	65,888
University of Miami	93.307	OS00000096	—	(1)
Wake Forest University	93.307	628-100730-110219	—	9,823
Subtotal			81,927	1,113,599

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Federal Grantor/Pass-through Grantor/Program or Cluster Title	Federal CFDA number	Direct award or pass-through entity identifying number	Passed through to subrecipients	Total federal expenditures
Department of Health and Human Services	93.310	Direct	\$ 22,200	563,062
Massachusetts General Hospital	93.310	232124	—	691,700
The Brigham and Women's Hospital, Inc.	93.310	119919	—	289,188
The Brigham and Women's Hospital, Inc.	93.310	122469	—	76,400
The Brigham and Women's Hospital, Inc.	93.310	124778	—	18,646
University of North Carolina at Chapel Hill	93.310	5118538	—	117,408
University of Wisconsin System	93.310	0000000904	—	82,620
Subtotal			22,200	1,839,024
Department of Health and Human Services	93.350	Direct	445,898	7,889,926
Boston Medical Center Corporation	93.350	6244	—	106,236
Hansjorg Wyss Institute for Biologically	93.350	124230-5109799	—	79,847
President & Fellows of Harvard College	93.350	027269.746796.0005	—	1,527
President & Fellows of Harvard College	93.350	027269.746796.0009	—	475
University of Pittsburgh	93.350	AWD0000243 (134445-41)	—	7,316
Subtotal			445,898	8,085,327
Department of Health and Human Services	93.351	Direct	—	1,728,697
University of Washington	93.353	UWSC11511	—	23,280
Department of Health and Human Services	93.360	Direct	67,812,882	74,164,285
Boston Medical Center Corporation	93.361	5310	—	24,313
Butler Hospital	93.361	9241-8311	—	37,804
Subtotal			—	62,117
Department of Health and Human Services	93.393	Direct	85,067	5,070,429
Beth Israel Deaconess Medical Center, Inc.	93.393	01062660	—	28,662
City of Hope	93.393	52454.2002720.669305	—	16,823
Dana-Farber Cancer Institute	93.393	1311501	—	28,751
Emory University	93.393	A368725	—	84,903
Health Research, Inc.	93.393	325-01	—	103,056
Health Research, Inc.	93.393	328-01	—	115,101
The Brigham and Women's Hospital, Inc.	93.393	124902	—	6,384
Vanderbilt University Medical Center	93.393	VUMC 58931	—	300
Vanderbilt University Medical Center	93.393	VUMC59137	—	103,405
Subtotal			85,067	5,557,814
Department of Health and Human Services	93.394	Direct	2,346,161	3,549,436
Boston Medical Center Corporation	93.394	7618	—	39,148
Boston Medical Center Corporation	93.394	7619	—	112,193
Mayo Clinic	93.394	BOS-211750-05	—	66,153
Photothermal Spectroscopy Corp.	93.394	Pass-Through Number Not Available	—	130,429
University of California, Los Angeles	93.394	1562GTA938	—	310,268
Subtotal			2,346,161	4,207,627
Department of Health and Human Services	93.395	Direct	437,952	952,332
Northwestern University	93.395	60050593 BU	—	203,811
The Children's Hospital of Philadelphia	93.395	GRT-00000465	—	74,428
Virginia Commonwealth University	93.395	FP00006681-SA001	—	150,305
Subtotal			437,952	1,380,876
Department of Health and Human Services	93.396	Direct	651,920	2,400,940
Dana-Farber Cancer Institute	93.396	1204603	—	225,416
Fluent BioSciences Inc.	93.396	1	—	139,560
Harvard School of Public Health	93.396	113098-5093071	—	26,984
Subtotal			651,920	2,792,900
Dana-Farber Cancer Institute	93.397	1205203	—	31,741
Department of Health and Human Services	93.398	Direct	—	414,979
Department of Health and Human Services	93.399	Direct	—	35,035
Department of Health and Human Services	93.433	Direct	237,649	1,949,123
Spaulding Rehabilitation Hospital	93.433	500497	—	59,854
Spaulding Rehabilitation Hospital	93.433	500539	—	55,462
University of Illinois	93.433	18181	—	14,305
University of Massachusetts, Medical School	93.433	WA00498474/OSP2017117	—	7,720
University of Massachusetts Chan Medical School	93.433	OSP30799-01	—	38,512
Subtotal			237,649	2,124,976
Department of Health and Human Services	93.516	Direct	220,588	923,694
Commonwealth of Massachusetts – Department of Public Health	93.758	INTF1200M04191028045	—	400,248
Department of Health and Human Services	93.837	Direct	7,945,527	16,252,896
Albert Einstein College of Medicine	93.837	31159A	—	60,205
American Heart Association	93.837	FX-ATRAC-5U54HL120163-BU	81,341	663,924
Augusta University	93.837	35616-1	—	135,051
Beth Israel Deaconess Medical Center, Inc.	93.837	01029109	—	81,525

BOSTON UNIVERSITY

Supplementary Schedule of Expenditures of Federal Awards

Year ended June 30, 2021

Federal Grantor/Pass-through Grantor/Program or Cluster Title	Federal CFDA number	Direct award or pass-through entity identifying number	Passed through to subrecipients	Total federal expenditures
Boston Medical Center Corporation	93.837	7365	\$ —	186,988
Broad Institute, Inc., The	93.837	5001880-5500001308	—	260,585
Broad Institute, Inc., The	93.837	5100153-5500000879	—	106,231
Cedars-Sinai Medical Center	93.837	1569389	—	91,228
Cedars-Sinai Medical Center	93.837	1684030	—	249,164
Hansjorg Wyss Institute for Biologically	93.837	Chen.NIH.R01	—	9,159
Massachusetts General Hospital	93.837	227547	—	19,559
Massachusetts General Hospital	93.837	229760	—	90,288
Massachusetts General Hospital	93.837	232371	—	304,699
Massachusetts General Hospital	93.837	234357	—	129,518
Massachusetts General Hospital	93.837	235136	—	23,032
Massachusetts General Hospital	93.837	236388	—	101,421
Massachusetts General Hospital	93.837	236957	—	202,211
Mayo Clinic	93.837	BOS-252386-02 /PO 67967	—	84,617
McGill University Health Center	93.837	PO 603	—	84,253
RTI International	93.837	2-312-0217030-65775L	—	79,420
The Brigham and Women's Hospital, Inc.	93.837	120475	—	(595)
The Brigham and Women's Hospital, Inc.	93.837	121823	—	121,707
The University of Iowa	93.837	S01684-01	—	10,703
Trustees Of Columbia University In The City of New York	93.837	1(GG015997-01)	—	166,437
Tufts – New England Medical Center	93.837	5019637_SERV	—	24,649
University of California, San Diego	93.837	KR 704313	—	10,244
University of Maryland	93.837	1701192 Request: 3604	—	42,516
University of Maryland d.b.a. University of Maryland Baltimore Campus	93.837	1701192	—	23,719
University of Maryland d.b.a. University of Maryland Baltimore Campus	93.837	1701192 Request: 3609	—	45,388
University of Maryland d.b.a. University of Maryland Baltimore Campus	93.837	1701192 Request:3599	—	(13)
University of Massachusetts, Lowell	93.837	S51110000032770	—	(11)
University of Rochester	93.837	417486G UR FAO GR510894	—	(11,485)
University of Texas Health Science Center	93.837	SA0000629	—	16,491
University of Washington	93.837	UWSC10616	—	13,929
University of Washington	93.837	UWSC11247	—	47,168
Yale University	93.837	GK000497 (CON-80000517)	—	(71)
Yale University	93.837	GR100589 (CON-80000842)	—	101,291
Subtotal			<u>8,026,868</u>	<u>19,828,041</u>
Department of Health and Human Services	93.838	Direct	1,141,016	9,939,355
Cincinnati Children's Hospital Medical Center	93.838	137990	—	365,563
Massachusetts General Hospital	93.838	230841	—	67,473
Massachusetts General Hospital	93.838	237037	—	10,642
Mechanobiologix, LLC	93.838	06302019	—	30,065
Northwestern University	93.838	60053561 BOS	—	35,438
Northwestern University	93.838	60055357 BU	—	15,049
The Brigham and Women's Hospital, Inc.	93.838	117432	—	120,961
The Brigham and Women's Hospital, Inc.	93.838	118677	—	61,832
The Brigham and Women's Hospital, Inc.	93.838	120957	—	126,479
The Brigham and Women's Hospital, Inc.	93.838	123777	—	40,912
The Regents of the University of California	93.838	9760	—	640,159
Vanderbilt University	93.838	VUMC85302	—	44,901
Subtotal			<u>1,141,016</u>	<u>11,498,829</u>
Department of Health and Human Services	93.839	Direct	—	886,632
Boston Medical Center Corporation	93.839	01_BU_05510	—	31,826
Boston Medical Center Corporation	93.839	5846	—	58,368
Boston Medical Center Corporation	93.839	7375	—	148,414
Boston Medical Center Corporation	93.839	7439	—	28,554
Subtotal			<u>—</u>	<u>1,153,794</u>
Department of Health and Human Services	93.846	Direct	860,651	5,166,839
Cincinnati Children's Hospital Medical Center	93.846	306894	—	28,434
Hebrew Rehabilitation Center For Aged, Inc.	93.846	90094	—	9,577
Hebrew SeniorLife	93.846	90070	—	64,404
Hebrew SeniorLife	93.846	90077	—	24,525
Hebrew SeniorLife	93.846	90100	—	25,584
Massachusetts General Hospital	93.846	234823	—	101,822
President & Fellows of Harvard College	93.846	133876-5105271	—	73,743
President & Fellows of Harvard College	93.846	168025-5112901	—	72,657
The Brigham and Women's Hospital, Inc.	93.846	113176	—	19,916
The Brigham and Women's Hospital, Inc.	93.846	119689	—	38,037
The Brigham and Women's Hospital, Inc.	93.846	121167	—	38,677
The Brigham and Women's Hospital, Inc.	93.846	121918	—	27,599
The Brigham and Women's Hospital, Inc.	93.846	123886	—	52,734
The Brigham and Women's Hospital, Inc.	93.846	235440	—	1
The University of Iowa	93.846	S00516-01	—	77,627
University of Pittsburgh	93.846	CNVA00053241 (132387-2)	—	20,218
University of Pittsburgh	93.846	CNVA00055852 (135451-2)	—	144,777
Subtotal			<u>860,651</u>	<u>5,987,171</u>

BOSTON UNIVERSITY

Supplementary Schedule of Expenditures of Federal Awards

Year ended June 30, 2021

Federal Grantor/Pass-through Grantor/Program or Cluster Title	Federal CFDA number	Direct award or pass-through entity identifying number	Passed through to subrecipients	Total federal expenditures
Department of Health and Human Services	93.847	Direct	\$ 765,313	5,014,983
Boston Medical Center Corporation	93.847	6956	—	148,366
Boston Medical Center Corporation	93.847	7457	—	24,528
Boston Medical Center Corporation	93.847	7501	—	2,975
Duke University	93.847	A031897	—	80,050
Massachusetts General Hospital	93.847	226142	—	11,135
Massachusetts General Hospital	93.847	229965	—	4,095
Massachusetts General Hospital	93.847	238171	—	63,949
Medical University of South Carolina	93.847	A00-3838-S001	—	7,805
President & Fellows of Harvard College	93.847	153335.5109126.0002	—	256,308
Regents of the University of Colorado	93.847	FY16.810.001	—	56,468
Regents of the University of Minnesota	93.847	P004760201	—	104,084
SRI International	93.847	PO4705	—	83,969
The Scripps Research Institute	93.847	5-54303	—	14,994
The University of Alabama at Birmingham	93.847	UA17-031(A00-46-S003-A04	—	50
The University of Alabama at Tuscaloosa	93.847	A19-0479-S003	—	110,983
Trustees Of Columbia University In The City of New York	93.847	1(GG013682-01)	—	72,436
University of California, San Diego	93.847	703599	—	16,135
University of North Carolina at Chapel Hill	93.847	5119493	—	25,372
University of Southern California	93.847	136991037	—	39,600
Weill Medical College of Cornell	93.847	201882	—	4,213
Weill Medical College of Cornell	93.847	211390	—	132,676
Subtotal			765,313	6,275,174
Department of Health and Human Services	93.853	Direct	3,036,981	13,211,444
Cold Spring Harbor Laboratory	93.853	64100315	—	(181)
Louisiana State University	93.853	19-11-100	—	193,904
Massachusetts General Hospital	93.853	232201	—	59,583
Massachusetts General Hospital	93.853	234782	—	74,372
Massachusetts General Hospital	93.853	237598	—	15,845
Massachusetts General Hospital	93.853	237602	—	99,198
Northwestern University	93.853	60054977 BOS	—	5,975
Regents of the University of Colorado	93.853	FY16.414.002	—	21,991
The Brigham and Women's Hospital, Inc.	93.853	119414	—	(1,286)
The Regents of the University of California	93.853	12749sc	—	23,255
Trustees Of Columbia University In The City of New York	93.853	1(GG015227-01)	—	102,271
Trustees Of Columbia University In The City of New York	93.853	2(GG014833-01)	—	122,403
University of California, Davis	93.853	A21-1324-S005	—	21,265
University of Texas Health Science Center	93.853	166913/166876	—	117,360
University of Texas Health Science Center	93.853	168353/168352	—	97,928
Subtotal			3,036,981	14,165,327
Department of Health and Human Services	93.855	Direct	2,111,762	21,091,545
Benaroya Research Institute at Virginia	93.855	FY171TN254	—	6,675
Boston Medical Center Corporation	93.855	4700	—	(1,210)
Boston Medical Center Corporation	93.855	5322	—	42,670
Boston Medical Center Corporation	93.855	5582	—	118,977
Boston Medical Center Corporation	93.855	6612	—	77,633
Boston Medical Center Corporation	93.855	6613	—	15,658
Boston Medical Center Corporation	93.855	7514	—	44,450
Boston Medical Center Corporation	93.855	BMC ID: 6761	—	20,449
Chicago BioSolutions, Inc.	93.855	Pass-Through Number Not Available	—	80,908
Duke University	93.855	2036966	—	(7,213)
Georgia State University	93.855	SP00012813-04	—	187,601
Georgia State University	93.855	SP00013377-02	—	17,916
Governing Council of the University of Toronto	93.855	501095-Subgrant2	—	13,422
Harvard Pilgrim Health Care	93.855	R21AI143386/AH707	—	12,815
Integrated BioTherapeutics, Inc.	93.855	5R01AI132204	—	58,636
Integrated BioTherapeutics, Inc.	93.855	5R42AI122403	—	25,642
Massachusetts General Hospital	93.855	233837	—	71,981
Michigan State University	93.855	RC107329BU	—	91,560
Michigan State University	93.855	RC110792BU	—	24,887
President & Fellows of Harvard College	93.855	117164-5113035	—	21,349
President & Fellows of Harvard College	93.855	117206-5117146	—	22,356
Purdue University	93.855	110000450-007	—	12,784
Purdue University	93.855	11000905-020	—	117,391
Rutgers, The State University of New Jersey	93.855	0791	—	920
Rutgers, The State University of New Jersey	93.855	1628	—	252,975
The Children's Hospital Corporation	93.855	GENFD0001885122	—	61,469
The Children's Hospital Corporation	93.855	GENFD0001889538	—	14,241
The Miriam Hospital	93.855	7109156LW	—	5,064
The Miriam Hospital	93.855	7141705JB	—	4,447
The Miriam Hospital	93.855	7147093HJ	—	982
The Miriam Hospital	93.855	7147100TK	—	213,122
The Miriam Hospital	93.855	7147101ARG	—	6,292
The Miriam Hospital	93.855	7147101JGM	—	1,849
The Miriam Hospital	93.855	7147101JR	—	608
The Miriam Hospital	93.855	7147101ZX	—	15,032
The Miriam Hospital	93.855	7147107MM	—	(9,028)
The Miriam Hospital	93.855	7147108LSM	—	15,169

BOSTON UNIVERSITY

Supplementary Schedule of Expenditures of Federal Awards

Year ended June 30, 2021

Federal Grantor/Pass-through Grantor/Program or Cluster Title	Federal CFDA number	Direct award or pass-through entity identifying number	Passed through to subrecipients	Total federal expenditures
The Regents of the University of California	93.855	12459SC	\$ —	114,708
The Scripps Research Institute	93.855	5-53753	—	(353)
The Scripps Research Institute	93.855	5-54297	—	69,668
The University of Alabama at Birmingham	93.855	000526172-SC001-Kra	—	63,782
The University of Iowa	93.855	S00528-01	—	135,188
The Washington University	93.855	WU-19-238-MOD-4	—	195,823
The Washington University	93.855	WU-20-23-MOD-3	—	165,814
Trustees of Tufts College, Inc.	93.855	103713-00001	—	2,503
Trustees of Tufts College, Inc.	93.855	101315-00001 / HH4165	—	5,402
University of Massachusetts, Medical School	93.855	OSP2018100	—	89,854
University of Wisconsin System	93.855	0000000870	—	826,971
University of Witwatersrand	93.855	Pass-Through Number Not Available	—	(8,400)
Vanderbilt University Medical Center	93.855	VUMC 73531	—	34,285
WITS Health Consortium	93.855	04-2103547	—	82,279
WITS Health Consortium	93.855	Pass-Through Number Not Available	—	83,670
WITS Health Consortium	93.855	D1403300-05	—	(174)
WITS Health Consortium	93.855	D1909160-02	—	21,404
Yale University	93.855	GR105322 (CON-80001637)	—	(25)
Subtotal			<u>2,111,762</u>	<u>24,634,423</u>
Department of Health and Human Services	93.859	Direct	1,184,227	19,579,566
Carnegie Mellon University	93.859	1090515-390618	—	43,693
Massachusetts General Hospital	93.859	230194	—	64,854
Massachusetts General Hospital	93.859	232924	—	72,225
Massachusetts Institute of Technology	93.859	S4796 / PO 295871	—	86,778
NanoValent Pharmaceuticals, Inc.	93.859	Pass-Through Number Not Available	—	151,008
Photothermal Spectroscopy Corp.	93.859	Pass-Through Number Not Available	—	205
Silicon Therapeutics	93.859	BU-PHASE 2-SBIR	—	185,476
The University of California, Santa Cruz	93.859	A19-0429-S001-P0707042	—	44,968
University of Utah	93.859	10047369-S1	—	79,609
Subtotal			<u>1,184,227</u>	<u>20,308,382</u>
International Society of Travel Medicine	93.860	Pass-Through Number Not Available	—	90,614
Department of Health and Human Services	93.865	Direct	3,465,579	8,551,005
Africa Health Research Institute	93.865	LoA R51	—	34,882
Boston Medical Center Corporation	93.865	6259	—	14,461
Boston Medical Center Corporation	93.865	6929	—	33,654
Boston Medical Center Corporation	93.865	6930	—	35,305
Boston Medical Center Corporation	93.865	6986	4,270	396,361
Brown University	93.865	00001649	—	10,872
Brown University	93.865	00001651	—	5,499
Brown University	93.865	00001653	—	56,022
Brown University	93.865	00001662	—	38,304
Children's Research Institute	93.865	30004438-03	—	256,507
Dartmouth-Hitchcock Clinic	93.865	GC10075-02-06	—	228,423
Florida State University	93.865	R01955	—	83,821
Georgia Institute of Technology	93.865	AWD-000312-G2	—	102,795
Hansjorg Wyss Institute for Biologically	93.865	124234-5099650	—	94,077
Mucommune LLC	93.865	MUC_009_BU	—	7,979
Queen's University at Kingston	93.865	1	—	7,523
Queen's University at Kingston	93.865	6024936-1019916	—	9,375
Regents of the University of Michigan	93.865	3003795363	—	3,462
Regents of the University of Minnesota	93.865	N006344002	—	20,247
Research Foundation for Mental Hygiene	93.865	146182	—	313,954
The Washington University	93.865	WU-18-9	—	20,372
Trustees of Indiana University	93.865	IN-4682016-BU	—	2,122
University of Florida	93.865	SUB00002352	—	14,448
University of Maryland	93.865	43924-Z0751001	—	207,026
University of Maryland	93.865	69916-Z0194201	—	14,938
University of North Carolina at Chapel Hill	93.865	5108778	—	51,563
University of Wisconsin, Madison	93.865	0000000217	—	3,616
Subtotal			<u>3,469,849</u>	<u>10,618,613</u>
Department of Health and Human Services	93.866	Direct	8,026,541	35,827,510
AnthroTronix, Inc.	93.866	070119-0002-BU	—	122,464
Banner Health	93.866	0435-06-132051	—	2,520
Boston Medical Center Corporation	93.866	4041	—	(2,828)
Boston Medical Center Corporation	93.866	7458	—	23,112
Boston Medical Center Corporation	93.866	7610	—	(3,789)
Brandeis University	93.866	403861	—	26,800
California Pacific Medical Center	93.866	280201018-S241	—	(1,728)
California Pacific Medical Center	93.866	280201018-S252	—	659,267
Case Western Reserve University	93.866	RES515791	—	727,877
Duke University	93.866	A034416	—	55,082

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 Supplementary Schedule of Expenditures of Federal Awards
 Year ended June 30, 2021

Federal Grantor/Pass-through Grantor/Program or Cluster Title	Federal CFDA number	Direct award or pass-through entity identifying number	Passed through to subrecipients	Total federal expenditures
Icahn School of Medicine at Mount Sinai	93.866	0255-A981-4609	\$ —	360
Icahn School of Medicine at Mount Sinai	93.866	0255-B701-4609	—	28,462
Icahn School of Medicine at Mount Sinai	93.866	0255-B851-4609	—	296,222
Massachusetts General Hospital	93.866	234538	—	400,391
Massachusetts General Hospital	93.866	234945	—	35,552
Massachusetts General Hospital	93.866	236564	—	17,479
New York University School of Medicine	93.866	18-A0-00-10014999	—	82,472
Northwestern University	93.866	60044936 BU	—	57,721
Northwestern University	93.866	60053943 BOS	—	141,108
Ohio State University	93.866	60070049	—	205,094
President & Fellows of Harvard College	93.866	115429-5117367	—	6,931
Sage Bionetworks	93.866	AMP2019BUSupp	—	119,455
The Brigham and Women's Hospital, Inc.	93.866	115900	—	14,137
The Brigham and Women's Hospital, Inc.	93.866	115904	—	(796)
The Brigham and Women's Hospital, Inc.	93.866	117618	—	406,344
The Brigham and Women's Hospital, Inc.	93.866	121786	—	504,696
The Brigham and Women's Hospital, Inc.	93.866	121975	—	(2,949)
The Washington University	93.866	WU-20-158	—	52,611
The Washington University	93.866	WU-21-0444	—	879,798
Trustees Of Columbia University In The City of New York	93.866	1(GG014803)	—	97,264
Trustees Of Columbia University In The City of New York	93.866	1(GG015971-01)	—	63,885
Trustees of the University of Pennsylvania	93.866	568785/10047877/14658-01	—	263
Trustees of the University of Pennsylvania	93.866	579320/10052383/19532	—	22,107
Trustees of the University of Pennsylvania	93.866	579320/10052383/19533	—	139,652
Trustees of the University of Pennsylvania	93.866	580820	—	27,253
Trustees of the University of Pennsylvania	93.866	581993	—	8,199
Trustees of the University of Pennsylvania	93.866	582036	—	184,304
Trustees of Tufts College, Inc.	93.866	102782-00001-BU	—	30,092
Trustees of Tufts College, Inc.	93.866	Pass-Through Number Not Available	—	14,845
Tufts – New England Medical Center	93.866	5018762-SERV	—	286,934
University of California, Davis	93.866	A18-2546-S002	—	3,382
University of California, Davis	93.866	A18-2550-S002	—	16,789
University of California, Los Angeles	93.866	1555 G WA844	—	91,274
University of California, San Diego	93.866	64588650	—	16,855
University of California, San Diego	93.866	66602940	—	(2,351)
University of California, San Diego	93.866	703478	—	288,032
University of California, San Diego	93.866	74138593	—	80,227
University of California, San Diego	93.866	79786571	—	6,824
University of Florida	93.866	UFDSP00012165	—	2,871
University of Massachusetts, Lowell	93.866	S51110000037006	—	24,543
University of Southern California	93.866	120160775	—	3,704
University of Southern California	93.866	137299735	—	79,252
University of Southern California	93.866	79685083	—	124,118
University of Texas Health Science Center	93.866	164205/163074	—	635,062
University of Texas Health Science Center	93.866	164387/164378	—	182,954
University of Texas Health Science Center	93.866	167329/167328	—	69,240
University of Texas Health Science Center	93.866	167816/167810	—	42,466
University of Texas Health Science Center	93.866	168646/168644	—	477,868
University of Washington	93.866	UWSC10173	—	28,820
University of Washington	93.866	UWSC10728	—	8,192
University of Washington	93.866	UWSC7719	—	34,297
University of Washington	93.866	WU-20-158	—	(56,808)
University of Wisconsin System	93.866	0000001232	—	3,213
University of Wisconsin, Madison	93.866	000000777	—	61,663
Subtotal			8,026,541	43,778,660
Department of Health and Human Services	93.867	Direct	255,832	3,392,023
Duke University	93.867	A031459	—	15,124
Massachusetts Eye and Ear Infirmary & Physician Staff, Inc.	93.867	530875	—	27,870
Northwestern University	93.867	SP0004560-PROJ0001556	—	6
Northwestern University	93.867	SP0028943-PROJ0007596	—	11,986
President & Fellows of Harvard College	93.867	149770.5112530.0002	—	12,569
Schepens Eye Research Institute	93.867	533005	—	82,500
Subtotal			255,832	3,542,078
Department of Health and Human Services	93.879	Direct	—	402,144
Department of Health and Human Services	93.884	Direct	27,672	431,720
Boston Medical Center Corporation	93.884	5422	—	35,522
Boston Medical Center Corporation	93.884	5423	—	62,541
Subtotal			27,672	529,783
Department of Health and Human Services	93.989	Direct	281,294	619,831
Dartmouth College	93.989	R1047	—	34,650
Harvard School of Public Health	93.989	5101819-116559	—	23,807
Subtotal			281,294	678,288

BOSTON UNIVERSITY
 Supplementary Schedule of Expenditures of Federal Awards
 Year ended June 30, 2021

Federal Grantor/Pass-through Grantor/Program or Cluster Title	Federal CFDA number	Direct award or pass-through entity identifying number	Passed through to subrecipients	Total federal expenditures
Department of Health and Human Services	93.UNK	Direct	\$ 70,694	6,850,006
ABT Associates, Inc.	93.UNK	50942	—	97,895
Antigen Pharmaceuticals, Inc.	93.UNK	Pass-Through Number Not Available	—	55,729
Arizona Board of Regents, University of Arizona	93.UNK	441924	—	2,093
Battelle Memorial Institute	93.UNK	US001-0000778944	—	258,483
Butler Hospital	93.UNK	Pass-Through Number Not Available	—	1,736
Commonwealth of Massachusetts – Department of Public Health	93.UNK	INTF3122H78500224080	—	9,691
Leidos	93.UNK	19X100Q	—	808,584
McKing Consulting Corporation	93.UNK	BU-02-6240	—	67,441
Medical College of Georgia	93.UNK	Pass-Through Number Not Available	—	(13,538)
Merck, Sharp & Dohme Corp	93.UNK	194548	—	388,486
MRI Global	93.UNK	733-111015-1	—	(23,370)
President & Fellows of Harvard College	93.UNK	109786.5110769	—	100,730
Regeneron Pharmaceuticals, Inc.	93.UNK	2020_014816	—	24,606
Regeneron Pharmaceuticals, Inc.	93.UNK	Pass-Through Number Not Available	—	9,860
Texas Biomedical Research Institute	93.UNK	US001-0000703470	—	45,218
Texas Biomedical Research Institute	93.UNK	US001-0000703661	—	51,860
University of Mississippi Medical Center	93.UNK	66102690414-04BU	—	(2,747)
University of Mississippi Medical Center	93.UNK	SP13925-SB01	—	20,556
Westat, Inc.	93.UNK	6579-S36	—	56,763
Subtotal			<u>70,694</u>	<u>8,810,082</u>
Department of Health and Human Services Total			<u>110,100,119</u>	<u>331,166,242</u>
Department of Housing and Urban Development:				
Department of Housing and Urban Development	14.906	Direct	—	190,040
Department of Housing and Urban Development Total			—	190,040
Department of Homeland Security:				
Northeastern University	97.061	505035-78050	—	217,775
Department of Homeland Security Total			—	217,775
Department of Justice:				
National Opinion Research Center	16.026	G168.BU.01	—	3,670
Office of Massachusetts Attorney General	16.320	Pass-Through Number Not Available	—	30,212
Department of Justice	16.560	Direct	5,387	295,231
Medical University of South Carolina	16.582	A00-3311-S001	—	200,485
Department of Justice	16.752	Direct	47,291	153,336
Boston Public Health Commission	16.817	FY20021197	—	45,873
Department of Justice Total			<u>52,678</u>	<u>728,807</u>
Department of Labor:				
Institute for Educational Leadership	17.270	Pass-Through Number Not Available	—	21,796
Ohio State University	17.UNK	60073643	—	40,885
Department of Labor Total			—	62,681
Department of the State:				
Institute of International Education	19.010	3,000,194,494	—	199,493
Institute of International Education	19.010	HHH1901_BU_7.1.19	—	1,078
Subtotal			—	200,571
University of Nebraska at Omaha	19.040	45-2402-1031-305	—	30,336
Department of the State Total			—	230,907
Department of the Interior:				
Department of the Interior	15.807	Direct	—	30,804
University of Southern California	15.807	118058054	—	(7)
Subtotal			—	30,797
Department of the Interior	15.808	Direct	11,381	51,277
Department of the Interior	15.944	Direct	—	63,989
Department of the Interior	15.UNK	Direct	—	422,054
Department of the Interior Total			<u>11,381</u>	<u>568,117</u>
Department of Transportation:				
Department of Transportation	20.109	Direct	487,198	1,106,112
Department of Transportation Total			<u>487,198</u>	<u>1,106,112</u>
Department of Veterans Affairs:				
Department of Veterans Affairs	64.UNK	Direct	—	3,328,765
Department of Veterans Affairs Total			—	3,328,765
Environmental Protection Agency:				
President & Fellows of Harvard College	66.509	112546-5102006_P3	—	(3,608)
President & Fellows of Harvard College	66.509	112546-5102000_CEC	1,800	8,468
Subtotal			<u>1,800</u>	<u>4,860</u>

BOSTON UNIVERSITY
 Supplementary Schedule of Expenditures of Federal Awards
 Year ended June 30, 2021

Federal Grantor/Pass-through Grantor/Program or Cluster Title	Federal CFDA number	Direct award or pass-through entity identifying number	Passed through to subrecipients	Total federal expenditures
University of Massachusetts, Boston	66.511	Pass-Through Number Not Available	\$ —	22,717
Health Effects Institute	66.UNK	4971-RFA18-1/20-5	29,946	125,486
Environmental Protection Agency Total			<u>31,746</u>	<u>153,063</u>
National Aeronautics and Space Administration:				
National Aeronautics and Space Administration	43.001	Direct	441,494	5,782,703
City University of New York	43.001	CM0001778-03	—	31,287
Dartmouth College	43.001	R1058	—	28,003
Jet Propulsion Laboratory	43.001	1602815	—	49,198
Jet Propulsion Laboratory	43.001	1610365	—	(5,173)
Jet Propulsion Laboratory	43.001	1621816	12,831	18,480
Jet Propulsion Laboratory	43.001	1623540	—	5,510
Jet Propulsion Laboratory	43.001	1624627	—	158
Jet Propulsion Laboratory	43.001	1628925	—	(7,163)
Jet Propulsion Laboratory	43.001	1631244	—	(14,870)
Jet Propulsion Laboratory	43.001	1647016	—	14,100
Jet Propulsion Laboratory	43.001	1647019	—	11,670
Jet Propulsion Laboratory	43.001	1652614	—	108,330
Jet Propulsion Laboratory	43.001	1652710	—	185,021
Jet Propulsion Laboratory	43.001	1655925	—	17,960
Johns Hopkins University Applied Physics	43.001	163718	—	1,775
Massachusetts Institute of Technology	43.001	316080	—	(417)
Massachusetts Institute of Technology	43.001	454026	—	6,000
Massachusetts Institute of Technology	43.001	538574	—	3,614
Planetary Science Institute	43.001	1553 Boston Univ	—	11,652
Smithsonian Astrophysical Observatory	43.001	GO0-21123X	—	27,152
Space Science Institute	43.001	00959	—	(153)
State University of New York at Buffalo	43.001	R1202595	—	6,732
The George Washington University	43.001	18-M78	—	46,904
Trustees Of Columbia University In The City of New York	43.001	1(GG012542)	—	(124)
Trustees Of Columbia University In The City of New York	43.001	2(GG012542-03)	—	11,045
Universities Space Research Association	43.001	SOF 06-0012	—	(38)
Universities Space Research Association	43.001	SOF 06-0047	—	(9,723)
Universities Space Research Association	43.001	SOF 07-0013	—	6,815
Universities Space Research Association	43.001	SOF 07-0159	—	(1,906)
Universities Space Research Association	43.001	SOF 07-0221	—	1,628
Universities Space Research Association	43.001	SOF-06-0013-Clemens	—	(120)
Universities Space Research Association	43.001	SOF-06-0014-Clemens	—	11,837
Universities Space Research Association	43.001	SOF-06-0039-Clemens	—	2,804
Universities Space Research Association	43.001	SOF-06-0214-Pillai	—	(5)
University of Alabama in Huntsville	43.001	2021-1290	—	752
University of Michigan	43.001	3004063795	—	12,109
Woods Hole Research Center	43.001	WHRC – WG0871-01	—	(6,104)
Subtotal			<u>454,325</u>	<u>6,357,443</u>
National Aeronautics and Space Administration	43.UNK	Direct	1,614	414,012
Center for the Advancement of Science in Space, Inc.	43.UNK	GA-2019-009	—	131,711
Jet Propulsion Laboratory	43.UNK	1625837	—	37,857
Jet Propulsion Laboratory	43.UNK	1637874	43,527	95,558
Massachusetts Institute of Technology	43.UNK	454026	—	7,511
Smithsonian Astrophysical Observatory	43.UNK	GO8-19016A	—	(11)
Space Telescope Science Institute	43.UNK	HST-AR-16119.002-A	—	15,551
Space Telescope Science Institute	43.UNK	HST-GO-14634.002-A	—	(4,143)
Space Telescope Science Institute	43.UNK	HST-GO-15073.013-A	—	2,027
Space Telescope Science Institute	43.UNK	HST-GO-15147.001-A	—	910
Space Telescope Science Institute	43.UNK	HST-GO-15165.001-A	—	58,701
Space Telescope Science Institute	43.UNK	HST-GO-15595.002-A	—	(633)
Space Telescope Science Institute	43.UNK	HST-GO-15638.002-A	—	21,993
Space Telescope Science Institute	43.UNK	HST-GO-15918.006-A	—	1,927
Space Telescope Science Institute	43.UNK	HST-GO-15976.001-A	—	50,150
Space Telescope Science Institute	43.UNK	HST-GO-15994.001-A	—	27,833
Space Telescope Science Institute	43.UNK	HST-GO-16010.002-A	—	29,265
Space Telescope Science Institute	43.UNK	HST-GO-16195.002-A	—	27,973
The Regents of the University of Colorado	43.UNK	1000320450	—	190,778
The Regents of the University of Colorado	43.UNK	1000713692	—	261,288
The Regents of the University of Colorado	43.UNK	1556355	—	38,954
University of California, Berkeley	43.UNK	00009763	—	57,221
University of Illinois	43.UNK	098942-17871	—	22,339
Subtotal			<u>45,141</u>	<u>1,488,772</u>
National Aeronautics and Space Administration Total			<u>499,466</u>	<u>7,846,215</u>
National Endowment for the Humanities	45.161	Direct	—	50,563
National Endowment for the Humanities Total			<u>—</u>	<u>50,563</u>

BOSTON UNIVERSITY
 Supplementary Schedule of Expenditures of Federal Awards
 Year ended June 30, 2021

Federal Grantor/Pass-through Grantor/Program or Cluster Title	Federal CFDA number	Direct award or pass-through entity identifying number	Passed through to subrecipients	Total federal expenditures
National Science Foundation:				
National Science Foundation	47.041	Direct	\$ 1,878,852	7,700,836
Florida International University	47.041	800008492-02UG/800012561	—	6,221
Florida International University	47.041	800009861-01UG	—	18,671
Massachusetts Institute of Technology	47.041	5710003977	—	100,150
Nanoview Diagnostics Inc.	47.041	Pass-Through Number Not Available	—	25,969
Nanoview Diagnostics Inc.	47.041	Pass-Through Number Not Available	—	981
President & Fellows of Harvard College	47.041	168022-5112585	—	101,841
Trustees of the University of Pennsylvania	47.041	570440	—	149,323
Trustees of Tufts College, Inc.	47.041	SF0041	—	34,997
University of California, San Diego	47.041	79408553	—	(1,159)
University of Central Florida	47.041	16406249-05	—	55,186
Vibronix, Inc.	47.041	IIP-1830918-BU	—	40,794
Subtotal			<u>1,878,852</u>	<u>8,233,810</u>
National Science Foundation				
National Science Foundation	47.049	Direct	48,967	4,260,751
Brown University	47.049	00001612	—	133,874
Cornell University	47.049	78877-11086	—	5,000
Cornell University	47.049	79433-20674	—	266,622
CRDF Global	47.049	OISE-17-63073-1	—	514
Massachusetts Institute of Technology	47.049	62197	—	5,055
Massachusetts Institute of Technology	47.049	S5070	—	24,999
Massachusetts Institute of Technology	47.049	S5303, PO 577234	—	3,280
National Radio Astronomy Observatory	47.049	SOSPA7-015	—	31,453
National Radio Astronomy Observatory	47.049	VLBA 20B-274	—	29,798
The Children's Hospital Corporation	47.049	GENFD0001847066	—	71,018
The Research Foundation for the State University of New York	47.049	76749/1136652/2Tier2	—	127,478
The Research Foundation for the State University of New York	47.049	76749/1136652/2M&O	—	826,978
Trustees Of Columbia University In The City of New York	47.049	10(GG016228)	—	99,905
University of California, Irvine	47.049	2020-1334	—	83,968
University of California, Santa Barbara	47.049	KK2024	—	75,616
University of Chicago	47.049	AWD100085-01-PR (SUB0000)	—	66,540
University of Wisconsin, Madison	47.049	000000840	—	59,983
University of Wisconsin, Madison	47.049	811K716	—	72,781
University of Wisconsin, Madison	47.049	823K126	—	68,475
Vanderbilt University	47.049	UNIV60348	—	15,833
Subtotal			<u>48,967</u>	<u>6,329,921</u>
National Science Foundation				
National Science Foundation	47.050	Direct	—	1,529,443
Marine Biological Laboratory	47.050	52679	—	347
University of Southern California	47.050	90931209	—	22,716
Subtotal			—	<u>1,552,506</u>
National Science Foundation				
National Science Foundation	47.070	Direct	489,142	7,992,311
Computing Research Association	47.070	CIF2020-BoU-12	—	94,608
Computing Research Association	47.070	CIF2020-BoU-26	—	32,544
E4TheFuture	47.070	2021-1100	—	7,219
Hansjorg Wyss Institute for Biologically	47.070	167907-5084537	—	(157)
Raytheon BBN Technologies	47.070	14564	—	33,445
Trustees of Tufts College, Inc.	47.070	103262-00001	—	34,598
University of Illinois	47.070	14449	—	(49)
Virginia Polytechnic Institute and State University	47.070	479590-19C90	—	67,500
Virginia Polytechnic Institute and State University	47.070	479859-19C90	—	(6,520)
Young People's Project, Inc.	47.070	2031455-BU	—	13,852
Subtotal			<u>489,142</u>	<u>8,269,351</u>
National Science Foundation				
National Science Foundation	47.074	Direct	232,176	2,118,901
Cary Institute of Ecosystem Studies	47.074	3340/200201857	—	50,751
Colorado State University	47.074	G-45144-01	—	1,029
President & Fellows of Harvard College	47.074	131721-5109144	—	71,605
Rector & Visitors of the University of Virginia	47.074	GA11020-142303	—	(163)
University of California, San Diego	47.074	KR 704214	—	36,448
University of California, San Diego	47.074	KR 704215	—	54,604
University of California, Santa Barbara	47.074	KK1988	—	171,010
University of Denver	47.074	SC37363-02-03	—	44,522
University of Michigan	47.074	SUBK00010703	—	138,671
Subtotal			<u>232,176</u>	<u>2,687,378</u>
National Science Foundation				
National Science Foundation	47.075	Direct	205,902	1,306,874
Arizona State University	47.075	ASUB00000185	—	27,757
Subtotal			<u>205,902</u>	<u>1,334,631</u>
National Science Foundation				
National Science Foundation	47.076	Direct	410,077	5,299,348
American Educational Research Association	47.076	Pass-Through Number Not Available	—	5,736
CAST	47.076	BU7012020-23	—	9,835
Digital Harbor Foundation, Inc.	47.076	2005942	—	18,209
Museum of Science	47.076	4573-BU-01	—	12,544
University of Wisconsin, Madison	47.076	782K460	—	4,146
University of Wisconsin, Madison	47.076	886K535	—	20,113
Subtotal			<u>410,077</u>	<u>5,369,931</u>

BOSTON UNIVERSITY
 Supplementary Schedule of Expenditures of Federal Awards
 Year ended June 30, 2021

Federal Grantor/Pass-through Grantor/Program or Cluster Title	Federal CFDA number	Direct award or pass-through entity identifying number	Passed through to subrecipients	Total federal expenditures
National Science Foundation	47.078	Direct	\$ —	46,832
National Science Foundation	47.079	Direct	—	32,943
National Science Foundation	47.083	Direct	—	94,953
Rutgers, The State University of New Jersey	47.083	1676	—	161,283
Subtotal			—	256,236
National Science Foundation	47.UNK	Direct	—	178,704
Beth Israel Deaconess Medical Center, Inc.	47.UNK	01060902	—	119,835
Draper Laboratory, Inc.	47.UNK	PO001-0001057378	—	43,490
Subtotal			—	342,029
National Science Foundation Total			3,265,116	34,455,568
Research and Development Cluster Total			119,751,679	407,876,032
Student Financial Assistance Cluster:				
Department of Education:				
Federal Supplemental Educational Opportunity Grants	84.007	Direct	—	4,473,399
Federal Work Study	84.033	Direct	—	2,273,996
Perkins Loan Program	84.038	Direct	—	25,713,335
Federal Pell Grant Program	84.063	Direct	—	16,366,576
Pell Administrative Cost Allowance	84.063	Direct	—	16,195
Federal Direct Stafford Loan Program	84.268	Direct	—	146,621,490
Federal Direct PLUS Loan Program	84.268	Direct	—	98,167,201
Teacher Education Assistance for College and Higher Education Grants	84.379	Direct	—	34,892
Department of Education Total			—	293,667,084
Department of Health and Human Services:				
Health Professions Student Loans – Medical	93.342	Direct	—	2,878
Health Professions Student Loans – Dental	93.342	Direct	—	759,613
Loans for Disadvantaged Students – Medical	93.342	Direct	—	128,252
Loans for Disadvantaged Students – Dental	93.342	Direct	—	349,375
Medical – Primary Care	93.342	Direct	—	344,311
Department of Health and Human Services Total			—	1,584,429
Student Financial Assistance Cluster Total			—	295,251,513
TRIO Cluster:				
Department of Education	84.047	Direct	—	537,059
Department of Education Total			—	537,059
TRIO Cluster Total			—	537,059
Child Care and Development Fund (CCDF) Cluster:				
Department of Health and Human Services	93.575	Direct	76,017	257,899
Brandeis University	93.575	403599	—	40,253
Child Care and Development Fund (CCDF) Cluster Total			76,017	298,152
Other Program Awards:				
Agency for International Development:				
Management Sciences for Health	98.001	MTaPS-19-001	—	79,087
U.S. Agency for International Development	98.006	AID-ASHA-A-17-00006	—	12,100
Agency for International Development Total			—	91,187
Corporation for National and Community Service:				
Jumpstart for Young Children, Inc.	94.006	840200	—	72,404
Massachusetts Service Alliance	94.UNK	A-20-C-042103547	—	497,022
Corporation for National and Community Service Total			—	569,426
Department of Defense:				
Basic and Applied Scientific Research	12.300	Direct	—	10,031
Basic Scientific Research	12.431	Direct	—	16,350
Air Force Defense Research Sciences Program	12.800	Direct	—	119,108
Department of Defense	12.UNK	Direct	—	9,947
Department of Defense Total			—	155,436
Department of Education:				
National Resource Centers Program for Foreign Language and Area Studies or Foreign Language and International Studies Program and Foreign Language and Area Studies Fellowship Program	84.015	Direct	—	537,462
Institute for Educational Leadership	84.264	Pass-Through Number Not Available	—	23,728
Public Broadcasting Service	84.295	Pass-Through Number Not Available	—	60,890
Commonwealth of Massachusetts	84.334	2014 2015 MA GEAR UP	—	3,350
State of Connecticut	84.334	CT GEAR UP	—	3,500
Subtotal			—	6,850
COVID-19 – Education Stabilization Fund	84.425E	Direct	—	7,497,658
COVID-19 – Education Stabilization Fund	84.425F	Direct	—	15,695,072
Subtotal			—	23,192,730
Department of Education Total			—	23,821,660

BOSTON UNIVERSITY
Supplementary Schedule of Expenditures of Federal Awards
Year ended June 30, 2021

Federal Grantor/Pass-through Grantor/Program or Cluster Title	Federal CFDA number	Direct award or pass-through entity identifying number	Passed through to subrecipients	Total federal expenditures
Department of Health and Human Services:				
Training in General, Pediatric, and Public Health Dentistry	93.059	Direct	\$ —	209,861
Boston Medical Center Corporation	93.073	6788	—	57,106
Stanford University	93.084	62332489-148206	—	11,992
Maternal and Child Health Federal Consolidated Programs	93.110	Direct	2,323,946	3,509,132
Association of Maternal and Child Health	93.110	120519-30	—	5,290
Subtotal			<u>2,323,946</u>	<u>3,514,422</u>
University of Wisconsin System	93.239	0000000484	—	9,767
Commonwealth of Massachusetts – Department of Public Health	93.243	INTF4107M04W16012090	—	6,441
Substance Abuse and Mental Health Services Projects of Regional and National Significance	93.243	Direct	—	75,407
Institute for Health and Recovery, Inc.	93.243	Pass-Through Number Not Available	—	61,610
Institute for Health and Recovery, Inc.	93.243	Pass-Through Number Not Available	—	33,965
Jewish Family & Children's Service	93.243	Pass-Through Number Not Available	—	83,008
Subtotal			<u>—</u>	<u>260,431</u>
Provider Relief Fund and American Rescue Plan (ARP) Rual Distribution	93.498	Direct	—	32,538
Ryan White HIV/AIDS Dental Reimbursement and Community Based Dental Partnership Grants	93.924	Direct	198,671	882,537
Special Projects of National Significance	93.928	Direct	239,272	593,484
University of Massachusetts, Lowell	93.928	S51120000048314	—	81,881
Subtotal			<u>239,272</u>	<u>675,365</u>
Boston Medical Center Corporation	93.959	7565	—	31,358
C4 Innovations, LLC	93.UNK	BRSS TACS-OY3-Boston Uni	—	1,492
Department of Health and Human Services	93.UNK	201PA2014097	—	22,252
McKing Consulting Corporation	93.UNK	BU-03-4198	—	2,264
Subtotal			<u>—</u>	<u>26,008</u>
Department of Health and Human Services Total			<u>2,761,889</u>	<u>5,711,385</u>
Department of Interior:				
Department of Interior	15.UNK	Direct	—	18,692
Department of Interior Total			<u>—</u>	<u>18,692</u>
Department of State:				
Department of State	19.UNK	Direct	—	(1)
Department of State Total			<u>—</u>	<u>(1)</u>
National Aeronautics and Space Administration:				
University Corporation for Atmospheric Research	43.001	SUBAWD001458	—	25,754
University of Toledo	43.001	N-125107-01 (F-2016-22)	—	323,818
National Aeronautics and Space Administration Total			<u>—</u>	<u>349,572</u>
National Endowment For The Arts:				
Promotion of the Arts Grants to Organizations and Individuals	45.024	Direct	—	19,699
National Endowment for the Arts Total			<u>—</u>	<u>19,699</u>
National Endowment For The Humanities:				
Promotion of the Humanities Fellowships and Stipends	45.160	Direct	—	(3)
Promotion of the Humanities Professional Development	45.163	Direct	—	103,582
Brandeis University	45.164	403774	—	130
National Endowment for the Humanities Total			<u>—</u>	<u>103,709</u>
Other Program Awards Total			<u>2,837,906</u>	<u>31,675,976</u>
Total Expenditures of Federal Awards			<u>\$ 122,589,585</u>	<u>734,803,521</u>

See accompanying notes to supplementary schedule of expenditures of federal awards.

BOSTON UNIVERSITY

Notes to Supplementary Schedule of Expenditures of Federal Awards

Year ended June 30, 2021

(1) Basis of Presentation

The accompanying supplementary schedule of expenditures of federal awards (the Schedule) summarizes the expenditures of Boston University and subsidiaries (the University) under programs funded by the federal government for the year ended June 30, 2021. The information in the Schedule is presented in accordance with the requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (the Uniform Guidance). Because the Schedule presents only a selected portion of the operations of the University, it is not intended to and does not present the financial position, changes in net assets or cash flows of the University.

For purposes of the Schedule, federal awards include all grants, contracts and similar agreements entered into directly between the University and agencies and departments of the federal government and all subawards passed through to the University by nonfederal organizations pursuant to federal grants, contracts and similar agreements. The Schedule also denotes awards passed through from the University to other non-federal subrecipient organizations.

(2) Significant Accounting Policies

Expenditures for direct costs are recognized as incurred using the accrual basis of accounting and federal cost principles. Under these cost principles, certain types of expenditures are not allowable or are limited as to reimbursement. Expenditures also include a portion of costs associated with general University activities (facilities and administrative costs), which are allocated to awards under negotiated formulas commonly referred to as facilities and administrative cost rates (note 3). The negative amounts represent adjustments or credits, in the normal course of business, to amounts reported as expenditures in prior years.

(3) Facilities and Administrative Cost Rates

The University elected not to use the 10% de minimus indirect cost rate allowed under the Uniform Guidance. The University has an approved predetermined facilities and administrative cost rate effective through fiscal year June 30, 2023 for on-campus and off-campus sponsored research activities. The base rates in effect for the year ended June 30, 2021 were 65% for on-campus research and 26% for off-campus research. Facilities and administrative cost recoveries are reported as part of federal expenditures on the Schedule.

BOSTON UNIVERSITY

Notes to Supplementary Schedule of Expenditures of Federal Awards
Year ended June 30, 2021

(4) Federal Student Financial Assistance

Student Loan Programs

The federal student loan programs listed below are administered directly by the University, and balances and transactions relating to these programs are included in the University's consolidated financial statements. Loan activities and balances consist of the following:

	Federal CFDA number	Balance as of June 30, 2020	Loans issued	Payments received	Balance as of June 30, 2021
Perkins loan program	84.038	\$ 25,713,335	—	(6,196,559)	19,516,776
Medical-primary care	93.342	344,311	—	(51,173)	293,138
Health professions					
Student loans (HPSL):					
Medical	93.342	2,878	—	—	2,878
Dental	93.342	744,613	15,000	(199,357)	560,256
Loans for Disadvantaged					
Students (LDS):					
Medical	93.342	128,252	—	(30,955)	97,297
Dental	93.342	349,375	—	(40,988)	308,387
Totals		\$ 27,282,764	15,000	(6,519,032)	20,778,732

The amounts reported on the accompanying Schedule for these loan programs reflect the outstanding balance of loans at the beginning of the year, current year loaned amounts, and any administrative charges related to the loan programs. There were no new federal capital contributions during the year ended June 30, 2021.

Federal Direct Loans

Federally guaranteed loans distributed to students of the University through the Federal Direct Student Loan Program during the year ended June 30, 2021 are summarized as follows:

	Federal CFDA number	Loans distributed
Federal Direct Stafford Loan Program	84.268	\$ 146,621,490
Federal Direct PLUS Loan Program	84.268	98,167,201
Total William D. Ford Federal Direct Loans		\$ 244,788,691

These distributions and related funding sources are not included in the University's consolidated financial statements.



KPMG LLP
Two Financial Center
60 South Street
Boston, MA 02111

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

The Board of Trustees
Boston University:

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States, the consolidated financial statements of Boston University and its subsidiaries (the University), which comprise the consolidated statement of financial position as of June 30, 2021, the related consolidated statements of activities and cash flows for the year then ended, and the related notes to the consolidated financial statements, and have issued our report thereon dated September 22, 2021.

Internal Control Over Financial Reporting

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

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

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

Compliance and Other Matters

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



Purpose of this Report

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

KPMG LLP

Boston, Massachusetts
September 22, 2021



KPMG LLP
Two Financial Center
60 South Street
Boston, MA 02111

Independent Auditors' Report on Compliance for Each Major Federal Program; Report on Internal Control Over Compliance; and Report on Supplementary Schedule of Expenditures of Federal Awards Required by the Uniform Guidance

The Board of Trustees
Boston University:

Report on Compliance for Each Major Federal Program

We have audited Boston University's (the University's) compliance with the types of compliance requirements described in the *OMB Compliance Supplement* that could have a direct and material effect on each of the University's major federal programs for the year ended June 30, 2021. The University's major federal programs are identified in the summary of auditors' results section of the accompanying schedule of findings and questioned costs.

Management's Responsibility

Management is responsible for compliance with federal statutes, regulations, and the terms and conditions of its federal awards applicable to its federal programs.

Auditors' Responsibility

Our responsibility is to express an opinion on compliance for each of the University's major federal programs based on our audit of the types of compliance requirements referred to above. We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and the audit requirements of Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Those standards and the Uniform Guidance require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about the University's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

We believe that our audit provides a reasonable basis for our opinion on compliance for each major federal program. However, our audit does not provide a legal determination of the University's compliance.

Opinion on Each Major Federal Program

In our opinion, the University complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended June 30, 2021.

Report on Internal Control Over Compliance

Management of the University is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements referred to above. In planning and performing our audit of compliance, we considered the University's internal control over compliance with the types of requirements that could have a direct and material effect on each major federal program to determine the auditing



procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance for each major federal program and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the University's internal control over compliance.

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

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

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of the Uniform Guidance. Accordingly, this report is not suitable for any other purpose.

Report on Supplementary Schedule of Expenditures of Federal Awards Required by the Uniform Guidance

We have audited the consolidated financial statements of the University as of and for the year ended June 30, 2021, and have issued our report thereon dated September 22, 2021, which contained an unmodified opinion on those consolidated financial statements. Our audit was conducted for the purpose of forming an opinion on the consolidated financial statements as a whole. The accompanying supplementary schedule of expenditures of federal awards is presented for purposes of additional analysis as required by the Uniform Guidance and is not a required part of the consolidated financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the consolidated financial statements. The information has been subjected to the auditing procedures applied in the audit of the consolidated financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the consolidated financial statements or to the consolidated financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the supplementary schedule of expenditures of federal awards is fairly stated, in all material respects, in relation to the consolidated financial statements as a whole.

KPMG LLP

Boston, Massachusetts
July 19, 2022

BOSTON UNIVERSITY

Schedule of Findings and Questioned Costs

Year ended June 30, 2021

(1) Summary of Auditors' Results

- (a) Type of report issued on whether the consolidated financial statements were prepared in accordance with U.S. generally accepted accounting principles: **Unmodified**
- (b) Internal control deficiencies over financial reporting disclosed by the audit of the consolidated financial statements:
 - Material weaknesses: **No**
 - Significant deficiencies: **None reported**
- (c) Noncompliance material to the consolidated financial statements: **No**
- (d) Internal control deficiencies over major programs disclosed by the audit:
 - Material weaknesses: **No**
 - Significant deficiencies: **None reported**
- (e) Type of report issued on compliance for major programs: **Unmodified**
- (f) Any audit findings disclosed that are required to be reported in accordance with 2 CFR 200.516(a)?: **No**
- (g) Major programs:
 - Research and Development Cluster – various CFDA numbers
 - Higher Education Emergency Relief Fund – CFDA 84.425E, 84.425F
- (h) Dollar threshold used to distinguish between Type A and Type B programs: **\$3,000,000**
- (i) Auditee qualified as a low-risk auditee: **Yes**

(2) Findings Relating to the Financial Statements Reported in Accordance with *Government Auditing Standards*

None

(3) Findings and Questioned Costs Relating to Federal Awards

None