



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, 2023

BOSTON UNIVERSITY

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Awards and Government Auditing Standards* and Related Information
Year ended June 30, 2023

Table of Contents

	Page
Consolidated Financial Statements and Supplementary Schedule of Expenditures of Federal Awards:	
Independent Auditors' Report	1
Consolidated Financial Statements and Related Notes	3
Supplementary Schedule of Expenditures of Federal Awards and Related Notes	32
Reports on Compliance and Internal Control:	
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 <i>Government Auditing Standards</i>	49
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	51
Schedule of Findings and Questioned Costs	54



KPMG LLP
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Independent Auditors' Report

The Board of Trustees
Boston University:

Report on the Audit of the Consolidated Financial Statements

Opinion

We have audited the consolidated financial statements of Boston University and its subsidiaries (the University), which comprise the consolidated statements of financial position as of June 30, 2023 and 2022, the related consolidated statements of activities and cash flows for the years then ended, and the related notes to the consolidated financial statements.

In our opinion, the accompanying consolidated financial statements present fairly, in all material respects, the financial position of the University as of June 30, 2023 and 2022, and the changes in its net assets and its cash flows for the years then ended in accordance with U.S. generally accepted accounting principles.

Basis for Opinion

We conducted our audits in accordance with auditing standards generally accepted in the United States of America (GAAS) and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Consolidated Financial Statements section of our report. We are required to be independent of the University and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audits. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Responsibilities of Management for the Consolidated Financial Statements

Management is responsible for the preparation and fair presentation of the consolidated financial statements in accordance with U.S. generally accepted accounting principles, and for 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.

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

Auditors' Responsibilities for the Audit of the Consolidated Financial Statements

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



In performing an audit in accordance with GAAS and *Government Auditing Standards*, we:

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

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

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated September 14, 2023 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 14, 2023

BOSTON UNIVERSITY • CONSOLIDATED STATEMENTS OF FINANCIAL POSITION

June 30, 2023 and 2022
(\$000)

	2023	2022
ASSETS		
Cash and cash equivalents	\$ 230,799	\$ 385,608
Cash and cash equivalents-restricted	2,484	37,164
Short-term investments	995,766	813,229
Accounts and loans receivable, net.	243,824	234,319
Pledges receivable, net	268,377	181,994
Prepaid expenses and other assets	48,676	57,304
Investment in residual asset note	19,840	32,127
Right-of-use assets-operating leases	107,080	112,113
Long-term investments.	3,352,755	3,249,790
Property, plant, and equipment, net.	3,051,887	2,921,042
Total assets	\$ 8,321,488	\$ 8,024,690
LIABILITIES AND NET ASSETS		
Liabilities:		
Accrued payroll and related expenses	\$ 120,046	\$ 141,522
Accounts payable and accrued expenses	147,524	149,855
Deferred revenue	82,719	82,222
Student deposits.	135,911	138,260
Operating lease obligations	111,857	116,088
Finance lease obligations	78,932	79,590
Other long-term obligations	37,893	43,013
Deferred ground lease revenue.	80,610	94,069
Fair value of interest rate exchange agreements.	138,136	195,532
Bonds and notes payable, net	1,735,540	1,746,823
Total liabilities	2,669,168	2,786,974
Net assets:		
Without donor restrictions	3,488,599	3,154,503
With donor restrictions	2,163,721	2,083,213
Total net assets	5,652,320	5,237,716
Total liabilities and net assets	\$ 8,321,488	\$ 8,024,690

BOSTON UNIVERSITY • CONSOLIDATED STATEMENTS OF ACTIVITIES

For the years ended June 30, 2023 and 2022
(\$000)

	2023		
	Without Donor Restrictions	With Donor Restrictions	Total
OPERATING REVENUES			
Student tuition and fees, net of student aid of \$592.4 million in 2023	\$ 1,343,938	\$ -	\$ 1,343,938
Sponsored programs-direct	422,844	-	422,844
Sponsored programs-indirect	130,157	-	130,157
External fringe benefit recoveries	53,764	-	53,764
Contributions	50,154	-	50,154
Sales and services	99,282	-	99,282
Spending formula amount and other investment income	130,324	-	130,324
Sponsored program income for student aid	19,051	-	19,051
Auxiliary enterprises, net of student aid of \$33.1 million in 2023	279,255	-	279,255
Contributions used for operations	27,075	-	27,075
Total operating revenues	2,555,844	-	2,555,844
OPERATING EXPENSES			
Salaries and wages	1,096,356	-	1,096,356
Employee benefits	327,056	-	327,056
Supplies and services	654,007	-	654,007
Utilities, rent, and repairs	100,072	-	100,072
Depreciation	153,273	-	153,273
Interest	72,713	-	72,713
Total operating expenses	2,403,477	-	2,403,477
Change in net assets from operating activities	152,367	-	152,367
NONOPERATING ACTIVITIES			
Contributions	-	186,785	186,785
Contributions used for operations	-	(27,075)	(27,075)
Reinvested endowment and other investment income	16,152	18,490	34,642
Net realized and unrealized gains on investments and other assets	68,425	67,766	136,191
Spending formula amount	(44,299)	(62,232)	(106,531)
Net realized and unrealized gains on interest rate exchange agreements	37,134	-	37,134
Net assets released from restrictions- building funds and other	105,384	(105,384)	-
Other additions (deductions) and transfers, net	(1,067)	2,158	1,091
Net nonoperating activities	181,729	80,508	262,237
Change in net assets	334,096	80,508	414,604
Beginning net assets	3,154,503	2,083,213	5,237,716
Ending net assets	\$ 3,488,599	\$ 2,163,721	\$ 5,652,320

BOSTON UNIVERSITY • CONSOLIDATED STATEMENTS OF ACTIVITIES

For the years ended June 30, 2023 and 2022
(\$000)

2022			
Without Donor Restrictions	With Donor Restrictions	Total	
\$ 1,297,659	\$ -	\$ 1,297,659	OPERATING REVENUES
457,280	-	457,280	Student tuition and fees, net of student aid of \$548.6 million in 2022
118,689	-	118,689	Sponsored programs-direct
52,077	-	52,077	Sponsored programs-indirect
47,080	-	47,080	External fringe benefit recoveries
89,394	-	89,394	Contributions
85,114	-	85,114	Sales and services
38,912	-	38,912	Spending formula amount and other investment income
261,044	-	261,044	Sponsored program income for student aid
14,107	-	14,107	Auxiliary enterprises, net of student aid of \$26.8 million in 2022
<u>2,461,356</u>	<u>-</u>	<u>2,461,356</u>	Contributions used for operations
			Total operating revenues
1,019,549	-	1,019,549	OPERATING EXPENSES
314,147	-	314,147	Salaries and wages
661,512	-	661,512	Employee benefits
92,608	-	92,608	Supplies and services
145,617	-	145,617	Utilities, rent, and repairs
51,736	-	51,736	Depreciation
<u>2,285,169</u>	<u>-</u>	<u>2,285,169</u>	Interest
176,187	-	176,187	Total operating expenses
			Change in net assets from operating activities
-	60,681	60,681	NONOPERATING ACTIVITIES
-	(14,107)	(14,107)	Contributions
10,144	20,023	30,167	Contributions used for operations
(153,955)	(243,733)	(397,688)	Reinvested endowment and other investment income
(40,560)	(55,585)	(96,145)	Net realized and unrealized losses on investments and other assets
129,339	-	129,339	Spending formula amount
10,332	(10,332)	-	Net realized and unrealized losses on interest rate exchange agreements
4,553	(3,788)	765	Net assets released from restrictions- building funds and other
<u>(40,147)</u>	<u>(246,841)</u>	<u>(286,988)</u>	Other additions (deductions) and transfers, net
136,040	(246,841)	(110,801)	Net nonoperating activities
3,018,463	2,330,054	5,348,517	Change in net assets
<u>\$ 3,154,503</u>	<u>\$ 2,083,213</u>	<u>\$ 5,237,716</u>	Beginning net assets
			Ending net assets

BOSTON UNIVERSITY • CONSOLIDATED STATEMENTS OF CASH FLOWS

For the years ended June 30, 2023 and 2022
(\$000)

	2023	2022
CASH FLOWS FROM OPERATING ACTIVITIES		
Change in net assets	\$ 414,604	\$ (110,801)
Adjustments to reconcile change in net assets to net cash provided by operating activities:		
Depreciation	153,273	145,617
Amortization of debt premium and issuance costs, net	(4,192)	(4,192)
Amortization of right-of-use assets-financing	1,693	1,806
Amortization of right-of-use assets-operating	14,643	15,266
(Gain) loss on disposal of property and equipment	(23,770)	963
Unrealized gains on interest rate exchange agreements	(55,248)	(161,244)
Settlements on swap replacement transactions, net	5,345	11,589
Net realized and unrealized (gains) losses on investments	(131,164)	398,102
Contributions and pledge payments restricted for long-term investment . .	(90,891)	(68,064)
Restricted gifts of securities	(3,310)	(2,062)
Unrealized losses (gains) on currency exchange	600	(1,671)
Changes in operating assets and liabilities:		
Increase in accounts and loans receivable, net	(4,501)	(16,763)
(Increase) decrease in pledges receivable, net	(95,894)	7,382
Decrease in prepaid expenses and other assets	8,628	14,877
Decrease in accrued payroll and related expenses	(21,476)	(27,445)
Increase in accounts payable and accrued expenses	2,105	10,695
Decrease in operating lease obligations	(13,841)	(14,339)
Increase in deferred revenue	497	13,034
(Decrease) increase in student deposits	(2,349)	15,277
Decrease in other long-term obligations	(3,611)	(5,283)
Decrease in deferred ground lease revenue	(1,106)	(1,162)
Net cash provided by operating activities	150,035	221,582
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchases of investments	(2,857,684)	(2,704,366)
Proceeds from sales and maturities of investments	2,696,692	2,641,285
Purchases of property and equipment	(294,266)	(226,602)
Proceeds from sale of property and equipment	26,876	-
Proceeds from residual asset note	12,980	3,304
Net cash used in investing activities	(415,402)	(286,379)
CASH FLOWS FROM FINANCING ACTIVITIES		
Payment of bonds, notes, and mortgages	(7,691)	(8,436)
Payments for finance lease obligations	(658)	(753)
Payments of swap termination fees	(2,148)	-
(Decrease) increase in other long-term liabilities-annuity obligations . .	(1,509)	1,493
Contributions and pledge payments restricted for long-term investment . .	90,891	68,064
Proceeds from sale of restricted gifts of securities	2,338	2,062
Settlements on swap replacement transactions, net	(5,345)	(11,589)
Net cash provided by financing activities	75,878	50,841
Net decrease in cash, cash equivalents, and restricted cash	(189,489)	(13,956)
Cash, cash equivalents, and restricted cash beginning of year	422,772	436,728
Cash, cash equivalents, and restricted cash end of year	\$ 233,283	\$ 422,772

For the years ended June 30, 2023 and 2022

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.

With the passing of the fifth anniversary of the merger and in accordance with the merger agreement, the University released \$98,497,000 of property, plant, and equipment from restriction in fiscal year 2023. These assets, previously classified as with donor restrictions, were used for academic or administrative space for the Boston University Wheelock College of Education & Human Development on the Wheelock Campus.

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. 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 budget reserves. These actions included salary freezes, targeted operating and personnel budget reductions, and a one-year suspension of employer contributions to the University's retirement savings program.

The University identified federal relief programs to mitigate the financial impact of the pandemic on the institution and to support students experiencing financial hardship. These relief programs include the Coronavirus Aid, Relief, and Economic Security Act (CARES), the Coronavirus Response and Relief Supplemental Appropriations Act (CRRSAA), and the American Rescue Plan (ARP), which allocated a total of \$80,067,000 from fiscal 2020 through fiscal 2022 under the Higher Education Emergency Relief Funds (HEERF). During this period, the University distributed \$47,859,000 directly to students as emergency aid and utilized \$32,208,000 to defray the incremental cost of transitioning to a hybrid education model, COVID-19 testing, and other pandemic-related health and safety protocols. As all funds allocated to the University were spent by the end of fiscal 2022, no HEERF funds were recognized in fiscal 2023.

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, 2023 and 2022

Net assets with donor restrictions that expire by the passage of time totaled \$1,052,602,000 and \$1,112,162,000 as of June 30, 2023 and 2022, respectively. Net assets with perpetual donor restrictions totaled \$1,111,119,000 and \$971,051,000 as of June 30, 2023 and 2022, respectively.

The composition of net assets as of June 30, 2023 and 2022, in thousands of dollars, is as follows:

	2023		
	Without Donor Restrictions	With Donor Restrictions	Total Net Assets
Endowment:			
General purpose	\$ 1,037,405	\$ 432,518	\$ 1,469,923
Scholarships	127,260	598,789	726,049
Professorships	127,246	506,026	633,272
Awards, prizes, fellowships, and other	32,320	129,169	161,489
Research	22,130	105,391	127,521
Annuities	-	20,072	20,072
Total endowment and annuity funds	<u>1,346,361</u>	<u>1,791,965</u>	<u>3,138,326</u>
Other funds:			
General and plant funds	1,871,150	-	1,871,150
Building and gift funds	140,335	35,600	175,935
Pledges	-	268,377	268,377
Student loan funds	21,496	33,073	54,569
Unexpended endowment distributions	109,257	34,706	143,963
Total other funds	<u>2,142,238</u>	<u>371,756</u>	<u>2,513,994</u>
Total net assets	<u>\$ 3,488,599</u>	<u>\$ 2,163,721</u>	<u>\$ 5,652,320</u>
	2022		
	Without Donor Restrictions	With Donor Restrictions	Total Net Assets
Endowment:			
General purpose	\$ 969,785	\$ 424,287	\$ 1,394,072
Scholarships	124,866	557,649	682,515
Professorships	123,225	484,062	607,287
Awards, prizes, fellowships, and other	30,266	123,222	153,488
Research	20,589	97,127	117,716
Annuities	-	18,274	18,274
Total endowment and annuity funds	<u>1,268,731</u>	<u>1,704,621</u>	<u>2,973,352</u>
Other funds:			
General and plant funds	1,635,776	98,497	1,734,273
Building and gift funds	126,791	31,982	158,773
Pledges	-	181,994	181,994
Student loan funds	20,821	36,428	57,249
Unexpended endowment distributions	102,384	29,691	132,075
Total other funds	<u>1,885,772</u>	<u>378,592</u>	<u>2,264,364</u>
Total net assets	<u>\$ 3,154,503</u>	<u>\$ 2,083,213</u>	<u>\$ 5,237,716</u>

For the years ended June 30, 2023 and 2022

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 and maintain 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. Disclosures about the University’s related party transactions, including those with affiliates, are described in notes 1, 3, and 11 to the consolidated financial statements.

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.

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

The following table summarizes cash, cash equivalents, and restricted cash reported on the statement of cash flows as of June 30, 2023 and 2022, in thousands of dollars:

	2023	2022
Cash and cash equivalents	\$ 230,799	\$ 385,608
Cash and cash equivalents-restricted	2,484	37,164
Total cash, cash equivalents, and restricted cash	<u>\$ 233,283</u>	<u>\$ 422,772</u>

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.

For the years ended June 30, 2023 and 2022

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 that are 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.

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, 2023 and 2022, the University acquired equipment and other assets of approximately \$6,803,000 and \$6,453,000, 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, 2023 and 2022 was \$153,273,000 and \$145,617,000, 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.

For the years ended June 30, 2023 and 2022

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.

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, 2023 and 2022 was \$11,571,000 and \$12,057,000, 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, 2023 and 2022, in thousands of dollars:

	2023	2022
Undergraduate	\$ 771,912	\$ 744,200
Postgraduate	542,940	530,574
Other	29,086	22,885
Total	<u>\$ 1,343,938</u>	<u>\$ 1,297,659</u>

For the years ended June 30, 2023 and 2022

Net auxiliary enterprises revenue consists of the following for the years ended June 30, 2023 and 2022, in thousands of dollars:

	2023	2022
Residence and dining services, net of student aid	\$ 216,815	\$ 190,239
Arena, parking, and retail operations	62,440	70,805
Total	\$ 279,255	\$ 261,044

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 \$572,052,000 and \$614,881,000 for the years ended June 30, 2023 and 2022, respectively. Payments received from sponsors in advance of conditions being met are reported as deferred revenue, and totaled \$70,382,000 and \$68,700,000 as of June 30, 2023 and 2022, respectively. Conditional awards from federal and other sponsors outstanding as of June 30, 2023 and 2022 were \$262,317,000 and \$183,141,000, respectively.

As a result of the COVID-19 pandemic, the University received funds under the HEERF. The University provided emergency financial aid grants to students of \$21,426,000 during the year ended June 30, 2022, which was recognized as revenue under sponsored program income for student aid. In addition, \$20,453,000 of funds were used to defray institutional expenses associated with maintaining the desired student experience sought by the University as provided prior to the COVID-19 pandemic and required investments in testing as well as health and safety protocols during the year ended June 30, 2022, which were recognized as revenue under sponsored programs-direct. As all funds were spent by the end of fiscal year 2022, no HEERF funds were recognized during the year ended June 30, 2023.

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, except to the extent the University has unrelated business income. As of June 30, 2023 the University’s federal net operating loss carryforwards prior to June 30, 2018 are \$17,028,000, 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

For the years ended June 30, 2023 and 2022

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, 2023 are \$33,387,000 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 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, 2023 and 2022. 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, 2023 and 2022, in thousands of dollars:

	2023	2022
Interest paid in cash, net of capitalized interest of \$2,237 and \$7,595.	\$ 74,919	\$ 55,546
Noncash investing activities:		
(Decrease) increase in accounts payable for property, plant, and equipment	(6,181)	19,699
Increase in investments for pledged donated properties received.	9,511	-
Increase in investments from donated assets.	972	-
(Increase) decrease in investments for residual note asset	(693)	2,286
Increase in purchases of investments for forward foreign currencies.	448	-
Increase in payables for purchases of investments.	1,297	7,824
Increase in receivables for sales of investments.	(5,004)	(11,637)

In January 2023, the University purchased 11–19 Deerfield Street for \$56,099,000, net of closing costs. With the execution of the purchase, the land lease associated with the building was terminated, releasing \$12,353,000 of deferred ground lease deposits previously received, which adjusted the purchase price. The University intends to utilize the building and associated land for institutional purposes, therefore, the net basis of the building totaling \$43,647,000 was recorded within property, plant, and equipment. Land on which the building sits, valued at \$13,185,000, was previously recognized as non-core institutional real estate within long-term investments. As a result of this transaction, the University reclassified the land from long-term investments into property, plant, and equipment.

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, 2023 and 2022, in thousands of dollars:

	2023	2022
Operating cash flows from finance leases	\$ 3,406	\$ 3,558
Operating cash flows from operating leases	15,984	16,824
Financing cash flows from finance leases.	658	753

In April 2022, the University executed the purchase option of an operating lease releasing the obligation and disposing of the right-of-use assets at the net present value of \$730,000. The purchase of this property resulted in an increase in long-term investments.

For the years ended June 30, 2023 and 2022

2. Financial Assets and Liquidity Resources

As of June 30, 2023 and 2022, 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:

	<u>2023</u>	<u>2022</u>
Financial assets, at year-end	\$ 5,113,845	\$ 4,934,231
Less: those unavailable for general expenditures within one year, due to:		
Contractual or donor-imposed restrictions:		
Donor restricted endowment	(1,791,965)	(1,704,621)
Pledges receivable due in greater than one year or restricted for use	(260,100)	(175,416)
Restricted cash and cash equivalents.	(2,484)	(37,164)
Student loans receivable due in greater than one year.	(26,478)	(31,458)
Investment in residual asset note.	(19,840)	(32,127)
Board designations:		
Quasi-endowment funds.	(1,346,361)	(1,268,731)
Add: approved endowment spending distribution for next fiscal year	<u>113,900</u>	<u>103,584</u>
Financial assets available to meet cash needs for general expenditures within one year	<u>\$ 1,780,517</u>	<u>\$ 1,788,298</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, 2023 and 2022

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, 2023 and 2022, 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 \$64 per square foot and weighted average capitalization rates of 5.75%. 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, 2023 and 2022 were as follows, in thousands of dollars:

	<u>2023</u>	<u>2022</u>
Cash and cash equivalents	\$ 230,799	\$ 385,608
Cash and cash equivalents-restricted	2,484	37,164
Short-term investments	995,766	813,229
Investment in residual asset note	19,840	32,127
Long-term investments	<u>3,352,755</u>	<u>3,249,790</u>
	4,601,644	4,517,918
Less: assets not reported at fair value:		
Investment in residual asset note	(19,840)	(32,127)
Real estate partnerships accounted for under the equity method	<u>(26,947)</u>	<u>(26,309)</u>
Total cash and investments at fair value	<u>\$ 4,554,857</u>	<u>\$ 4,459,482</u>

For the years ended June 30, 2023 and 2022

The following tables summarize the University's cash and investments in the fair value hierarchy as of June 30, 2023 and 2022, in thousands of dollars:

As of June 30, 2023	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	\$ -	\$ 233,283	\$ -	\$ -	\$ 233,283
Common and preferred equities:					
Domestic	184,944	80,925	-	-	265,869
International	326,515	75,604	26,357	-	428,476
	<u>511,459</u>	<u>156,529</u>	<u>26,357</u>	<u>-</u>	<u>694,345</u>
Fixed income:					
Domestic	-	978	1,289	-	2,267
International	-	7	100	-	107
U.S. government and agencies	-	1,130,063	1	-	1,130,064
	<u>-</u>	<u>1,131,048</u>	<u>1,390</u>	<u>-</u>	<u>1,132,438</u>
Alternatives:					
Hedge	889,038	-	-	-	889,038
Natural resources	65,953	-	-	-	65,953
Private	1,036,932	-	-	333	1,037,265
Real estate	122,145	-	-	366,591	488,736
	<u>2,114,068</u>	<u>-</u>	<u>-</u>	<u>366,924</u>	<u>2,480,992</u>
Funds held in trust by others	-	-	-	13,799	13,799
Total assets at fair value	\$ 2,625,527	\$ 1,520,860	\$ 27,747	\$ 380,723	\$ 4,554,857
As of June 30, 2022	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	\$ -	\$ 422,772	\$ -	\$ -	\$ 422,772
Common and preferred equities:					
Domestic	149,762	70,786	-	-	220,548
International	338,396	56,591	45,711	-	440,698
	<u>488,158</u>	<u>127,377</u>	<u>45,711</u>	<u>-</u>	<u>661,246</u>
Fixed income:					
Domestic	-	875	1,625	-	2,500
International	-	5	275	-	280
U.S. government and agencies	-	962,014	478	-	962,492
	<u>-</u>	<u>962,894</u>	<u>2,378</u>	<u>-</u>	<u>965,272</u>
Alternatives:					
Hedge	802,737	-	-	-	802,737
Natural resources	71,726	-	-	-	71,726
Private	1,052,679	-	-	333	1,053,012
Real estate	101,208	-	-	367,980	469,188
	<u>2,028,350</u>	<u>-</u>	<u>-</u>	<u>368,313</u>	<u>2,396,663</u>
Funds held in trust by others	-	-	-	13,529	13,529
Total assets at fair value	\$ 2,516,508	\$ 1,513,043	\$ 48,089	\$ 381,842	\$ 4,459,482

For the years ended June 30, 2023 and 2022

The following tables present a summary of the University's activity for the years ended June 30, 2023 and 2022 for investments categorized in Level 3, in thousands of dollars:

2023	Alternatives		Funds	Total
	Private	Real Estate	Held in Trust by Others	Assets in Level 3
Fair value, July 1, 2022	\$ 333	\$ 367,980	\$ 13,529	\$ 381,842
Additions	-	18,303	-	18,303
Sales or redemptions	-	(911)	-	(911)
Transfer out to property, plant, and equipment	-	(13,185)	-	(13,185)
Unrealized (losses) gains	-	(5,596)	270	(5,326)
Fair value, June 30, 2023	\$ 333	\$ 366,591	\$ 13,799	\$ 380,723

2022	Alternatives		Funds	Total
	Private	Real Estate	Held in Trust by Others	Assets in Level 3
Fair value, July 1, 2021	\$ 333	\$ 342,641	\$ 13,845	\$ 356,819
Additions	-	12,327	-	12,327
Unrealized (losses) gains	-	13,012	(316)	12,696
Fair value, June 30, 2022	\$ 333	\$ 367,980	\$ 13,529	\$ 381,842

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, 2023, the aggregate notional exposure on long-term investment assets was \$37,894,000. The associated unrealized gain on these assets was \$144,000 as of June 30, 2023. The associated asset value recorded was \$1,035,000 as of June 30, 2023. During the fiscal year 2022, the University sold its derivative investments and no notional exposure was in place as of June 30, 2022. Realized losses on these assets were \$78,000 for the year ended June 30, 2022.

Residual Asset Note:

In June 2006, the University securitized its interest in an investment banking partnership that owned rights to future cash flows. To effect a 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 (LLC). The LLC issued a zero coupon note to Deutsche Bank Litigation Fee Trust (DBLF) collateralized by future cash flow rights. The note had an initial face value of \$88,227,000, the aggregate amount of the expected cash flows between 2007 and 2021. The note was acquired by DBLF for \$25,244,000 and is non-recourse to the University.

For the years ended June 30, 2023 and 2022

The LLC is consolidated in the financial statements of the University. The LLC’s investment is recorded as an asset and the discounted note obligation is recorded as a liability on the Consolidated Statements of Financial Position. The discount on the note is amortized over its scheduled maturity using the effective interest method and the note obligation decreases as future cash flows are received.

Upon extinguishment of the note in fiscal year 2022, residual payments to the University commenced. The LLC’s investment is valued based on a present value analysis using readily available and observable market discount factors. As of June 30, 2023 and 2022, the carrying value of the investment is \$19,840,000 and \$32,127,000, respectively. For the year ended June 30, 2023, payments received totaled \$12,980,000.

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, 2023	Without Donor Restrictions	With Donor Restrictions	Total
Dividend and interest income	\$ 50,301	\$ 9,049	\$ 59,350
Net realized and unrealized gains on investments and other assets	68,425	67,766	136,191
Total return on investments and other assets . . .	\$ 118,726	\$ 76,815	\$ 195,541
For the year ended June 30, 2022	Without Donor Restrictions	With Donor Restrictions	Total
Dividend and interest income	\$ 14,731	\$ 13,381	\$ 28,112
Net realized and unrealized losses on investments and other assets	(153,955)	(243,733)	(397,688)
Total return on investments and other assets . . .	\$ (139,224)	\$ (230,352)	\$ (369,576)

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, 2023 and 2022 was \$592,808,000 and \$521,753,000, respectively. Of this amount, approximately 20% and 21% of commitments as of June 30, 2023 and 2022, respectively, 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.

For the years ended June 30, 2023 and 2022

Liquidity:

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

As of June 30, 2023	Daily	Monthly	Quarterly	Annually	>1 Year	Total
Cash and cash equivalents*	\$ 233,283	\$ -	\$ -	\$ -	\$ -	\$ 233,283
Common and preferred equities:						
Domestic	79,877	1,076	75,575	84,999	24,342	265,869
International	75,599	202,944	22,804	29,963	97,166	428,476
	155,476	204,020	98,379	114,962	121,508	694,345
Fixed income:						
Domestic	2,247	20	-	-	-	2,267
International	100	7	-	-	-	107
U.S. government and agencies .	1,130,064	-	-	-	-	1,130,064
	1,132,411	27	-	-	-	1,132,438
Alternatives:						
Hedge	-	-	281,808	281,770	325,460	889,038
Natural resources.	-	-	-	-	65,953	65,953
Private	-	-	-	-	1,037,265	1,037,265
Real estate	-	-	-	364,415	124,321	488,736
	-	-	281,808	646,185	1,552,999	2,480,992
Funds held in trust by others	-	-	-	-	13,799	13,799
Total assets at fair value	\$1,521,170	\$ 204,047	\$ 380,187	\$ 761,147	\$1,688,306	\$4,554,857

*Cash and cash equivalents includes \$2,019,000 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.

As of June 30, 2022	Daily	Monthly	Quarterly	Annually	>1 Year	Total
Cash and cash equivalents*	\$ 422,772	\$ -	\$ -	\$ -	\$ -	\$ 422,772
Common and preferred equities:						
Domestic	69,829	998	62,567	70,583	16,571	220,548
International	56,581	230,281	20,755	30,084	102,997	440,698
	126,410	231,279	83,322	100,667	119,568	661,246
Fixed income:						
Domestic	2,481	19	-	-	-	2,500
International	275	5	-	-	-	280
U.S. government and agencies .	962,492	-	-	-	-	962,492
	965,248	24	-	-	-	965,272
Alternatives:						
Hedge	-	-	130,476	352,585	319,676	802,737
Natural resources.	-	-	-	-	71,726	71,726
Private	-	-	-	-	1,053,012	1,053,012
Real estate	-	-	-	365,804	103,384	469,188
	-	-	130,476	718,389	1,547,798	2,396,663
Funds held in trust by others	-	-	-	-	13,529	13,529
Total assets at fair value	\$1,514,430	\$ 231,303	\$ 213,798	\$ 819,056	\$1,680,895	\$4,459,482

*Cash and cash equivalents includes \$36,700,000 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, 2023 and 2022

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. 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 \$1,349,134,000 and \$1,350,570,000, as well as investments with rolling lockup periods totaling \$339,172,000 and \$330,325,000 as of June 30, 2023 and 2022, respectively.

4. Endowment Funds

Total endowment assets as of June 30, 2023 and 2022 are \$3,154,514,000 and \$2,989,671,000, 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, 2023 and 2022, respectively, the distribution as a percentage of the prior December 31 fair value of the pooled endowment fund was 3.0% and 3.3%.

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.

For the years ended June 30, 2023 and 2022

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, 2023, in thousands of dollars:

	Without Donor Restrictions	With Donor Restrictions		Total with Donor Restrictions	Total
		Original Gift	Accumulated Gains (losses)		
Quasi	\$ 1,346,361	\$ -	\$ -	\$ -	\$1,346,361
Donor restricted:					
Underwater funds	-	89,129	(6,888)	82,241	82,241
All other funds	-	790,717	919,007	1,709,724	1,709,724
Endowment net assets at end of year	<u>\$ 1,346,361</u>	<u>\$ 879,846</u>	<u>\$ 912,119</u>	<u>\$ 1,791,965</u>	<u>\$3,138,326</u>

For the years ended June 30, 2023 and 2022

The following table represents changes in endowment net assets for the fiscal year ended June 30, 2023, in thousands of dollars:

	Without Donor Restrictions	With Donor Restrictions	Total
Endowment net assets at beginning of year	\$ 1,268,731	\$ 1,704,621	\$ 2,973,352
Reinvested income distribution	10,729	2,834	13,563
Realized and unrealized gains	54,195	76,438	130,633
Less: spending formula	<u>(44,299)</u>	<u>(62,232)</u>	<u>(106,531)</u>
Undistributed investment income.	20,625	17,040	37,665
Contributions	5,649	14,799	20,448
Pledge payments	53	51,158	51,211
Other additions, transfers, and net asset reclassifications	<u>51,303</u>	<u>4,347</u>	<u>55,650</u>
Endowment net assets at end of year	<u>\$ 1,346,361</u>	<u>\$ 1,791,965</u>	<u>\$ 3,138,326</u>

The following table represents endowment net asset composition by type of fund as of June 30, 2022, in thousands of dollars:

	Without Donor Restrictions	With Donor Restrictions			Total
		Original Gift	Accumulated Gains (losses)	Total with Donor Restrictions	
Quasi	\$ 1,268,731	\$ -	\$ -	\$ -	\$ 1,268,731
Donor restricted:					
Underwater funds	-	39,066	(3,578)	35,488	35,488
All other funds	-	770,909	898,224	1,669,133	1,669,133
Endowment net assets at end of year	<u>\$ 1,268,731</u>	<u>\$ 809,975</u>	<u>\$ 894,646</u>	<u>\$ 1,704,621</u>	<u>\$ 2,973,352</u>

The following table represents changes in endowment net assets for the fiscal year ended June 30, 2022, in thousands of dollars:

	Without Donor Restrictions	With Donor Restrictions	Total
Endowment net assets at beginning of year	\$ 1,447,021	\$ 1,945,492	\$ 3,392,513
Reinvested income distribution	9,565	2,014	11,579
Realized and unrealized losses	(166,634)	(230,420)	(397,054)
Less: spending formula	<u>(40,560)</u>	<u>(55,585)</u>	<u>(96,145)</u>
Undistributed investment income.	(197,629)	(283,991)	(481,620)
Contributions	4,941	10,478	15,419
Pledge payments	32	31,898	31,930
Other additions, transfers, and net asset reclassifications	<u>14,366</u>	<u>744</u>	<u>15,110</u>
Endowment net assets at end of year	<u>\$ 1,268,731</u>	<u>\$ 1,704,621</u>	<u>\$ 2,973,352</u>

For the years ended June 30, 2023 and 2022

5. Accounts Receivable and Pledges Receivable

Accounts Receivable:

Accounts and loans receivable at June 30, 2023 and 2022, in thousands of dollars, consist of the following:

	2023	2022
Accounts receivable, net:		
Students	\$ 21,203	\$ 21,023
Less: allowances	(5,924)	(7,077)
	15,279	13,946
Grants and contracts	110,263	116,149
Unsettled investment trades	24,353	19,349
Departmental sales, services, and other	65,307	53,880
Less: allowances	(8,749)	(9,139)
	191,174	180,239
Student loans	40,634	44,364
Less: allowances	(3,263)	(4,230)
	37,371	40,134
Total accounts and loans receivable, net	\$ 243,824	\$ 234,319

Federally sponsored student loans receivable represented \$13,195,000 and \$16,598,000 as of June 30, 2023 and 2022, 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 \$17,946,000 and \$21,069,000 as of June 30, 2023 and 2022, 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 4.91% at June 30, 2023 and 2022, respectively, to certain employees. The aggregate amount as of June 30, 2023 and 2022 is \$9,447,000 and \$8,496,000, respectively.

Pledges Receivable:

Pledges consist of unconditional written promises by donors to contribute to the University in the future. At June 30, 2023 and 2022, pledges, in thousands of dollars, are expected to be realized in the following time frame:

	2023	2022
In one year or less	\$ 162,964	\$ 135,912
Between one year and five years	123,225	60,599
More than five years	32,480	22,790
	318,669	219,301
Discount to present value (at rates ranging from 1.29% to 5.13%) . .	(21,669)	(12,123)
Less: allowance for unfulfilled pledges	(28,623)	(25,184)
Total pledges receivable, net	\$ 268,377	\$ 181,994

As of June 30, 2023 and 2022, over 70% of the University’s gross pledges receivable was due from four donors.

For the years ended June 30, 2023 and 2022

6. Property, Plant, and Equipment

Property, plant, and equipment and related accumulated depreciation and amortization of right-of-use assets at June 30, 2023 and 2022, in thousands of dollars, consist of the following:

	2023	2022
Land	\$ 237,057	\$ 221,351
Buildings and improvements	4,219,863	3,806,553
Construction in progress	164,052	361,267
Software	60,511	57,558
Equipment	370,194	340,564
Library books	295,803	282,906
	<u>5,347,480</u>	<u>5,070,199</u>
Less: accumulated depreciation	(2,265,061)	(2,120,318)
Less: amortization of right-of-use assets	(30,532)	(28,839)
Total property, plant, and equipment, net.	<u>\$ 3,051,887</u>	<u>\$ 2,921,042</u>

As of June 30, 2023 and 2022, 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, 2023 and 2022, in thousands of dollars, were as follows:

	2023	2022
Federal loan advances	\$ 17,946	\$ 21,069
Conditional asset retirement obligation	11,571	12,057
Annuities and split-interest agreements payable	6,709	8,218
Other	1,667	1,669
Total other long-term obligations	<u>\$ 37,893</u>	<u>\$ 43,013</u>

For the years ended June 30, 2023 and 2022

8. Indebtedness

Bonds and Notes Payable:

The principal amounts of bonds and notes payable at June 30, 2023 and 2022, 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, 2023	Interest Rate at June 30, 2022	Outstanding Principal	
				2023	2022
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
WBUR PPP Loan	08/03/2026	1.00%	1.00%	-	179
Various notes payable (taxable)	various	various	various	-	127
Total fixed rate bonds and notes payable				<u>1,199,540</u>	<u>1,199,846</u>
Variable rate bonds and notes payable:					
HEFA Series N (taxable)	10/01/2034	5.11%	1.62%	22,980	24,255
MDFA Series U-1	10/01/2040	2.93%	1.41%	50,000	50,000
MDFA Series U-2	10/01/2040	4.58%	1.26%	50,000	50,000
MDFA Series U-3	10/01/2040	4.58%	1.37%	50,000	50,000
MDFA Series U-5A	10/01/2031	4.73%	1.35%	22,800	24,800
MDFA Series U-5B	10/01/2031	4.73%	1.35%	23,900	26,000
MDFA Series U-6A	10/01/2042	4.47%	1.37%	62,850	62,850
MDFA Series U-6C	10/01/2042	3.55%	0.65%	52,545	52,545
MDFA Series U-6E	10/01/2042	3.55%	0.59%	62,695	62,695
Royal Bank of Scotland (taxable)	08/15/2029	5.50%	1.76%	15,854	17,264
MDFA Series Y	10/01/2039	3.92%	1.35%	35,000	35,000
MDFA Series AA-1	10/01/2039	4.44%	1.26%	81,370	81,370
MDFA Series AA-2	10/01/2039	4.29%	1.19%	81,370	81,370
Total variable rate bonds and notes payable				<u>611,364</u>	<u>618,149</u>
Total bonds and notes payable				1,810,904	1,817,995
Add: unamortized bond premium and discount, net				28,332	32,873
Less: unamortized bond issuance costs				(3,696)	(4,045)
Less: trust assets to refund Century notes				(100,000)	(100,000)
Total bonds and notes payable, net				<u>\$ 1,735,540</u>	<u>\$ 1,746,823</u>

For the years ended June 30, 2023 and 2022

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 \$37,968,000 and \$39,183,000 as of June 30, 2023 and 2022, 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, 2023 and 2022.

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

Fiscal Year	Scheduled Principal Maturities
2024	\$ 8,590
2025	8,925
2026	9,610
2027	24,873
2028	25,278
Thereafter	<u>1,733,628</u>
Total	<u>\$ 1,810,904</u>

Scheduled principal maturities represent aggregate annual payments as required under long-term debt repayment schedules. As of June 30, 2023, the University’s debt portfolio includes variable rate demand bonds (VRDBs) of \$138,220,000, Series N, 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 September 2026 and May 2027. 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, 2023, aggregate scheduled loan repayments under the VRDB-related LOCs would be as follows: \$23,037,000, \$46,073,000, \$46,073,000, and \$23,037,000 in fiscal years 2024, 2025, 2026, and 2027, respectively. There have been no instances where a bond failed to be remarketed and was put back to the University.

In June 2020, the University issued Series EE of taxable bonds totaling \$200,000,000, of which \$154,444,000 was deposited into an irrevocable trust for the defeasance of all interest and principal payment obligations of the Century notes. On the call date, the escrow agent will release the final payments due on the Century notes. 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. On March 8, 2023, the University directed the escrow trustee to invest \$3,613,000 of previously uninvested cash in government securities that will mature on or before July 15, 2027. An independent CPA firm provided a verification report documenting sufficiency of the escrow after this purchase. Any excess earnings not required for escrow payments will be returned to the University. The balance of trust assets remaining as of June 30, 2023 was \$119,106,000. The remaining proceeds of approximately \$45,556,000 from the Series EE issuance were utilized for operations.

For the years ended June 30, 2023 and 2022

Bank Lines:

The University has a total of \$260,000,000 in committed lines of credit with six financial institutions. There were no draws or outstanding loans under these lines of credit as of and for the years ended June 30, 2023 and 2022. The current expiration dates for all lines of credit range from June 2024 to November 2025. 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, 2023 and 2022, in thousands of dollars:

Swap	Notional Amount	Fair Value		Effective Date	Termination Date	University Pays	University Receives***
		6/30/23	6/30/22				
Series DD-1	\$ 86,410	\$ 672	\$ 1,221	08/01/2019	10/01/2023	SIFMA	1.15%
Series DD-2	25,000	-	3,464	10/03/2008	12/01/2027	5.28%	SIFMA
Series N	16,870	1,547	3,047	10/03/2008	10/01/2027	6.79%	LIBOR
Series U1–3	75,000	10,826	16,796	10/03/2008	10/01/2040	4.01%	69% of 1-Mo. USD LIBOR
Series U1–3	75,000	11,229	16,345	10/01/2007	10/01/2040	3.94%	69% of 1-Mo. USD LIBOR
Series U5	46,700	2,904	5,295	10/03/2008	10/01/2031	4.10%	67% of 1-Mo. USD LIBOR
Series U6	59,750	19,072	24,118	10/03/2008	10/01/2042	5.39%	SIFMA
Series U6	90,000	29,339	36,950	10/03/2008	10/01/2042	5.44%	SIFMA
Series U6	30,000	9,779	12,335	07/01/2008	10/01/2042	5.44%	SIFMA - 1-Mo.
Series U6	59,750	19,070	24,081	07/01/2008	10/01/2042	5.39%	SIFMA - 1-Mo.
Series U6	2,900	-	27	10/03/2008	10/01/2022	4.16%	67% of 1-Mo. USD LIBOR
Series Y	35,000	6,713	9,054	10/01/2014	10/01/2039	4.70%	SIFMA - 1-Mo.
Series AA-1	81,370	15,611	22,531	10/01/2015	10/01/2039	4.95%	67% of 1-Mo. USD LIBOR - .027%*
Series AA-2	81,370	15,022	21,801	10/01/2015	10/01/2039	4.95%	79% of 1-Mo. USD LIBOR + .032%**
Royal Bank of Scotland	15,925	(48)	1,730	08/15/2006	08/15/2029	5.645%	Daily SONIA +.1193 +45 basis points
Less: credit valuation adjustment		(3,600)	(3,263)				
Total		<u>\$ 138,136</u>	<u>\$ 195,532</u>				

*Until April 1, 2025; thereafter SIFMA

**Until April 1, 2026; thereafter SIFMA

***Effective July 1, 2023, the underlying LIBOR floating rate index will change from 1-Month LIBOR to 1-Month Secured Overnight Financing Rate (SOFR) plus a spread adjustment

SIFMA—Securities Industry and Financial Markets Association Municipal Swap Index

LIBOR—London Interbank Offered Rate

SONIA—Sterling Overnight Index Average

For the years ended June 30, 2023 and 2022

A \$25,000,000 interest rate swap was terminated on June 23, 2023 at a cost of \$2,148,000. Refer to the subsequent event footnote for further details relating to the overall debt refinancing transaction that finalized on July 12, 2023.

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 2023 and 2022, the University's net settlement payments on interest rate exchange agreements were \$18,114,000 and \$31,905,000, 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 \$298,115,000 at June 30, 2023, are considered financing activities. During 2023 and 2022, respectively, \$5,345,000 and \$11,589,000 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, 2023 and 2022, the University was required to post collateral of \$984,000 and \$36,700,000, 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 the University's defined contribution benefit plans. The University contributes a specified percentage of eligible employee compensation and matches employee contributions up to 3.00%. Contributions for the year ended June 30, 2023 and 2022 were \$93,006,000 and \$91,735,000, respectively.

For the years ended June 30, 2023 and 2022

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:

	2023	2022
<i>Lease cost:</i>		
Finance lease expense:		
Amortization of right-of-use assets	\$ 1,693	\$ 1,806
Interest on lease liabilities	3,406	3,558
Operating lease expense	17,643	18,624
Short-term lease expense	7,630	3,607
Total lease expense	\$ 30,372	\$ 27,595

Other Information:

Right-of-use assets obtained in exchange for new and amended operating lease liabilities	\$ 9,610	\$ 4,975
Weighted-average remaining lease term-finance leases	43 years	43 years
Weighted-average remaining lease term-operating leases	9.8 years	9.2 years
Weighted-average discount rate-finance leases	4.28%	4.28%
Weighted-average discount rate-operating leases	2.30%	2.14%

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, 2023:

Fiscal Year	Operating	Finance
2024	\$ 15,213	\$ 4,064
2025	15,537	4,064
2026	15,891	4,064
2027	14,835	4,064
2028	9,617	4,064
Thereafter	52,197	152,215
	123,290	172,535
Less: amounts representing interest	(11,433)	(93,603)
Total	\$ 111,857	\$ 78,932

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, 2023, in thousands of dollars:

Fiscal Year	Operating
2024	\$ 8,203
2025	7,488
2026	6,770
2027	4,867
2028	3,400
Thereafter	27,909
Total	\$ 58,637

For the years ended June 30, 2023 and 2022

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, 2023 and 2022, the University recognized rental revenue of \$515,000 related to the ground lease. The unamortized deferred ground lease revenue as of June 30, 2023 and 2022 is \$33,217,000 and \$33,732,000, 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 each of the years ended June 30, 2023 and 2022, the University recognized rental revenue of \$591,000 and \$647,000, respectively related to the ground lease. The unamortized deferred rent as of June 30, 2023 and 2022 is \$47,393,000 and \$60,337,000, respectively. On January 31, 2023, Boston University purchased back one of the parcels related to the 99 year lease. As a result, the ground lease related to the one parcel was terminated and the \$12,353,000 of deferred revenue reduced the purchase price.

Other:

As of June 30, 2023, the University has commitments of approximately \$131,548,000 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 2023 was \$8,991,000 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.

For the years ended June 30, 2023 and 2022

Expenses presented by functional classification for the year ended June 30, 2023 are as follows, in thousands of dollars:

	Instruction and Departmental Research	Educational Support Activities	Sponsored Programs	Institutional Support	Auxiliary Enterprises	Total
Salaries and wages	\$ 646,276	\$ 111,402	\$ 179,061	\$ 123,954	\$ 35,663	\$ 1,096,356
Employee benefits	204,938	35,138	36,261	40,500	10,219	327,056
Supplies and services	158,601	112,541	194,843	75,930	112,092	654,007
Utilities, rent, and repairs	51,783	3,337	4,897	12,490	27,565	100,072
Depreciation	101,952	8,669	5,916	8,187	28,549	153,273
Interest	36,341	63	-	14,189	22,120	72,713
Total operating expenses	<u>\$ 1,199,891</u>	<u>\$ 271,150</u>	<u>\$ 420,978</u>	<u>\$ 275,250</u>	<u>\$ 236,208</u>	<u>\$ 2,403,477</u>

Expenses presented by functional classification for the year ended June 30, 2022 are as follows, in thousands of dollars:

	Instruction and Departmental Research	Educational Support Activities	Sponsored Programs	Institutional Support	Auxiliary Enterprises	Total
Salaries and wages	\$ 591,405	\$ 108,602	\$ 172,469	\$ 113,655	\$ 33,418	\$ 1,019,549
Employee benefits	193,776	35,426	35,131	39,696	10,118	314,147
Supplies and services	164,823	89,679	237,076	62,460	107,474	661,512
Utilities, rent, and repairs	44,724	3,045	9,861	11,943	23,035	92,608
Depreciation	89,757	9,542	6,540	8,693	31,085	145,617
Interest	25,862	43	-	10,092	15,739	51,736
Total operating expenses	<u>\$ 1,110,347</u>	<u>\$ 246,337</u>	<u>\$ 461,077</u>	<u>\$ 246,539</u>	<u>\$ 220,869</u>	<u>\$ 2,285,169</u>

13. Subsequent Events

On July 12, 2023, the University issued Series FF and GG, tax-exempt bonds totaling \$149,360,000 and \$50,370,000, respectively. Series FF and GG bonds were each issued at a premium, generating proceeds of \$168,508,000 and \$56,004,000, respectively. The Series FF bonds mature between 2024 and 2048, while the Series GG bonds mature between 2040 and 2042 have a mandatory put in 2028. The two series of bonds were issued at a combined interest rate of 4.08%.

Total proceeds, combined with \$2,903,000 of University funds, were used to pay issuance costs and swap termination payments, with the remaining deposited with bond trustees to call the bonds when due. For bonds redeemed on August 1, 2023, total proceeds of \$46,875,000 were deposited to fund \$22,800,000 of principal for Series U-5A, \$23,900,000 of principal for Series U-5B, and \$175,000 of interest for both series. For bonds to be redeemed on October 1, 2023, total proceeds of \$177,371,000 were deposited with a trustee to fund \$86,485,000 of principal for Series X, \$63,965,000 of principal for Series DD-1, \$21,800,000 of principal for Series DD-2, and \$4,306,000 of interest across all series. An independent verification agent has confirmed that funds deposited in the trust accounts are sufficient to pay the principal and interest on the bonds, when due.

Lastly, the University terminated two fixed-payer interest rate swaps, Series DD-2 and Series U-5AB, with notional amounts of \$25,000,000 and \$46,700,000, respectively, as part of Series FF and GG issuance. The DD-2 swap was terminated on June 23, 2023, at a cost of \$2,148,000 and was funded by the University. The Series U-5AB swap was terminated on July 12, 2023, at a cost of \$2,841,000 and was funded by a combination of bond proceeds and the University. The Series DD-1 fixed-receiver swap with a notional amount of \$61,400,000 was extended through July 1, 2028.

BOSTON UNIVERSITY
 Supplementary Schedule of Expenditures of Federal Awards
 Year ended June 30, 2023

Federal Grantor/Pass-through Grantor/Program or Cluster Title	Federal AL 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	120160003000	\$ —	(190)
Right to Care	98.001	Passthrough Number Not Available	—	17,386
The Health Economics and Epidemiology Research Office	98.001	Passthrough Number Not Available	—	221,145
Subtotal			<u>—</u>	<u>238,341</u>
Management Sciences for Health	98.UNK	MTaPS-22-074	—	145,309
University of California, Davis	98.UNK	A20-1825-S013	98,762	119,943
Subtotal			<u>98,762</u>	<u>265,252</u>
Agency for International Development Total			<u>98,762</u>	<u>503,593</u>
Department of Agriculture:				
CRDF Global				
Boston Medical Center Corporation	10.001	G-DAA3- 20-67030-1	—	35,285
	10.253	5903-BUSPH-01A1	—	25,390
Department of Agriculture President & Fellows of Harvard College				
Trustees of Tufts College, Inc	10.310	Direct	108,445	357,617
	10.310	131728-5116949	—	29,964
	10.310	104388-00001	—	4,754
Subtotal			<u>108,445</u>	<u>392,335</u>
Department of Agriculture Total			<u>108,445</u>	<u>453,010</u>
Department of Commerce:				
Department of Commerce				
Massachusetts Institute of Technology	11.417	Direct	567,519	924,906
University of Rhode Island	11.417	S4607	—	89
University of Rhode Island	11.417	0008602/05012020	—	99,706
	11.417	0009045/120320	40,246	155,017
Subtotal			<u>40,246</u>	<u>254,812</u>
Department of Commerce				
Department of Commerce	11.420	Direct	—	39,466
Department of Commerce	11.431	Direct	—	186,889
Trustees Of Columbia University In The City of New York	11.431	5(GG016650-01)	—	18,545
University Corporation for Atmospheric Research	11.431	SUBAWD002610	—	32,388
University Corporation for Atmospheric Research	11.431	SUBAWD003901	—	38,410
Subtotal			<u>—</u>	<u>276,232</u>
University of Delaware	11.478	51859	—	80,600
Department of Commerce	11.609	Direct	97,289	229,576
University of California, Davis	11.619	A22-2080-S001	—	305,120
Department of Commerce	11.UNK	Direct	—	94,468
North Pacific Research Board	11.UNK	2112	—	8,142
Subtotal			<u>—</u>	<u>102,610</u>
Department of Commerce Total			<u>705,054</u>	<u>2,213,322</u>
Department of Defense:				
Department of Defense				
Department of Defense	12.006	Direct	—	758,629
Department of Defense	12.300	Direct	1,296,305	5,924,116
Arizona State University	12.300	ASUB00000773	—	(11,697)
Northwestern University	12.300	60053836 BOS	—	45,533
Regents of the University of Minnesota	12.300	A005988201	—	185,850
University of Maryland	12.300	88403-Z8262201	—	79,591
Subtotal			<u>1,296,305</u>	<u>6,223,393</u>
Department of Defense				
Department of Defense	12.351	Direct	38,182	121,603
Department of Defense				
American University	12.420	Direct	877,181	3,496,383
Boston Medical Center Corporation	12.420	31693-A230003-S01	—	86,986
Brown University	12.420	4980-BUSPH-03A3	—	87,761
Department of Veterans Affairs	12.420	00001552	—	4,453
Greater Los Angeles Veterans Research And Education Foundation	12.420	0068FEDgImprovingCare	—	57,701
Northern California Institute for Research and Education	12.420	700.3196-2	—	3,465
Roskamp Institute, The	12.420	CHA2345-01	—	40,619
Texas A&M University	12.420	RI 0655	—	49,017
The Regents of the University of California	12.420	M2002758	—	99,782
University of Arkansas System	12.420	11159sc	—	34,571
University of South Carolina	12.420	UA2023-349	—	54,709
University of Texas Health Science Center	12.420	19-3715	—	(3,399)
	12.420	SA0002399	—	15,568
Subtotal			<u>877,181</u>	<u>4,027,616</u>
Department of Defense				
SRI International	12.431	Direct	135,992	890,552
	12.431	PO48788	—	113,058
Subtotal			<u>135,992</u>	<u>1,003,610</u>
Trustees of Tufts College, Inc.				
The Henry M. Jackson Foundation	12.630	DOD255	—	29,424
The Henry M. Jackson Foundation	12.750	5945	—	29,373
	12.750	5968	—	46,635
Subtotal			<u>—</u>	<u>76,008</u>
Department of Defense				
Florida International University	12.800	Direct	501,458	1,519,035
State University of New York at Buffalo	12.800	800011034-05UG/000141	—	92,046
University of Texas, Arlington	12.800	R1316551	—	170,169
	12.800	2016GC6246	—	18,222
Subtotal			<u>501,458</u>	<u>1,799,472</u>
Department of Defense				
Department of Defense	12.901	Direct	—	32,981
Embry-Riddle Aeronautical University, Inc.	12.910	Direct	635,487	1,583,081
Georgia Institute of Technology	12.910	61654-03	—	104,984
	12.910	AWD-102840-G14	—	8,129

BOSTON UNIVERSITY
 Supplementary Schedule of Expenditures of Federal Awards
 Year ended June 30, 2023

Federal Grantor/Pass-through Grantor/Program or Cluster Title	Federal AL number	Direct award or pass-through entity identifying number	Passed through to subrecipients	Total federal expenditures
Massachusetts Institute of Technology	12.910	s5441	\$ —	22,651
Massachusetts Institute of Technology	12.910	S5480	—	533,188
Trustees Of Columbia University In The City of New York	12.910	1(GG017117-01)	—	41,512
University of California, Berkeley	12.910	00010241	—	142,425
University of California, Berkeley	12.910	00010358	—	181,049
University of California, Berkeley	12.910	00010531	—	713,831
University of Washington	12.910	UWSC10498	—	2,917
Subtotal			635,487	3,333,767
Department of Defense	12.UNK	Direct	—	925,635
Accenture	12.UNK	S000628/TO-0681	—	136,464
Advanced Technology International	12.UNK	2021-552	—	404,711
Charles River Analytics, Inc.	12.UNK	SC1930301	—	18,450
Draper Laboratory, Inc.	12.UNK	SC001-0000001215	—	(19,571)
Excet, Inc.	12.UNK	10186	—	62,071
Excet, Inc.	12.UNK	11616	—	77,928
GreenSight	12.UNK	Passthrough Number Not Available	—	(12,755)
HRL Laboratories, LLC	12.UNK	19067-2X1432-QS	—	74,998
Immunome, Inc.	12.UNK	Passthrough Number Not Available	—	462
International AIDS Vaccine Initiative, Inc.	12.UNK	A10019	—	846,310
Lightmatter, Inc.	12.UNK	Passthrough Number Not Available	—	346,451
LongShortWay, Inc	12.UNK	Passthrough Number Not Available	—	34,640
Massachusetts Institute of Technology	12.UNK	7000507225	—	(43)
Massachusetts Institute of Technology	12.UNK	7000515871	—	55,300
Massachusetts Institute of Technology	12.UNK	7000549737	—	66,536
Massachusetts Institute of Technology	12.UNK	7100443517	—	67,510
Massachusetts Institute of Technology	12.UNK	7100515622	—	112,222
Massachusetts Institute of Technology	12.UNK	Passthrough Number Not Available	—	32,042
Nova Southeastern University	12.UNK	331914	—	42,589
Physical Sciences, Inc.	12.UNK	10-05806-4465-46	—	21,048
Physical Sciences, Inc.	12.UNK	10-20366-8082-46	—	79,303
Physical Sciences, Inc.	12.UNK	SC10-19074-4816-46	—	61,813
Physical Sciences, Inc.	12.UNK	SC-8145-001	—	23,811
Riverside Research Institute	12.UNK	Passthrough Number Not Available	21,794	225,680
SRI International	12.UNK	37211	—	15,102
Sunnybrook Research Institute	12.UNK	Passthrough Number Not Available	—	71,673
The Henry M. Jackson Foundation	12.UNK	988066	—	(27)
The Regents of the University of Colorado	12.UNK	1563467	—	123,851
Triton Systems, Inc.	12.UNK	TSI-2747-21-20204876	—	16,043
Triton Systems, Inc.	12.UNK	TSI-5078-22-20210089	—	23,494
UES, Inc.	12.UNK	S-111-072-004	—	(2,499)
University of California, Berkeley	12.UNK	00010759	—	102,259
University of California, San Diego	12.UNK	704601	—	229,823
University of Texas Medical Branch at Galveston	12.UNK	21-85620-01	—	430,613
Veterans Education and Research Association	12.UNK	BSBU001	—	77,009
Veterans Education and Research Association	12.UNK	BVWBU001	—	15,069
Subtotal			21,794	4,786,015
Department of Defense Total			3,506,399	22,192,518
Department of Education:				
Department of Education	84.017	Direct	—	57,397
Department of Education	84.022	Direct	—	24,986
Department of Education	84.200	Direct	—	136,634
Department of Education	84.305	Direct	95,568	159,855
University of Missouri-Kansas City	84.305	0094167/00064391	—	5,588
Subtotal			95,568	165,443
Department of Education	84.324	Direct	—	3,560
Department of Education	84.324A	Direct	32,184	288,779
University of Oregon	84.324	224740D	—	12,954
Subtotal			32,184	305,293
Department of Education	84.325	Direct	241,807	438,332
University of California, Santa Barbara	84.325D	KK2238	—	212,032
Department of Education	84.326	Direct	690,845	1,100,661
University of Oregon	84.327	224790C	—	7,616
Department of Education	84.365Z	Direct	28,489	71,048
Middle, LLC	84.374	2021-1	—	52,994
Commonwealth of Massachusetts – Massachusetts Department of Elementary and Secondary Education	84.425D	22CT7622EPPAW1TRSTBU	—	66,590
RAND Corporation	84.432	SCON-00000438	26,616	291,738
American Institutes for Research	84.UNK	0471000006	—	1,071,944
American Institutes for Research	84.UNK	0640002302	—	51,910
Brown University	84.UNK	00001995	—	25,991
Subtotal			—	1,149,845
Department of Education Total			1,115,509	4,080,609
Department of Energy:				
Department of Energy	81.049	Direct	383,400	4,150,543
Northeastern University	81.049	503036-78050	—	6
Pennsylvania State University	81.049	S002333-USDOE	—	36,914
Precision Combustion, Inc.	81.049	Passthrough Number Not Available	—	34,543
The Leland Stanford Junior University	81.049	61351721-124215	—	82,495
The University of Iowa	81.049	S00459-01	—	82,948
University of California, Berkeley	81.049	00010482	—	22,767
University of New Mexico	81.049	707998-8710	—	26,006
Subtotal			383,400	4,436,222

BOSTON UNIVERSITY
 Supplementary Schedule of Expenditures of Federal Awards
 Year ended June 30, 2023

Federal Grantor/Pass-through Grantor/Program or Cluster Title	Federal AL number	Direct award or pass-through entity identifying number	Passed through to subrecipients	Total federal expenditures
Department of Energy	81.086	Direct	\$ 46,727	111,765
Fraunhofer USA	81.086	EE0009696-BU	—	96,650
Subtotal			<u>46,727</u>	<u>208,415</u>
Department of Energy	81.089	Direct	—	106
Worcester Polytechnic Institute	81.089	10459-GR	—	(39)
Subtotal			<u>—</u>	<u>67</u>
Department of Energy	81.121	Direct	26,621	124,565
Department of Energy	81.135	Direct	408,022	945,131
Argonne National Laboratory	81.UNK	2F-60051	—	13,339
Argonne National Laboratory	81.UNK	2F-60210	—	12,529
Battelle Memorial Institute	81.UNK	543144	—	186,967
Brookhaven National Laboratory	81.UNK	360581	—	76,866
Fermi National Accelerator Laboratory	81.UNK	655628	—	8,328
Fermi National Accelerator Laboratory	81.UNK	662769	—	204,039
Fermi National Accelerator Laboratory	81.UNK	672109	—	9,490
Fermi National Accelerator Laboratory	81.UNK	682657	—	43,181
Fermi National Accelerator Laboratory	81.UNK	690058	—	49,546
Fermi National Accelerator Laboratory	81.UNK	691896	—	18,924
Fermi National Accelerator Laboratory	81.UNK	692647	—	133,462
Honeywell Federal Manufacturing & Technology	81.UNK	N000471618	—	55,752
Lawrence Berkeley National Laboratory	81.UNK	7526778	—	160,382
Lawrence Berkeley National Laboratory	81.UNK	7630307	—	47,431
Lawrence Berkeley National Laboratory	81.UNK	7697291	—	10,545
Lawrence Livermore National Laboratory	81.UNK	B650622	—	126,270
Saint-Gobain Ceramics and Plastics, Inc.	81.UNK	DE-EE0008377	—	40,221
Saint-Gobain Ceramics and Plastics, Inc.	81.UNK	Passthrough Number Not Available	—	172,681
Sandia National Laboratories	81.UNK	1797608	—	9
Sandia National Laboratories	81.UNK	2263712	—	220,729
Sandia National Laboratories	81.UNK	2322646	—	106,974
Stanford National Accelerator Laboratory	81.UNK	214828	—	267,936
Stanford National Accelerator Laboratory	81.UNK	218558	—	383,522
Subtotal			<u>—</u>	<u>2,349,123</u>
Department of Energy Total			<u>864,770</u>	<u>8,063,523</u>
Department of Health and Human Services:				
Department of Health and Human Services	93.059	Direct	—	643,621
WITS Health Consortium	93.067	D2109150-01	—	24,189
Commonwealth of Massachusetts – Department of Public Health	93.073	INTF3122H78500224081	—	357,272
Commonwealth of Massachusetts – Department of Public Health	93.073	INTF3122H78500224099	—	3,111
Subtotal			<u>—</u>	<u>360,383</u>
Department of Health and Human Services	93.077	Direct	13,451	291,667
University of North Carolina at Chapel Hill	93.077	5125922	—	73,164
Subtotal			<u>13,451</u>	<u>364,831</u>
Massachusetts General Hospital	93.103	237255	—	1,190
Department of Health and Human Services	93.110	Direct	—	388,600
Boston Medical Center Corporation	93.110	5495-BUSM-03A3	—	375,318
Boston Medical Center Corporation	93.110	5495-BUSPH-03A4	—	173,843
Subtotal			<u>—</u>	<u>937,761</u>
Department of Health and Human Services	93.113	Direct	688,268	4,910,915
Henry Ford Health System	93.113	B11166BU	—	40,056
Icahn School of Medicine at Mount Sinai	93.113	0255-0182-4609	—	12,671
Icahn School of Medicine at Mount Sinai	93.113	0255-0193-4609	—	30,368
Icahn School of Medicine at Mount Sinai	93.113	0255-1871-4609	—	(10,883)
Icahn School of Medicine at Mount Sinai	93.113	0255-B391-4609	—	56,145
President & Fellows of Harvard College	93.113	112579-5115839	—	(540)
Rutgers, The State University of New Jersey	93.113	2257	—	41,438
Rutgers, The State University of New Jersey	93.113	SUB00002518	—	5,248
Rutgers, The State University of New Jersey	93.113	SUB00002651	—	18,433
The Brigham and Women's Hospital, Inc.	93.113	121830	—	208,227
The Research Foundation for the State University of New York	93.113	89132/2/1163594	—	299,372
University of Connecticut Health Center	93.113	UCHC7-126071607-A3	—	49,147
University of Connecticut Health Center	93.113	UCHC7-127117068-A2	—	27,153
University of Michigan	93.113	SUBK00010621	—	26,274
Subtotal			<u>688,268</u>	<u>5,714,224</u>

BOSTON UNIVERSITY
 Supplementary Schedule of Expenditures of Federal Awards
 Year ended June 30, 2023

Federal Grantor/Pass-through Grantor/Program or Cluster Title	Federal AL 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	\$ 314,370	4,625,969
Boston Medical Center Corporation	93.121	5090-BUENG-03A2	—	232,046
Boston Medical Center Corporation	93.121	5090-BUMEDVA-03A2	—	128,300
Trustees of Tufts College, Inc	93.121	NIH214	—	8,362
Tulane University	93.121	TUL-HSC-559475-21/22	—	13,049
Tulane University	93.121	TUL-HSC-559557-21/22	—	13,342
Subtotal			314,370	5,021,068
University of Massachusetts, Worcester	93.135	SUB00000100	—	9,722
Boston Medical Center Corporation	93.136	6084-BUSPH-02A1	—	23,943
RAND Corporation	93.136	SCON-00000280	—	55,564
Subtotal			—	79,507
University of Illinois	93.145	19502	—	6,588
Department of Health and Human Services	93.172	Direct	—	139,538
Department of Health and Human Services	93.173	Direct	1,806,414	8,192,138
Altec Inc.	93.173	ARP-0221022-A	—	76,830
Altec Inc.	93.173	ARP-060622-A	—	82,676
Brigham Young University	93.173	18-0529	—	134,847
Massachusetts General Hospital	93.173	230322	—	129,177
New York University School of Medicine	93.173	20-A0-00-10054405	—	86,666
Subtotal			1,806,414	8,702,334
Boston Medical Center Corporation	93.186	5723-BUSPH-03A2	—	8,065
Department of Health and Human Services	93.213	Direct	353,377	668,736
Boston Medical Center Corporation	93.213	5378-BUSPH-04A3	—	131,890
Brandeis University	93.213	GR403852_BU	—	66,037
Butler Hospital	93.213	5001651-1	—	33,962
Yale University	93.213	CON-80003792 (GR117299)	—	116,716
Yale University	93.213	CON-80003925 (GR117890)	—	21,191
Subtotal			353,377	1,038,532
Boston Medical Center Corporation	93.225	4055-BUSPH-05A3	—	139,529
Department of Health and Human Services	93.226	Direct	10,820	236,286
Boston Medical Center Corporation	93.226	01_BU_06110	—	69,743
The George Washington University	93.226	19-M31	—	40,858
Subtotal			10,820	346,887
Department of Health and Human Services	93.233	Direct	48,366	458,747
Department of Health and Human Services	93.242	Direct	2,740,378	13,179,860
Allen Institute, d/b/a Allen Institute for Cell Science	93.242	2022-0613	—	130,431
Beth Israel Deaconess Medical Center, Inc.	93.242	01064311	—	25,070
Boston Medical Center Corporation	93.242	4141-BUSPH-05A4	—	47,160
Boston Medical Center Corporation	93.242	7711	—	(7,868)
Brown University	93.242	00001522	—	11,396
Brown University	93.242	00002133	—	70,307
Butler Hospital	93.242	5001571-RCT	—	17,989
Cleveland Clinic Lerner College of Medicine	93.242	1379-SUB	—	3,383
Duke University	93.242	303001886	—	5,474
Emory University	93.242	A395232	—	25,872
Icahn School of Medicine at Mount Sinai	93.242	0255-G761-4609	—	16,510
Icahn School of Medicine at Mount Sinai	93.242	0255-H511-4609	—	7,299
Massachusetts General Hospital	93.242	233148	—	257,858
Massachusetts General Hospital	93.242	239558	—	328,847
Massachusetts General Hospital	93.242	240739	—	91,867
Massachusetts General Hospital	93.242	240924	—	45,200
McLean Hospital Corporation	93.242	401566	—	1,906
McLean Hospital Corporation	93.242	401659	—	17,529
McLean Hospital Corporation	93.242	401803	—	93,213
RAND Corporation	93.242	SCON-00000457	—	116,738
Regents of the University of Colorado	93.242	FY20.941.004	—	105,566
The Brigham and Women's Hospital, Inc.	93.242	126980	—	64,195
The Regents of the University of California	93.242	1401SSC	—	68,546
The Washington University	93.242	WU-23-0372	—	4,394
Trustees Of Columbia University In The City of New York	93.242	6(GG012936-05)	—	(3,596)
Trustees of the University of Pennsylvania	93.242	584210	—	372,937
University of Massachusetts, Boston	93.242	8001032928	—	85,087
University of North Carolina at Chapel Hill	93.242	5119311	—	126,488
University of Pittsburgh	93.242	AWD00002015 (134205-1)	—	54,553
Subtotal			2,740,378	15,364,201
Department of Health and Human Services	93.250	Direct	—	163,932
Department of Health and Human Services	93.262	Direct	16,397	288,582
President & Fellows of Harvard College	93.262	114960-5097784	—	30
President & Fellows of Harvard College	93.262	115034-5119341	—	24,229
Subtotal			16,397	312,841

BOSTON UNIVERSITY
 Supplementary Schedule of Expenditures of Federal Awards
 Year ended June 30, 2023

Federal Grantor/Pass-through Grantor/Program or Cluster Title	Federal AL 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	\$ 668,981	4,678,720
Boston Medical Center Corporation	93.273	3211-BUSPH-10A6	—	34,742
Boston Medical Center Corporation	93.273	5207-BUSPH-05NCEA4	—	69,635
Boston Medical Center Corporation	93.273	5784-BUSPH-02A1	—	285,810
Boston Medical Center Corporation	93.273	6523-BUSPH-02A1	—	72,606
Boston Medical Center Corporation	93.273	6884	—	2,105
Boston Medical Center Corporation	93.273	7278-BUSPH-01	—	34,771
Brandeis University	93.273	GR404254_BU	—	29,162
Butler Hospital	93.273	5001411-BLEVINS	—	9,866
Butler Hospital	93.273	5001491-ABRANTES	—	(221)
Butler Hospital	93.273	5001681BU	—	9,468
Colorado Research Partners LLC	93.273	2019-02	—	170,630
San Diego State University	93.273	D9063-04 SA981 AO 53253U	—	2,948
The Regents of the University of California	93.273	10444sc	—	33,062
The Regents of the University of California	93.273	9820sc	—	28,234
University of California, Los Angeles	93.273	2000 G XJ711	—	15,348
University of Pittsburgh	93.273	AWD00004790 (136790-1)	—	6,001
University of Pittsburgh	93.273	CNVA00057627 (129930-1)	—	11,584
Vanderbilt University Medical Center	93.273	VUMC 64150	—	69,363
Vanderbilt University Medical Center	93.273	VUMC95904	—	118,849
Subtotal			<u>668,981</u>	<u>5,682,683</u>
Department of Health and Human Services	93.279	Direct	1,555,988	4,954,726
Albany Medical College	93.279	465361-6449-BU	—	6,993
Boston Medical Center Corporation	93.279	01-02_BUMC_05701	—	59,681
Boston Medical Center Corporation	93.279	2054-BUSPH-04A3	—	1,305,139
Boston Medical Center Corporation	93.279	2084-BUSPH-04S1A1	—	39,832
Boston Medical Center Corporation	93.279	3232-BUMED-05NCE-01	—	56,458
Boston Medical Center Corporation	93.279	3885-BUSPH-05NCEA7	—	125,175
Boston Medical Center Corporation	93.279	4128-BUSPH-06A4	—	15,340
Boston Medical Center Corporation	93.279	4128-BUSPH2WHI-05A4	—	32,176
Boston Medical Center Corporation	93.279	5893-BUMC-03A2	—	458,475
Boston Medical Center Corporation	93.279	5978-BUSPH-02A1	—	15,924
Boston Medical Center Corporation	93.279	6155-BUSPH-22A1	—	10,978
Brown University	93.279	00002172	—	8,954
Butler Hospital	93.279	5001471BU-ABRANTES	—	2,058
Butler Hospital	93.279	5001721-BU	—	19,657
Butler Hospital	93.279	5001781BU	—	12,762
Denver Health Medical Center	93.279	A19-0001-S006	—	19,981
Emory University	93.279	A351029	—	34,983
Giner Inc.	93.279	407051	—	8,059
Hennepin Healthcare Research Institute	93.279	15477-04 (A) and 15477-0	—	466,845
Icahn School of Medicine at Mount Sinai	93.279	0255-H181-4609	—	17,960
J. Craig Venter Institute	93.279	JCVI-21-003	—	(36,819)
Kaiser Foundation Research Institute	93.279	OOSO30580-BUSPH-02	—	18,881
Oregon Health & Science University	93.279	1017225_BOSTONU	—	1,392
Regents of the University of Colorado	93.279	FY22.1164.001	—	78,549
Stanford University	93.279	63009165-257650	—	14,593
University of California, Los Angeles	93.279	2000 G LH979	—	18,712
University of Pittsburgh	93.279	AWD00002428 (134666-1)	—	73,632
University of Pittsburgh	93.279	AWD00003707 (135779-1)	—	21,029
University of Rhode Island	93.279	0006817/03232022	—	123,029
Wake Forest University Health Sciences	93.279	1486-45104-1100000724	—	38,045
Weill Medical College of Cornell	93.279	213517	—	3,263
Weill Medical College of Cornell	93.279	227186-2	—	52,443
Weill Medical College of Cornell	93.279	228309-1	—	68,275
Yale University	93.279	CON-80004076 (GR118583)	—	79,874
Subtotal			<u>1,555,988</u>	<u>8,227,654</u>
Department of Health and Human Services	93.286	Direct	719,145	6,597,682
Arizona State University	93.286	ASUB00001015	—	173,491
Hansjorg Wyss Institute for Biologically	93.286	Chen.NIH.UH3 (NCE)	—	16,320
Johns Hopkins University	93.286	2005895740	—	3,955
Massachusetts General Hospital	93.286	235502	—	128,804
Massachusetts General Hospital	93.286	236792	—	29,731
Massachusetts General Hospital	93.286	237498	—	8,881
Massachusetts General Hospital	93.286	238961	—	105,518
Massachusetts Institute of Technology	93.286	s5409	—	134,943
Northeastern University	93.286	500632-78050	—	65,036
Photothermal Spectroscopy Corp.	93.286	Passthrough Number Not Available	—	120,195
The Brigham and Women's Hospital, Inc.	93.286	123875	—	71,459
Subtotal			<u>719,145</u>	<u>7,456,015</u>
Department of Health and Human Services	93.307	Direct	41,378	1,541,202
Harvard Pilgrim Health Care	93.307	PH000883A - BUMC	—	29,777
Massachusetts General Hospital	93.307	236743	—	15,046
New York University	93.307	F0611-01	—	70,057
Northeastern University	93.307	500759-78051	—	21,274
Rector & Visitors of the University of Virginia	93.307	GB10972.PO 2362065	—	319,440
The Children's Hospital Corporation	93.307	GENFD0002058854	—	23,546
Trustees of Boston College	93.307	5111871-01	—	29,651
Tufts - New England Medical Center	93.307	103574-00001	—	68,271
Wake Forest University	93.307	628-45117-10000110219	—	9,522
Subtotal			<u>41,378</u>	<u>2,127,786</u>

BOSTON UNIVERSITY
 Supplementary Schedule of Expenditures of Federal Awards
 Year ended June 30, 2023

Federal Grantor/Pass-through Grantor/Program or Cluster Title	Federal AL 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	\$ —	1,040,193
Massachusetts General Hospital	93.310	232124	—	1,112,901
Massachusetts General Hospital	93.310	234925	—	10,485
The Brigham and Women's Hospital, Inc.	93.310	119919	—	246,254
The Brigham and Women's Hospital, Inc.	93.310	122469	—	30,613
The Brigham and Women's Hospital, Inc.	93.310	124778	—	71,319
Trustees of Tufts College, Inc	93.310	104226-00001 BUMC	—	48,734
University of North Carolina at Chapel Hill	93.310	5125785	—	141,601
University of Wisconsin System	93.310	0000002427	—	114,369
Subtotal			—	2,816,469
Department of Health and Human Services	93.321	Direct	—	21,960
Department of Health and Human Services	93.350	Direct	245,190	8,231,789
Boston Medical Center Corporation	93.350	3590-BUSPH-05NCEA7	—	200,389
Hansjorg Wyss Institute for Biologically	93.350	124230-5109799	—	23,537
Subtotal			245,190	8,455,715
Department of Health and Human Services	93.351	Direct	—	1,337,497
University of Washington	93.353	UWSC11511	—	57,668
Department of Health and Human Services	93.360	Direct	53,350	3,374
Boston Medical Center Corporation	93.361	4896-BUSPH-03A1	—	13,640
Butler Hospital	93.361	9241-8311	—	3,300
Tufts – New England Medical Center	93.361	5024329_SERV	—	1,791
University of Massachusetts, Medical School	93.361	SUB00000227	—	40,282
Yale University	93.361	CON-80003986 (GR118096)	—	6,769
Subtotal			—	65,782
Department of Health and Human Services	93.393	Direct	445,305	4,290,773
Beth Israel Deaconess Medical Center, Inc.	93.393	01062660	—	48,070
City of Hope	93.393	52454.2002720.669305	—	21
Dana-Farber Cancer Institute	93.393	1311504	—	93,292
Health Research, Inc.	93.393	325-01	—	169,598
Health Research, Inc.	93.393	328-01	—	140,506
The Brigham and Women's Hospital, Inc.	93.393	124902	—	112,973
The Brigham and Women's Hospital, Inc.	93.393	125212	—	12,606
University of California, Irvine	93.393	2021-1595	—	134,174
University of Hawaii	93.393	KA1855	—	154,404
University of Pittsburgh	93.393	CNVA00056097 (129912-2)	—	22,573
University of Wisconsin, Madison	93.393	0000001866	—	55,935
Vanderbilt University Medical Center	93.393	VUMC59137	—	48
Vanderbilt University Medical Center	93.393	VUMC92461	—	84,043
Wake Forest University Health Sciences	93.393	1518-45117-10000555115	—	14,633
Subtotal			445,305	5,333,649
Department of Health and Human Services	93.394	Direct	1,313,737	2,880,058
Arizona State University	93.394	ASUB00001158	—	18,912
Boston Medical Center Corporation	93.394	5071-BUSPH-03A2	—	91,984
Boston Medical Center Corporation	93.394	7618	—	34,567
Photothermal Spectroscopy Corp.	93.394	Passthrough Number Not Available	—	19,050
Subtotal			1,313,737	3,044,571
Department of Health and Human Services	93.395	Direct	895,486	1,821,831
Brandeis University	93.395	GR404524	—	37,212
Dana-Farber Cancer Institute	93.395	1295901	—	31,039
Northwestern University	93.395	60050593 BU	—	153,375
Rutgers, The State University of New Jersey	93.395	SUB00002678	—	58,292
The Brigham and Women's Hospital, Inc.	93.395	127546	—	129,570
The Children's Hospital of Philadelphia	93.395	GRT-00000465	—	59,775
Virginia Commonwealth University	93.395	FP00006681-SA001	—	21,531
Subtotal			895,486	2,312,625
Department of Health and Human Services	93.396	Direct	963,667	3,235,392
Dana-Farber Cancer Institute	93.396	1204605	—	245,261
Dana-Farber Cancer Institute	93.396	1325304	—	22,996
Fluent BioSciences Inc.	93.396	1	—	270,328
Subtotal			963,667	3,773,977
Department of Health and Human Services	93.397	Direct	—	376,068
Dana-Farber Cancer Institute	93.397	1117419	—	81,775
Dana-Farber Cancer Institute	93.397	1205203	—	10,744
Subtotal			—	468,587
Department of Health and Human Services	93.398	Direct	—	67,661
Department of Health and Human Services	93.433	Direct	426,971	2,147,991
Spaulding Rehabilitation Hospital	93.433	500570	—	11,225
Spaulding Rehabilitation Hospital	93.433	500571	—	15,303
Spaulding Rehabilitation Hospital	93.433	500625	—	35,795
Spaulding Rehabilitation Hospital	93.433	500625	—	22,494
University of Illinois	93.433	18181	—	5,281
University of Massachusetts, Worcester	93.433	OSP30799-01	—	49,619
Subtotal			426,971	2,287,708
Department of Health and Human Services	93.516	Direct	172,476	895,345
Commonwealth of Massachusetts – Department of Public Health	93.758	INTF1200M04191028045	—	420,556
Emory University	93.825	A734419	—	21,914
Department of Health and Human Services	93.837	Direct	4,760,023	13,833,531
Albert Einstein College of Medicine	93.837	31159A	—	110,007
American Heart Association	93.837	FX-ATRAC-SU54HL120163-BU	39,388	954,652

BOSTON UNIVERSITY
 Supplementary Schedule of Expenditures of Federal Awards
 Year ended June 30, 2023

Federal Grantor/Pass-through Grantor/Program or Cluster Title	Federal AL number	Direct award or pass-through entity identifying number	Passed through to subrecipients	Total federal expenditures
Augusta University	93.837	35616-1	\$ —	10,866
Baystate Medical Center	93.837	21218-1	—	85,687
Beth Israel Deaconess Medical Center, Inc.	93.837	01063194	—	40,584
Beth Israel Deaconess Medical Center, Inc.	93.837	01064061	—	190,766
Boston Biomedical Innovation Center	93.837	118874	—	223
Boston Medical Center Corporation	93.837	4340-BUMED-04A3	—	122,136
Broad Institute, Inc., The	93.837	5001356-5500001685	—	114,515
Broad Institute, Inc., The	93.837	5001880-5500001308	—	239,248
Cedars-Sinai Medical Center	93.837	1569389	—	16,543
Duke University	93.837	303000402	—	55,485
Hansjorg Wyss Institute for Biologically	93.837	Chen.NIH.R01.150335	—	27,649
Johns Hopkins University	93.837	2005484579	—	142,441
Kaiser Foundation Research Institute	93.837	RNG211455-BU	—	19,750
Kent County Memorial Hospital	93.837	5001731-04-BU	—	11,186
Massachusetts General Hospital	93.837	234357	—	111,795
Massachusetts General Hospital	93.837	235136	—	27,991
Massachusetts General Hospital	93.837	236388	—	135,844
Massachusetts General Hospital	93.837	236957	—	175,402
Massachusetts General Hospital	93.837	239432	—	73,081
Massachusetts General Hospital	93.837	240336	—	45,212
Massachusetts General Hospital	93.837	240687	—	133,689
Mayo Clinic	93.837	BOS-252366-03 /PO 68697	—	90,390
Regents of the University of Michigan	93.837	SUBK00017215	—	4,315
RTI International	93.837	2-312-0217030-65775L	—	111,436
The Brigham and Women's Hospital, Inc.	93.837	114139	—	3
The Brigham and Women's Hospital, Inc.	93.837	118939	—	25,115
The Brigham and Women's Hospital, Inc.	93.837	125218	—	28,756
The Washington University	93.837	WUJ-23-0008	—	77,568
Trustees Of Columbia University In The City of New York	93.837	11(GG015997-01)	—	205,205
Tufts – New England Medical Center	93.837	5019637_SERV	—	207,364
University of California, Berkeley	93.837	00010999	—	7,230
University of California, Los Angeles	93.837	0875 G ZB522	—	168,678
University of California, San Diego	93.837	704313	—	21,584
University of Maryland	93.837	1701192 Request: 3604	—	(7,747)
University of Texas Health Science Center	93.837	172397/172293	—	53,093
University of Texas Health Science Center	93.837	172863/172604	—	293,840
University of Texas Health Science Center	93.837	SA0000629	—	3,857
University of Texas Southwestern Medical	93.837	221002	—	16,645
University of Washington	93.837	UWSC10616	—	1,423
University of Washington	93.837	UWSC11247	—	(889)
University of Washington	93.837	UWSC13980	—	20,090
Subtotal			<u>4,799,411</u>	<u>18,006,239</u>
Department of Health and Human Services	93.838	Direct	1,341,410	9,613,652
Beth Israel Deaconess Medical Center, Inc.	93.838	01064485	—	62,000
Cincinnati Children's Hospital Medical Center	93.838	137990	—	363,090
Massachusetts General Hospital	93.838	239256	—	20,399
Northwestern University	93.838	60053561 BOS	—	37,641
Northwestern University	93.838	60055357 BU	—	23,518
Regents of the University of Michigan	93.838	SUBK00015156	—	26,285
Stanford University	93.838	62680355-158487	—	349,201
The Brigham and Women's Hospital, Inc.	93.838	120957	—	77,786
The Brigham and Women's Hospital, Inc.	93.838	123777	—	103,500
The Brigham and Women's Hospital, Inc.	93.838	127675	—	9,052
The Regents of the University of California	93.838	9760sc	—	721,093
Trustees Of Columbia University In The City of New York	93.838	5(GG016801-01)	—	43,519
University of Buffalo	93.838	R1344683	—	27,112
Vanderbilt University	93.838	VUMC85302	—	36,485
Subtotal			<u>1,341,410</u>	<u>11,514,333</u>
Department of Health and Human Services	93.839	Direct	448,870	2,296,921
Boston Medical Center Corporation	93.839	01-03_BU_05510	—	77,397
Boston Medical Center Corporation	93.839	4309-BUCRC-04NCEA4	—	32,941
Boston Medical Center Corporation	93.839	4309-BUSPH-04NCEA4	—	27,821
Subtotal			<u>448,870</u>	<u>2,435,080</u>
Department of Health and Human Services	93.846	Direct	1,209,973	6,663,216
Arizona State University	93.846	643832	—	66,743
Cincinnati Children's Hospital Medical Center	93.846	306894	—	24,492
Hebrew Rehabilitation Center For Aged, Inc.	93.846	90107	—	6,010
Hebrew SeniorLife	93.846	90077	—	83,213
Hebrew SeniorLife	93.846	90100	—	25,444
Johns Hopkins University	93.846	2005534760	—	46,370
Massachusetts General Hospital	93.846	234823	—	123,406
Massachusetts General Hospital	93.846	235440	—	5,052
Northwestern University	93.846	60062206 BU	—	49,020
President & Fellows of Harvard College	93.846	124232-5112901	—	(48,101)
President & Fellows of Harvard College	93.846	124394-5121034	—	214,590
President & Fellows of Harvard College	93.846	133876-5105271	—	41,827
The Brigham and Women's Hospital, Inc.	93.846	119689	—	32,106
The Brigham and Women's Hospital, Inc.	93.846	123886	—	54,034
The University of Iowa	93.846	S00516-01	—	(1,268)
Tufts – New England Medical Center	93.846	5019391-SERV	—	3,981
University of Arizona	93.846	703805	—	85,769
University of Pittsburgh	93.846	CNVA00055852 (136941-2)	—	51,327
University of Washington	93.846	UWSC13878	—	105,189
Subtotal			<u>1,209,973</u>	<u>7,632,420</u>

BOSTON UNIVERSITY
 Supplementary Schedule of Expenditures of Federal Awards
 Year ended June 30, 2023

Federal Grantor/Pass-through Grantor/Program or Cluster Title	Federal AL 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	\$ 666,171	4,849,878
Arkana Laboratories	93.847	R43DK134273	—	535
Augusta University	93.847	32307-93	—	11,216
Boston Medical Center Corporation	93.847	2074-BUSPH-29NCEA4	—	5,221
Boston Medical Center Corporation	93.847	4926-BUMED-27S1A2	—	28,018
Boston Medical Center Corporation	93.847	5646-BUENG-02A1	—	13,151
Boston Medical Center Corporation	93.847	6242-BUCAS-22AG-01	—	9,304
Brown University	93.847	00002117	—	36,582
Brown University	93.847	00002209	—	30,836
Department of Veterans Affairs	93.847	5002FEDd	—	244,928
Duke University	93.847	303000712	—	109,029
Duke University	93.847	A031897	—	1,978
Massachusetts General Hospital	93.847	238171	—	148,005
Massachusetts General Hospital	93.847	241424	—	10,511
Medical University of South Carolina	93.847	A00-3838-S001	—	8,806
Regents of the University of Minnesota	93.847	P004760201	—	63,096
Research Triangle Institute	93.847	2-312-0218210-66574L	—	71,243
The Scripps Research Institute	93.847	5-54303	—	28,734
The University of Alabama at Birmingham	93.847	UA17-031(A00-46-S003-A05	—	12,438
The University of Alabama at Tuscaloosa	93.847	A19-0479-S003-A02	—	50,888
Trustees of Tufts College, Inc	93.847	104540-00001	—	34,321
University of California, San Diego	93.847	703599	—	10,897
University of California, San Diego	93.847	705873	—	39,736
University of North Carolina at Chapel Hill	93.847	5119493	—	249,367
University of Pittsburgh	93.847	AWD00003466 (135654-1)	—	10,344
University of Southern California	93.847	SCON-00004031	—	110,711
Weill Medical College of Cornell	93.847	221090	—	463,072
Weill Medical College of Cornell	93.847	222485	—	49,328
Subtotal			<u>666,171</u>	<u>6,701,973</u>
Department of Health and Human Services	93.853	Direct	5,072,936	20,777,164
Charles River Analytics, Inc.	93.853	SC2008102	—	2,441
Louisiana State University	93.853	19-11-100	—	155,376
Massachusetts General Hospital	93.853	234782	—	84,464
Massachusetts General Hospital	93.853	236390	—	104,545
Massachusetts General Hospital	93.853	237598	—	269,550
Massachusetts General Hospital	93.853	237602	—	217,298
Massachusetts General Hospital	93.853	238747	—	14,922
Northwestern University	93.853	60054977 BOS	25,468	75,116
Rebion	93.853	Passthrough Number Not Available	—	117,725
The Children's Hospital Corporation	93.853	GENFD0002295943	—	148,025
The Regents of the University of California	93.853	12749sc	—	49,154
Trustees Of Columbia University In The City of New York	93.853	2(GG014833-01)	—	180,329
University of California, Davis	93.853	A21-1324-S005	—	(136)
University of California, San Diego	93.853	704139	—	110,632
University of California, San Diego	93.853	704726	—	230,569
University of Rochester	93.853	SUB00000401/UR.FAO.GR533	77,713	208,964
University of Southern California	93.853	SCON-00002683	—	269,506
University of Texas Health Science Center	93.853	166913166876	—	41,967
Subtotal			<u>5,176,117</u>	<u>23,057,611</u>
Department of Health and Human Services	93.855	Direct	2,516,221	21,636,535
Arizona State University	93.855	ASUB00001046	—	175,725
Bolder Biotechnology Inc.	93.855	1R43A1157684-01A1	—	1,693
Boston Medical Center Corporation	93.855	4252-BUMC-05A4	—	1,268
Boston Medical Center Corporation	93.855	4964-BUSPH-04A4	—	48,729
Boston Medical Center Corporation	93.855	5582	—	(106,204)
Boston Medical Center Corporation	93.855	6490-BUSM-01	—	121,621
Chicago BioSolutions, Inc.	93.855	Passthrough Number Not Available	—	98,061
Dana-Farber Cancer Institute	93.855	1324402	—	53,679
Georgia State University	93.855	SP00012813-04	—	(13,899)
Georgia State University	93.855	SP00013377-02	—	(4)
Governing Council of the University of T	93.855	514815 Subgrant 1	—	233,792
Harvard Pilgrim Health Care	93.855	R21AI143386/AH707	—	(2)
Icahn School of Medicine at Mount Sinai	93.855	0255-F911-4609	—	183,649
Integrated BioTherapeutics, Inc.	93.855	5R01AI132204	—	81,958
Johns Hopkins University	93.855	2005912026	—	2,496
Loyola University of Chicago	93.855	213819-BUMC	—	244,156
Massachusetts General Hospital	93.855	233837	—	113,495
Massachusetts General Hospital	93.855	239041	—	20,413
Michigan State University	93.855	RC107329BU	—	61,256
President & Fellows of Harvard College	93.855	117116-5121548	—	91,399
President & Fellows of Harvard College	93.855	117164-5113035	—	26,867
President & Fellows of Harvard College	93.855	117206-5117146	—	29,735
Purdue University	93.855	110000450-007	—	(18,000)
Purdue University	93.855	11000905-020	—	172,068
Purdue University	93.855	11000982-030	—	42,040
Purdue University	93.855	11001291-009	—	66,007
Regents of the University of Minnesota	93.855	N009129202	—	2,493
Regents of the University of Minnesota	93.855	P010276604	—	508,231
Stanford University	93.855	62821142-216160	—	162,293
The Brigham and Women's Hospital, Inc.	93.855	128494	—	245,382
The Children's Hospital Corporation	93.855	GENFD0002135159	—	6,016
The Miriam Hospital	93.855	7147100TK	—	203,716
The Miriam Hospital	93.855	7147101ARG	—	10,858
The Miriam Hospital	93.855	7147101MDM7147321MDM	—	36,166
The Miriam Hospital	93.855	7147108LSM	—	(135)
The Regents of the University of California	93.855	12459sc	—	569,706
The Scripps Research Institute	93.855	5-54297	—	109,568
The Scripps Research Institute	93.855	5-54853	—	182,691
The University of Alabama at Birmingham	93.855	000526172-SC001	—	1,220
The University of Iowa	93.855	S00528-01	—	43,913
The Washington University	93.855	WU-19-238-MOD-4	—	(9,009)
The Washington University	93.855	WU-20-23-MOD-3	—	(5,662)

BOSTON UNIVERSITY
 Supplementary Schedule of Expenditures of Federal Awards
 Year ended June 30, 2023

Federal Grantor/Pass-through Grantor/Program or Cluster Title	Federal AL number	Direct award or pass-through entity identifying number	Passed through to subrecipients	Total federal expenditures
Trustees of Tufts College Inc	93.855	103713-00001	\$ —	30,196
Trustees of Tufts College, Inc	93.855	101315-00001 / HH4165	—	18,656
University of California, Irvine	93.855	2023-1965	—	3,397
University of Connecticut	93.855	151923928-1	—	117,842
University of Illinois	93.855	19279	—	23,385
University of Mississippi Medical Center	93.855	SP14274-SB1	—	5,749
University of San Francisco	93.855	420064-A	—	1,110
University of Wisconsin, Madison	93.855	000002871	—	312,450
WITS Health Consortium	93.855	D1909160-02	—	62,425
WITS Health Consortium	93.855	Passthrough Number Not Available	—	170,167
WITS Health Consortium	93.855	R01AI152149	—	177,875
Subtotal			<u>2,516,221</u>	<u>26,359,232</u>
Department of Health and Human Services	93.859	Direct	753,606	18,537,912
Carnegie Mellon University	93.859	1090515-390618	—	(6,175)
Massachusetts General Hospital	93.859	230194	—	60,638
Massachusetts Institute of Technology	93.859	s5581	—	170,015
Massachusetts Institute of Technology	93.859	s5668, PO 734733	—	265,951
NanoValent Pharmaceuticals, Inc.	93.859	Passthrough Number Not Available	—	(2)
Northeastern University	93.859	500867-78050	—	76,520
Photothermal Spectroscopy Corp.	93.859	Passthrough Number Not Available	—	10,752
Silicon Therapeutics	93.859	BU-Phase 2-SBIR	—	2,725
The Brigham and Women's Hospital, Inc.	93.859	127836	—	95,747
The University of California, Santa Cruz	93.859	A19-0429-S001-P0707042	—	94,391
Subtotal			<u>753,606</u>	<u>19,308,474</u>
International Society of Travel Medicine	93.860	Pass-Through Number Not Available	—	75,447
Department of Health and Human Services	93.865	Direct	2,745,010	7,639,051
Africa Health Research Institute	93.865	LoA R51	—	10,477
Boston Medical Center Corporation	93.865	6259	—	4,983
Boston Medical Center Corporation	93.865	6929	—	42,022
Boston Medical Center Corporation	93.865	6930	—	35,438
Brown University	93.865	00001649	—	6,341
Brown University	93.865	00001651	—	5,697
Brown University	93.865	00001653	—	137,779
Brown University	93.865	00001662	—	42,882
Brown University	93.865	00002105	—	6,193
Brown University	93.865	00002106	—	3,090
Center for Innovative Public Health Research	93.865	Passthrough Number Not Available	—	153,183
Children's Research Institute	93.865	30004438-03	—	278,078
Emory University	93.865	A558214	—	131,747
Florida State University	93.865	R01955	—	5,366
Georgia Institute of Technology	93.865	AWD-000312-G2	—	(1,268)
Hansjorg Wyss Institute for Biologically	93.865	124234-5099650	—	(2,687)
Montclair State University	93.865	1R03HD110761_BU	—	8,536
Mucommune LLC	93.865	MUC_009_BU	—	8,766
New York University	93.865	F0998-32	—	18,527
New York University	93.865	F1701-01	—	126,896
President & Fellows of Harvard College	93.865	117267-0233-5119838	—	482
Regents of the University of Minnesota	93.865	N006344002	—	8,253
Research Foundation for Mental Hygiene	93.865	146182	—	422,801
The Brigham and Women's Hospital, Inc.	93.865	127669	—	9,792
The Washington University	93.865	WU-18-9	—	9,496
University of Florida	93.865	SUB00002352	—	14,149
University of Maryland	93.865	43924-Z0751001	—	78,178
University of Massachusetts Memorial Med	93.865	SUB00000192	—	186,458
University of Massachusetts, Medical School	93.865	SUB00000186	—	8,881
University of Massachusetts, Medical School	93.865	SUB00000196	5,338	345,355
University of Massachusetts, Medical School	93.865	SUB00000220	—	3,651
University of North Carolina at Chapel Hill	93.865	5121623	—	145,853
University of Pittsburgh	93.865	AWD00006326 (138679-3)	—	3,563
University of San Francisco	93.865	420074-A	—	40,388
Subtotal			<u>2,750,348</u>	<u>9,938,397</u>
Department of Health and Human Services	93.866	Direct	14,692,308	54,286,267
Banner Health	93.866	0435-06-132051	—	67,002
Boston Medical Center Corporation	93.866	5820-BUSPH-02A1	—	14,111
Brandeis University	93.866	403861	—	41,629
Brandeis University	93.866	GR403861_BU-P	—	91,025
Brown University	93.866	00001964	—	17,194
California Pacific Medical Center	93.866	280201018-S252	55,242	846,790
Case Western Reserve University	93.866	RES600339	—	624,071
Duke University	93.866	303001109	—	4,248
Headwaters Innovation, Inc	93.866	Boston_University_AG0809	—	35,326
Hebrew Rehabilitation Center For Aged, Inc.	93.866	90106	—	57,639
Hebrew SeniorLife	93.866	90110	—	42,599
Icahn School of Medicine at Mount Sinai	93.866	0255-8443-4609	—	5,157
Icahn School of Medicine at Mount Sinai	93.866	0255-B851-4609	—	210,228
Icahn School of Medicine at Mount Sinai	93.866	0255-F762-4609	—	1,014
Kaiser Foundation Research Institute	93.866	RNG211397-BostonU	—	50,786
Massachusetts General Hospital	93.866	234538	—	170,518

BOSTON UNIVERSITY
 Supplementary Schedule of Expenditures of Federal Awards
 Year ended June 30, 2023

Federal Grantor/Pass-through Grantor/Program or Cluster Title	Federal AL number	Direct award or pass-through entity identifying number	Passed through to subrecipients	Total federal expenditures
Massachusetts General Hospital	93.866	236564	\$ —	107,547
Massachusetts General Hospital	93.866	237369	—	297,661
Mayo Clinic	93.866	BOS-304383-01	—	22,497
Mayo Clinic Jacksonville	93.866	BOS-284424-01	—	238,307
National Bureau of Economic Research, In	93.866	4029F.28.04.00-BU	—	1,461
New York University	93.866	Passthrough Number Not Available	—	31,070
New York University School of Medicine	93.866	18-A0-00-10014999	—	97,902
New York University School of Medicine	93.866	22-A0-00-1007948	—	184,212
Northwestern University	93.866	60044936 BU	—	81,631
Northwestern University	93.866	60053943 BOS	—	282,167
Ohio State University	93.866	SPC-1000003894/GR114053	—	154,554
President & Fellows of Harvard College	93.866	115429-5117367	—	45,073
Rhode Island Hospital	93.866	7137837	—	70,803
The Brigham and Women's Hospital, Inc.	93.866	115900	—	203
The Brigham and Women's Hospital, Inc.	93.866	121786	—	106,902
The Brigham and Women's Hospital, Inc.	93.866	126169	—	15,605
The George Washington University	93.866	23-M17	—	8,054
The Washington University	93.866	WU-23-0547	—	1,170,223
Trustees Of Columbia University In The City of New York	93.866	1(GG014803-01)	—	71,027
Trustees Of Columbia University In The City of New York	93.866	1(GG015822-05)	—	1,783
Trustees Of Columbia University In The City of New York	93.866	1(GG015822-06)	—	8,663
Trustees Of Columbia University In The City of New York	93.866	1(GG015822-08)	—	413
Trustees Of Columbia University In The City of New York	93.866	1(GG015971-04)	—	94,486
Trustees of the University of Pennsylvania	93.866	580820	—	14,321
Trustees of the University of Pennsylvania	93.866	583109	—	(4,321)
Trustees of the University of Pennsylvania	93.866	584632	—	243,162
Trustees of the University of Pennsylvania	93.866	584640	—	257,695
Trustees of Tufts College, Inc	93.866	102782-00001-BU	—	27,723
Trustees of Tufts College, Inc	93.866	Passthrough Number Not Available	—	19
Tufts – New England Medical Center	93.866	5018762-SERV	—	170,506
University of California, San Diego	93.866	703478	22,707	1,052,701
University of Florida	93.866	UFDSP00012165	—	20,962
University of Massachusetts, Lowell	93.866	S5110000037006	—	38,249
University of Massachusetts, Worcester	93.866	SUB00000201	—	225,531
University of Southern California	93.866	120160775	—	119,427
University of Southern California	93.866	131731894	—	16,960
University of Southern California	93.866	131732578	—	16,895
University of Southern California	93.866	137299735	—	200,044
University of Southern California	93.866	79685083	—	24,735
University of Texas Health Science Center	93.866	164205/163074	—	126,037
University of Texas Health Science Center	93.866	164387/164378	—	247,303
University of Texas Health Science Center	93.866	167329/167328	—	57,113
University of Texas Health Science Center	93.866	168646/168644	—	754,275
University of Washington	93.866	UWSC10173	—	14,202
University of Washington	93.866	UWSC12958	—	26,779
University of Washington	93.866	UWSC13758	—	13,462
University of Wisconsin System	93.866	0000001232	—	191,291
University of Wisconsin, Madison	93.866	0000002483	—	1,538
Vanderbilt University Medical Center	93.866	VUMC95941	—	75,330
Subtotal			14,770,257	63,589,463
Department of Health and Human Services	93.867	Direct	218,214	3,039,414
Department of Veterans Affairs	93.867	0206FEDb	—	94,739
Johns Hopkins University	93.867	2005252250	—	120,218
Massachusetts Eye and Ear Infirmary & Physician Staff, Inc.	93.867	530875	—	27,062
Massachusetts General Hospital	93.867	242814	—	10,465
Trustees of Indiana University	93.867	9250-BUMC	—	1,972
University of Maryland	93.867	17011922	—	2,167
Subtotal			218,214	3,296,037
Department of Health and Human Services	93.879	Direct	—	136,321
Department of Health and Human Services	93.884	Direct	—	(47,007)
Boston Medical Center Corporation	93.884	5975-BUSSW-02A1	—	24,016
Subtotal			—	(22,991)
University of Massachusetts, Lowell	93.928	S51120000051759	—	92,575
University of Massachusetts, Lowell	93.928	S5112000051759Y3	—	213,105
Subtotal			—	305,680
Department of Health and Human Services	93.989	Direct	46,030	328,866
Boston Medical Center Corporation	93.989	5970-BUSPH-02A1	—	4,136
Dartmouth College	93.989	R1047	—	139,547
President & Fellows of Harvard College	93.989	117181-5121331	—	16,163
Subtotal			46,030	488,712

BOSTON UNIVERSITY
 Supplementary Schedule of Expenditures of Federal Awards
 Year ended June 30, 2023

Federal Grantor/Pass-through Grantor/Program or Cluster Title	Federal AL 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	\$ 428,825	30,924,945
Battelle Memorial Institute	93.UNK	849016	—	271,788
Battelle Memorial Institute	93.UNK	US001-0000778944	—	591,382
Butler Hospital	93.UNK	Passthrough Number Not Available	—	13
Commonwealth of Massachusetts – Department of Public Health	93.UNK	INTF3601HH2500224289	925	28,012
Duke University	93.UNK	2035950	—	4,427
General Dynamics Information Technology,	93.UNK	GDIT-12814	—	171,383
International Society of Travel Medicine	93.UNK	Passthrough Number Not Available	7,840	102,051
Johns Hopkins University	93.UNK	2005782785	—	5,595
Leidos	93.UNK	19X100Q	—	936,308
Mapp Biopharmaceutical, Inc.	93.UNK	SUB-2021-7063-0008	—	4,136
Massachusetts General Hospital	93.UNK	Passthrough Number Not Available	—	26,940
McKing Consulting Corporation	93.UNK	BU-04-4577	—	25,000
Microbiotix, Inc.	93.UNK	75N93023C00001	—	57,682
MRI Global	93.UNK	733-111015-1	—	(6,122)
Q-Chem Inc.	93.UNK	2 R44 GM126804-02A1	—	88,443
Regeneron Pharmaceuticals, Inc.	93.UNK	Passthrough Number Not Available	—	22,765
The Miriam Hospital	93.UNK	21-2102/5P30A1179790-08	—	31,658
The Trustees of Princeton University	93.UNK	Passthrough Number Not Available	—	16,388
Tufts – New England Medical Center	93.UNK	5024772_SERV	—	5,372
University of Massachusetts, Medical School	93.UNK	Passthrough Number Not Available	—	(5,532)
University of Massachusetts, Worcester	93.UNK	Passthrough Number Not Available	—	(51,594)
University of Mississippi Medical Center	93.UNK	SP14542-SB01	—	20,135
University of Texas Health Science Center	93.UNK	Passthrough Number Not Available	—	149,465
Veterans Affairs Medical Center of Washi	93.UNK	688-D17020	—	2,970
Westat, Inc.	93.UNK	6579-S36	—	48,342
Westat, Inc.	93.UNK	6831-00-S003	—	17,370
Subtotal			437,590	33,489,322
Department of Health and Human Services Total			48,627,733	321,028,636
Department of Housing and Urban Development:				
Department of Housing and Urban Development	14.906	Direct	—	11,012
Three3, Inc.	14.906	Passthrough Number Not Available	—	15,139
Subtotal			—	26,151
Department of Housing and Urban Development Total			—	26,151
Department of Homeland Security:				
Palo Alto Institute for Research and Education	97.044	MCA0006-04	—	22,696
Northeastern University	97.061	505245-78050	—	155,855
Northeastern University	97.UNK	505210-78052	—	73,415
Department of Homeland Security Total			—	251,966
Department of Justice:				
Office of Massachusetts Attorney General	16.320	Pass-Through Number Not Available	—	5,792
Department of Justice	16.543	Direct	—	33,765
Department of Justice	16.560	Direct	32,001	732,276
Northeastern University	16.560	504633-78052	—	31,905
Subtotal			32,001	764,181
Department of Justice	16.752	Direct	135,402	260,829
Medical University of South Carolina	16.UNK	A23-0030-S001	—	102,030
Department of Justice Total			167,403	1,166,597
Department of the State:				
Institute of International Education	19.010	3000258864	—	237,158
Institute of International Education	19.UNK	3000225139	—	1,013
PH International	19.UNK	GEN-017	—	69,591
Subtotal			—	70,604
Department of the State Total			—	307,762
Department of the Interior:				
The Regents of the University of Colorado	15.156	1563188	—	7,874
Department of the Interior	15.807	Direct	—	36,415
Department of the Interior	15.944	Direct	—	23,618
Department of the Interior	15.UNK	Direct	—	162,929
Blue World Research Institute, Inc.	15.UNK	22-F17-01	—	62,217
Subtotal			—	225,146
Department of the Interior Total			—	293,053
Department of Transportation:				
Department of Transportation	20.109	Direct	495,326	1,651,344
Department of Transportation Total			495,326	1,651,344
Department of Veterans Affairs:				
Department of Veterans Affairs	64.UNK	Direct	271,317	4,921,652
President & Fellows of Harvard College	64.UNK	117345.5126963	—	7,556
Subtotal			271,317	4,929,208
Department of Veterans Affairs Total			271,317	4,929,208
Environmental Protection Agency:				
Roger Williams University	66.456	SG-2232004-014-BOSU	—	17,748
Environmental Protection Agency	66.509	Direct	—	189,881

BOSTON UNIVERSITY
 Supplementary Schedule of Expenditures of Federal Awards
 Year ended June 30, 2023

Federal Grantor/Pass-through Grantor/Program or Cluster Title	Federal AL 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	\$ —	17,327
Speak for the Trees, Inc.	66.604	Passthrough Number Not Available	—	2,400
Health Effects Institute	66.UNK	4971-RFA18-1/20-5-3	<u>197,682</u>	<u>238,732</u>
Environmental Protection Agency Total			<u>197,682</u>	<u>466,088</u>
National Aeronautics and Space Administration:				
National Aeronautics and Space Administration	43.001	Direct	1,112,782	8,472,602
Dartmouth College	43.001	R1058	—	48,447
Jet Propulsion Laboratory	43.001	1655925	—	63,867
Jet Propulsion Laboratory	43.001	1659977	—	(76)
Jet Propulsion Laboratory	43.001	1673622	—	16,884
Jet Propulsion Laboratory	43.001	1679046	—	17,597
Jet Propulsion Laboratory	43.001	1681933	—	174,372
Jet Propulsion Laboratory	43.001	1682861	—	7,031
Jet Propulsion Laboratory	43.001	1691953	—	16,166
Johns Hopkins University	43.001	173997	—	14,697
Johns Hopkins University Applied Physics	43.001	163718	—	51,410
Planetary Science Institute	43.001	1553 Boston Univ	—	(11)
Smithsonian Astrophysical Observatory	43.001	GO2-23123X	—	65,872
Southwest Research Institute	43.001	Q99030JAR	—	27,751
Southwest Research Institute	43.001	Q99074AKP	—	34,053
State University of New York at Buffalo	43.001	R1202595	—	79,452
The Aerospace Corporation	43.001	4600006993	—	14,652
The Regents of the University of Colorado	43.001	1560953	—	60,042
The Trustees of Princeton University	43.001	SUB0000578	—	3,789
Universities Space Research Association	43.001	09_0215	—	27,132
University Corporation for Atmospheric Research	43.001	SUBAWD003491	—	49,964
University of Alabama in Huntsville	43.001	2021-1290	—	9,648
University of California, Los Angeles	43.001	2090 G XA736	—	<u>3,998</u>
Subtotal			<u>1,112,782</u>	<u>9,259,339</u>
National Aeronautics and Space Administration	43.UNK	Direct	32,928	769,575
Jet Propulsion Laboratory	43.UNK	1625837	—	41,177
Jet Propulsion Laboratory	43.UNK	1637874	68,787	113,531
Jet Propulsion Laboratory	43.UNK	1664283	—	48,391
Jet Propulsion Laboratory	43.UNK	1665676	—	10,401
Massachusetts Institute of Technology	43.UNK	699842	—	(241)
Massachusetts Institute of Technology	43.UNK	742790	—	24,152
Massachusetts Institute of Technology	43.UNK	793224	—	12,628
Massachusetts Institute of Technology	43.UNK	858617	—	8,390
Southwest Research Institute	43.UNK	Q99064JAR	—	20,357
Space Telescope Science Institute	43.UNK	HST-AR-16119.002-A	—	5,127
Space Telescope Science Institute	43.UNK	HST-AR-16129.002-A	—	177,368
Space Telescope Science Institute	43.UNK	HST-GO-15073.013-A	—	7,785
Space Telescope Science Institute	43.UNK	HST-GO-15871.005-A	—	9,216
Space Telescope Science Institute	43.UNK	HST-GO-15918.006-A	—	7,997
Space Telescope Science Institute	43.UNK	HST-GO-15976.001-A	—	(223)
Space Telescope Science Institute	43.UNK	HST-GO-15994.001-A	—	2,226
Space Telescope Science Institute	43.UNK	HST-GO-16193.002-A	—	2,594
Space Telescope Science Institute	43.UNK	HST-GO-16642.002-A	—	17,921
Space Telescope Science Institute	43.UNK	HST-GO-16675.002-A	—	65,926
Space Telescope Science Institute	43.UNK	HST-GO-16719.002-A	—	6,113
The Regents of the University of Colorado	43.UNK	1000320450	—	210,951
The Regents of the University of Colorado	43.UNK	1000713692	—	267,083
The Regents of the University of Colorado	43.UNK	1556355	—	29,476
University of California, Berkeley	43.UNK	00009763	—	91,235
University of Illinois	43.UNK	098942-17871	—	<u>216,714</u>
Subtotal			<u>101,715</u>	<u>2,165,870</u>
National Aeronautics and Space Administration Total			<u>1,214,497</u>	<u>11,425,209</u>
National Endowment for the Humanities				
National Endowment for the Humanities	45.161	Direct	—	35,709
National Endowment for the Humanities	45.169	Direct	—	14,676
National Endowment for the Humanities Total			<u>—</u>	<u>50,385</u>

BOSTON UNIVERSITY
 Supplementary Schedule of Expenditures of Federal Awards
 Year ended June 30, 2023

Federal Grantor/Pass-through Grantor/Program or Cluster Title	Federal AL 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	\$ 1,491,723	7,207,208
BioSens9	47.041	01313599	—	25,768
Florida International University	47.041	000731	—	11,668
Florida International University	47.041	800008492-02UG/800012561	—	9,657
MedChem Partners	47.041	Passthrough Number Not Available	—	58,518
President & Fellows of Harvard College	47.041	124227-5112585	—	91,444
Primetaz, LLC	47.041	2052053	—	110,436
Trustees of the University of Pennsylvania	47.041	570440	—	148,055
Trustees of Tufts College, Inc	47.041	SF0041	—	24,110
University of California, Berkeley	47.041	00011293	—	4,152
University of Central Florida	47.041	16406249-05	—	4,861
Subtotal			<u>1,491,723</u>	<u>7,695,877</u>
National Science Foundation				
National Science Foundation	47.049	Direct	16,395	4,706,403
Brown University	47.049	00001612	—	92,650
Cornell University	47.049	79433-20674	—	215,633
Massachusetts Institute of Technology	47.049	S5303, PO 577234	—	24,022
National Radio Astronomy Observatory	47.049	370212	—	412
National Radio Astronomy Observatory	47.049	SOSPA8-007	—	11,779
Rochester Institute of Technology	47.049	32566-01	—	34,191
The Children's Hospital Corporation	47.049	GENFD0002056738	—	2,013
The Research Foundation for the State University of New York	47.049	76749/1136652/ZM&O	—	(23,439)
The Research Foundation for the State University of New York	47.049	76749/1136652/2Tier2	—	(1,383)
The Research Foundation for the State University of New York	47.049	93443/1172884/2 M & O	—	168,759
The Research Foundation for the State University of New York	47.049	93443/1172884/2 S & C	—	200,281
Trustees Of Columbia University In The City of New York	47.049	10(GG016228)	—	134,409
University of California, Irvine	47.049	2020-1334	—	116,172
University of California, Santa Barbara	47.049	KK2024	—	132,647
University of Chicago	47.049	AWD100085 (SUB00000035)	—	(43)
University of Wisconsin, Madison	47.049	0000000840	—	128,752
University of Wisconsin, Madison	47.049	823K126	—	1,221
Subtotal			<u>16,395</u>	<u>5,944,479</u>
National Science Foundation				
National Science Foundation	47.050	Direct	57,278	1,814,863
Marine Biological Laboratory	47.050	52679	—	56,732
Marine Biological Laboratory	47.050	54603	—	8,479
University Corporation for Atmospheric Research	47.050	SUBAWD003403	—	6,245
University of South Florida	47.050	2104-1376-00-B	—	112,352
University of Southern California	47.050	90931209	—	39,725
Woods Hole Oceanographic Institution	47.050	81958900	—	206,817
Subtotal			<u>57,278</u>	<u>2,245,213</u>
National Science Foundation				
National Science Foundation	47.070	Direct	52,520	6,701,721
Computing Research Association	47.070	CIF2020-BoU-26	—	79,566
Trustees of Tufts College, Inc	47.070	103262-00001	—	(4)
University of California, Irvine	47.070	2022-1753	—	8,881
Young People's Project, Inc.	47.070	2031455-BU	—	47,196
Subtotal			<u>52,520</u>	<u>6,837,360</u>
National Science Foundation				
National Science Foundation	47.074	Direct	308,950	3,220,821
Baylor University	47.074	1001076-02	—	28,719
Brandeis University	47.074	GR404489_BU	—	84,996
Cary Institute of Ecosystem Studies	47.074	3340/200201857	—	41,927
Cary Institute of Ecosystem Studies	47.074	3540/200202133	—	10,222
Colorado State University	47.074	G-45144-01	—	7,277
Massachusetts Institute of Technology	47.074	S4877/PO370723	—	16,577
President & Fellows of Harvard College	47.074	131721-5109144	—	77,325
Rector & Visitors of the University of Virginia	47.074	GA11374_PO 2108133	—	21,112
The University of Alabama at Tuscaloosa	47.074	UA18-009(A00-0625-S002)	—	59,262
University of California, Santa Barbara	47.074	KK1988	—	(6,784)
University of Michigan	47.074	SUBK00010703	—	30,578
Virginia Polytechnic Institute and Stat	47.074	480181-19C90	—	1,483
Subtotal			<u>308,950</u>	<u>3,593,515</u>
National Science Foundation				
National Science Foundation	47.075	Direct	79,555	935,445
Florida International University	47.075	000514	—	29,650
New York University	47.075	F1258-01	—	4,008
University of Montana	47.075	PG23-66297-05	—	8,063
Subtotal			<u>79,555</u>	<u>977,166</u>
National Science Foundation				
National Science Foundation	47.076	Direct	1,043,867	5,515,923
American Educational Research Association	47.076	Passthrough Number Not Available	—	12,272
CAST	47.076	BU7012020-23	—	101,894
Digital Harbor Foundation, Inc.	47.076	1000112	—	88,549
Hubbard Brook Research Foundation	47.076	2215187-APEAL-S03	—	2,556
Regents of the University of Michigan	47.076	SUBK00016186	—	3,097
University of Delaware	47.076	UDR0000233	—	45,405
University of Michigan	47.076	SUBK00016187	—	22,710
Subtotal			<u>1,043,867</u>	<u>5,792,406</u>
National Science Foundation				
National Science Foundation	47.078	Direct	—	57,765
National Science Foundation				
National Science Foundation	47.079	Direct	—	77,024
Bigelow Laboratory for Ocean Sciences	47.079	301050A	—	25,975
Subtotal			<u>—</u>	<u>102,999</u>
National Science Foundation				
National Science Foundation	47.083	Direct	—	878,090
New York University	47.083	F1277-01	—	61,622
Temple University of the Commonwealth System of Higher Education	47.083	269061-BU	—	63,971
University of Delaware	47.083	UDR0000286	—	36,854
Subtotal			<u>—</u>	<u>1,040,537</u>

BOSTON UNIVERSITY
 Supplementary Schedule of Expenditures of Federal Awards
 Year ended June 30, 2023

Federal Grantor/Pass-through Grantor/Program or Cluster Title	Federal AL number	Direct award or pass-through entity identifying number	Passed through to subrecipients	Total federal expenditures
Carnegie Mellon University	47.084	1123649-463157	\$ —	32,872
Rutgers, The State University of New Jersey	47.084	SUB00002686	—	112,087
Subtotal			—	144,959
American Physical Society	47.UNK	CWC-067	—	16,664
Beth Israel Deaconess Medical Center, Inc.	47.UNK	01060902	—	51,371
Draper Laboratory, Inc.	47.UNK	PO001-0001066613	—	39,015
Peraton Labs, Inc.	47.UNK	PO-0039376	—	60,006
Subtotal			—	167,056
National Science Foundation Total			3,050,288	34,599,332
Research and Development Cluster Total			60,423,185	413,702,306
Student Financial Assistance Cluster:				
Department of Education:				
Federal Supplemental Educational Opportunity Grants	84.007	Direct	—	3,277,444
Federal Work Study Program	84.033	Direct	—	3,617,360
Perkins Loan Program	84.038	Direct	—	15,774,872
Federal Pell Grant Program	84.063	Direct	—	19,866,887
Pell Administrative Cost Allowance	84.063	Direct	—	18,150
Federal Direct Stafford Loan Program	84.268	Direct	—	138,858,560
Federal Direct PLUS Loan Program	84.268	Direct	—	108,412,848
Teacher Education Assistance for College and Higher Education Grants	84.379	Direct	—	8,959
Department of Education Total			—	289,835,080
Department of Health and Human Services:				
Health Professions Student Loans – Medical	93.342	Direct	—	2,878
Health Professions Student Loans – Dental	93.342	Direct	—	484,539
Loans for Disadvantaged Students – Medical	93.342	Direct	—	61,963
Loans for Disadvantaged Students – Dental	93.342	Direct	—	247,417
Medical – Primary Care	93.342	Direct	—	171,022
Department of Health and Human Services Total			—	967,819
Student Financial Assistance Cluster Total			—	290,802,899
TRIO Cluster:				
Department of Education	84.047	Direct	—	793,628
TRIO Cluster Total			—	793,628
Child Care and Development Fund (CCDF) Cluster:				
Department of Health and Human Services	93.575	Direct	160,800	611,052
Brandeis University	93.575	403599	—	6,714
Commonwealth of Massachusetts – Department of Early Education and Care	93.575	P-169704	—	97,862
Child Care and Development Fund (CCDF) Cluster Total			160,800	715,628
Summer Food Service Program for Children:				
Commonwealth of Massachusetts – Department of Education	10.559	13-035-SF-30	—	7,185
Summer Food Service Program for Children Total:			—	7,185
Other Program Awards:				
Agency for International Development:				
Management Sciences for Health	98.001	MTaPS-19-001	—	117,282
U.S. Agency for International Development	98.006	AID-ASHA-A-17-00006	4,388	116,891
Agency for International Development Total			4,388	234,173
Corporation for National and Community Service:				
Jumpstart for Young Children, Inc.	94.006	840200	—	14,047
Jumpstart for Young Children, Inc.	94.006	840230	—	76,160
Massachusetts Service Alliance	94.006	A-23-C-042103547	—	801,918
Corporation for National and Community Service Total			—	892,125
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	—	592,815
Department of Education	84.283D	Direct	864,757	1,732,245
University of Oregon	84.283D	251500E	—	122,915
Subtotal			864,757	1,855,160
University of Oregon	84.326L	281520E	—	18,332
American Student Assistance	84.334	GEAR UP MA-ASA/BU 2022-2025	—	8,403
Commonwealth of Massachusetts	84.334	2014 2015 MA GEAR UP	—	7,350
State of Connecticut	84.334	CT GEAR UP	—	5,250
Subtotal			—	21,003
American Student Assistance	84.UNK	Passthrough Number Not Available	—	279,431
Department of Education Total			864,757	2,766,741

BOSTON UNIVERSITY
Supplementary Schedule of Expenditures of Federal Awards
Year ended June 30, 2023

Federal Grantor/Pass-through Grantor/Program or Cluster Title	Federal AL number	Direct award or pass-through entity identifying number	Passed through to subrecipients	Total federal expenditures
Department of Energy: University of Michigan	81.113	SUBK00016276	\$ —	39,001
Department of Energy Total			—	39,001
Department of Health and Human Services: Training in General, Pediatric, and Public Health Dentistry	93.059	Direct	—	548,076
Birth Defects and Developmental Disabilities – Prevention and Surveillance	93.073	Direct	—	141,151
Boston Medical Center Corporation	93.073	4438-BUSPH-04A4	—	89,794
Subtotal			—	230,945
Boston Medical Center Corporation	93.084	01_BU_05517MC	—	17,097
Stanford University	93.084	62332489-148206	—	33,344
Subtotal			—	50,441
Maternal and Child Health Federal Consolidated Programs Substance Abuse and Mental Health Services Projects of Regional and National Significance	93.110	Direct	534,033	1,382,508
Florida International University	93.243	Direct	—	48,855
Rush University Medical Center	93.243	000504	—	36,158
	93.243	20080504-Sub04	—	11,424
Subtotal			—	96,437
Provider Relief Fund and American Rescue Plan (ARP) Rual Distribution Ryan White HIV/AIDS Dental Reimbursement and Community Based Dental Partnership Grants	93.498	Direct	—	520,631
Special Projects of National Significance	93.924	Direct	206,851	857,844
Boston Medical Center Corporation	93.928	Direct	153,426	271,201
Department of Health and Human Services	93.959	7565	—	(1,287)
Jewish Family & Children's Service	93.UNK	Direct	—	54,652
McKing Consulting Corporation	93.UNK	Passthrough Number Not Available BU-03-4198	—	29,852
	93.UNK		—	11,841
Subtotal			—	96,345
Department of Health and Human Services Total			894,310	4,053,141
Department of Interior: Department of Interior	15.UNK	Direct	—	20,051
Department of Interior Total			—	20,051
Department of Veterans Affairs: Department of Veterans Affairs	64.UNK	Direct	—	114,916
Department of Veterans Affairs Total			—	114,916
Department of State: Department of State	19.UNK	Direct	—	(494)
Department of State Total			—	(494)
National Aeronautics and Space Administration: National Aeronautics and Space Administration	43.001	Direct	—	9,562
University of Toledo	43.001	N-125107-01 (F-2016-22)	—	336,913
National Aeronautics and Space Administration Total			—	346,475
National Endowment For The Arts: Promotion of the Arts Grants to Organizations and Individuals	45.024	Direct	—	53,818
National Endowment for the Arts Total			—	53,818
National Endowment For The Humanities: Promotion of the Humanities Professional Development	45.163	Direct	—	82,058
American Council of Learned Societies	45.UNK	Passthrough Number Not Available	—	49,994
National Endowment for the Humanities Total			—	132,052
Office of National Drug Control Policy: The Legislative Analysis and Public Policy Association	95.006	Passthrough Number Not Available	—	28,321
Office of National Drug Control Policy Total			—	28,321
Other Program Awards Total			1,924,255	10,196,761
Total Expenditures of Federal Awards			\$ 62,347,440	714,701,966

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, 2023

(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, 2023. 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, 2023 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, 2023

(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:

	<u>Federal AL number</u>	<u>Balance as of June 30, 2022</u>	<u>Loans issued</u>	<u>Payments received</u>	<u>Other changes</u>	<u>Balance as of June 30, 2023</u>
Perkins loan program	84.038	\$ 15,774,872	—	(3,301,709)	(196,206)	12,276,957
Medical-primary care	93.342	171,022	—	(19,123)	39,145	191,044
Health professions Student loans (HPSL):						
Medical	93.342	2,878	—	—	(2,878)	—
Dental	93.342	484,539	—	(30,723)	9,861	463,677
Loans for Disadvantaged Students (LDS):						
Medical	93.342	61,963	—	(7,307)	(4,919)	49,737
Dental	93.342	247,417	—	(44,214)	10,203	213,406
Totals		\$ <u>16,742,691</u>	<u>—</u>	<u>(3,403,076)</u>	<u>(144,794)</u>	<u>13,194,821</u>

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, 2023.

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, 2023 are summarized as follows:

	<u>Federal AL number</u>	<u>Loans distributed</u>
Federal Direct Stafford Loan Program	84.268	\$ 138,858,560
Federal Direct PLUS Loan Program	84.268	<u>108,412,848</u>
Total William D. Ford Federal Direct Loans		\$ <u>247,271,408</u>

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 University's consolidated statement of financial position as of June 30, 2023, 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 14, 2023.

Report on 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 consolidated financial statements will not be prevented, or detected and corrected, on a timely basis. A significant deficiency is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

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

Report on 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 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 14, 2023



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

Opinion on Each Major Federal Program

We have audited Boston University's compliance with the types of compliance requirements identified as subject to audit in the *OMB Compliance Supplement* that could have a direct and material effect on each of the Boston University's major federal programs for the year ended June 30, 2023. Boston University's major federal programs are identified in the summary of auditors' results section of the accompanying schedule of findings and questioned costs.

In our opinion, the Boston University complied, in all material respects, with the 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, 2023.

Basis for Opinion on Each Major Federal Program

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America (GAAS); 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). Our responsibilities under those standards and the Uniform Guidance are further described in the Auditors' Responsibilities for the Audit of Compliance section of our report.

We are required to be independent of Boston University and to meet our other ethical responsibilities, in accordance with relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on compliance for each major federal program. Our audit does not provide a legal determination of Boston University's compliance with the compliance requirements referred to above.

Responsibilities of Management for Compliance

Management is responsible for compliance with the requirements referred to above and for the design, implementation, and maintenance of effective internal control over compliance with the requirements of laws, statutes, regulations, rules and provisions of contracts or grant agreements applicable to Boston University's federal programs.



Auditors' Responsibilities for the Audit of Compliance

Our objectives are to obtain reasonable assurance about whether material noncompliance with the compliance requirements referred to above occurred, whether due to fraud or error, and express an opinion on Boston University's compliance based on our audit. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS, *Government Auditing Standards*, and the Uniform Guidance will always detect material noncompliance when it exists. The risk of not detecting material noncompliance resulting from fraud is higher than for that resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Noncompliance with the compliance requirements referred to above is considered material if there is a substantial likelihood that, individually or in the aggregate, it would influence the judgment made by a reasonable user of the report on compliance about Boston University's compliance with the requirements of each major federal program as a whole.

In performing an audit in accordance with GAAS, *Government Auditing Standards*, and the Uniform Guidance, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material noncompliance, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding Boston University's compliance with the compliance requirements referred to above and performing such other procedures as we considered necessary in the circumstances.
- Obtain an understanding of Boston University's internal control over compliance relevant to the audit in order to design audit procedures that are appropriate in the circumstances 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 Boston University's internal control over compliance. Accordingly, no such opinion is expressed.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and any significant deficiencies and material weaknesses in internal control over compliance that we identified during the audit.

Other Matters

The results of our auditing procedures disclosed an instance of noncompliance which is required to be reported in accordance with the Uniform Guidance and which is described in the accompanying schedule of findings and questioned costs as item 2023-001. Our opinion on each major federal program is not modified with respect to this matter.

Government Auditing Standards requires the auditor to perform limited procedures on Boston University's response to the noncompliance finding identified in our compliance audit described in the accompanying schedule of findings and questioned costs. Boston University is also responsible for preparing a corrective action plan to address each audit finding included in our auditors' report. Boston University's response and corrective action plan were not subjected to the other auditing procedures applied in the audit of compliance and, accordingly, we express no opinion on the response or the corrective action plan.

Report on Internal Control Over Compliance

Our consideration of internal control over compliance was for the limited purpose described in the Auditors' Responsibilities for the Audit of Compliance section above and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies in internal control over compliance and therefore, material weaknesses or significant deficiencies may exist that were not identified. We did not identify any deficiencies in internal control over compliance that we consider to be



material weaknesses. However, as discussed below, we did identify a deficiency in internal control over compliance that we consider to be a significant deficiency.

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. We consider the deficiency in internal control over compliance described in the accompanying schedule of findings and questioned costs as item 2023-001 to be a significant deficiency.

Our audit was not designed for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, no such opinion is expressed.

Government Auditing Standards requires the auditor to perform limited procedures on the Boston University's response to the internal control over compliance finding identified in our audit described in the accompanying schedule of findings and questioned costs. Boston University is also responsible for preparing a corrective action plan to address each audit finding included in our auditors' report. Boston University's response and corrective action plan were not subjected to the other auditing procedures applied in the audit of compliance and, accordingly, we express no opinion on the response or the corrective action plan.

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 Boston University as of and for the year ended June 30, 2023, and have issued our report thereon dated September 14, 2023, which contained an unmodified opinion on those consolidated financial statements. Our audit was performed 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 GAAS. 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
February 21, 2024

BOSTON UNIVERSITY

Schedule of Findings and Questioned Costs

Year ended June 30, 2023

(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: **Yes, 2023-001**
- (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)?: **Yes, 2023-001**
- (g) Major programs:
 - Research and Development Cluster – various AL numbers
 - Student Financial Assistance Cluster – various AL numbers
- (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

BOSTON UNIVERSITY

Schedule of Findings and Questioned Costs

Year ended June 30, 2023

(3) Findings and Questioned Costs Relating to Federal Awards

<i>Finding No.:</i>	2023-001 –Reporting
<i>Federal Agency:</i>	Department of Education
<i>Pass-through Agency:</i>	Direct
<i>Program Name:</i>	Student Financial Assistance Cluster – Federal Direct Loan Program, Federal Pell Grant Program
<i>CFDA Number:</i>	84.268, 84.063
<i>Federal Award Numbers:</i>	P268K230183, P063P220183
<i>Federal Award Year:</i>	July 1, 2022 – June 30, 2023

Criteria

Institutions submit Direct Loan, Pell Grant, TEACH Grant, and IASG origination records and disbursement records to the Common Origination and Disbursement (COD) system. The disbursement record reports the actual disbursement date and the amount of the disbursement. ED processes origination and/or disbursement records and returns acknowledgments to the institution. Key items to test on disbursement records are disbursement date and amount. Institutions must report all loan disbursements and submit required records to COD within 15 days of disbursement (OMB No. 1845-0021).

Condition Found

Of the fifty (50) student disbursements selected for testwork, we noted forty-five (45) students had differences in disbursement dates per the institution’s records than what was reported within the COD system. The disbursement date differences ranged from one (1) to five (5) days.

Possible Asserted Effect

Inaccurate reporting of disbursement dates in COD could impact timeliness of reporting payments within required timeframe. The University did not have an internal control process in place to ensure required information reported to COD was accurate to the institutions’ records.

Questioned Costs

No questioned costs identified.

Statistical Sampling

The sample was not intended to be, and was not, a statistically valid sample.

Repeat Finding

This was not a finding in the prior year.

BOSTON UNIVERSITY

Schedule of Findings and Questioned Costs

Year ended June 30, 2023

Recommendation

We recommend that the University review its process for creating disbursement records to report to COD to ensure timely positing of disbursements.

View of University Officials

The University must improve our quality controls to ensure these dates match in the future and take steps to mitigate this reporting issue. As this issue was identified in a recent Department of Education Program review, a corrective action plan has already been implemented. That plan includes the following action steps:

1. Boston University has changed the COD disbursement schedule to only occur during defined business hours and only on defined days of the week (Monday and Wednesday). This change to the disbursement schedule will allow BU to make sure the COD disbursement date is the same date as the federal financial aid credits to the individual student account.
2. Beginning with the 2024/2025 academic year, Boston University will transition from a home-grown mainframe system to PeopleSoft Campus Solutions. This system will allow us to more easily schedule jobs that ensure that the disbursement date in COD reflects the date the funds actually credit to the student's BU student account.
3. Boston University will better utilize the COD reconciliation reports to monitor COD disbursement date inconsistencies with student account credits and make updates to COD when inconsistencies occur.

Boston University Enrollment & Student Administration
Office of the Vice President

881 Commonwealth Avenue
Boston, Massachusetts 02215
617-353-4176



Reference: 2023-001 Reporting

Finding: Forty-five students were identified during the audit where the disbursement date in the Common Origination and Disbursement (COD) system did not match the date the funds credited to the student's account. Although the funds were credited within 5 days, the disbursement date in COD was not updated to reflect the actual date the funds credited to the student's account and therefore did not meet the COD reporting rules.

Contact Person:

Julie Wickstrom, Assistant Vice President for Financial Assistance & Student Employment

Corrective action: Boston University Financial Assistance has improved its quality controls to ensure these dates match and has taken steps to mitigate this reporting issue.

To this end BU Financial Assistance is committed to the following action steps:

1. The COD disbursement schedule has been changed to only occur during defined business hours and only on defined days of the week (Monday and Wednesday). This change to the disbursement schedule allows BU to make sure the COD disbursement date is the same date as the federal financial aid credits to the individual student account.
2. Beginning with the 2024/2025 academic year, Boston University will transition from a home-grown mainframe system to PeopleSoft Campus Solutions. This system will allow us to more easily schedule jobs that ensure that the disbursement date in COD reflects the date the funds actually credit to the student's BU student account.
3. Boston University will better utilize the COD reconciliation reports to monitor COD disbursement date inconsistencies with student account credits and make updates to COD when inconsistencies occur.

This finding was also identified during a 2023 Department of Education Program Review and the corrective action plan was implemented at that time.