

Drexel University and Subsidiaries
Financial Statements and
Schedule of Expenditures of Federal Awards and
Reports in Accordance with Uniform Guidance
For the Year Ended June 30, 2021
EIN # 23-1352630

Drexel University and Subsidiaries
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June 30, 2021

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I. Financial Statements



Report of Independent Auditors

To the Board of Trustees
Drexel University

Report on the Consolidated Financial Statements

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

Management's Responsibility for the Consolidated Financial Statements

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

Auditors' Responsibility

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

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

Opinion

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

Other Matters

Other Information

Our audit was conducted for the purpose of forming an opinion on the consolidated financial statements as a whole. The accompanying schedule of expenditures of federal awards for the year ended June 30, 2021 is presented for purposes of additional analysis as required by Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance) and is not a required part of the consolidated financial statements. The information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the consolidated financial statements. The information has been subjected to the auditing procedures applied in the audit of the consolidated financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the consolidated financial statements or to the consolidated financial statements themselves, and other additional procedures, in accordance with auditing standards generally accepted in the United States of America. In our opinion, the schedule of expenditures of federal awards is fairly stated, in all material respects, in relation to the consolidated financial statements taken as a whole.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated October 28, 2021, on our consideration of the University's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters for the year ended June 30, 2021. 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 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.

PricewaterhouseCoopers LLP

Philadelphia, Pennsylvania
October 28, 2021

Drexel University and Subsidiaries
Consolidated Statements of Financial Position
June 30, 2021 and 2020 (\$'s in thousands)

	2021	2020
Assets:		
Cash, cash equivalents, and restricted cash		
Operating	\$ 84,701	\$ 48,527
Restricted	13,838	38,599
Accounts receivable	151,309	160,841
Contributions receivable, net	74,996	84,531
Loans receivable	13,052	18,473
Prepaid expenses and other assets	76,108	78,025
Malpractice insurance trust	12,833	8,856
Beneficial interests in trusts	49,596	42,339
Investments	963,448	759,488
Land, buildings and equipment, net	961,491	981,859
Finance lease right-of-use (ROU) asset	14,288	12,877
Operating lease right-of-use (ROU) asset	77,914	91,139
Total assets	\$ 2,493,574	\$ 2,325,554
Liabilities:		
Accounts payable	\$ 65,763	\$ 52,251
Accrued liabilities	101,696	103,304
Deposits and deferred revenue	172,099	183,155
Finance lease liability	9,963	9,472
Operating lease liability	92,781	106,673
Government advances for student loans	14,826	19,991
Accrued retirement obligations	35,753	44,271
Bonds and notes payable	558,757	534,402
Liabilities held for sale	1,443	8,659
Total liabilities	1,053,081	1,062,178
Net Assets:		
Without donor restrictions	603,487	558,426
With donor restrictions	837,006	704,950
Total net assets	1,440,493	1,263,376
Total liabilities and net assets	\$ 2,493,574	\$ 2,325,554

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

Drexel University and Subsidiaries
Consolidated Statement of Activities
For the Year Ended June 30, 2021 (\$'s in thousands)

	Without Donor Restrictions	With Donor Restrictions	Total
Operating			
Revenues and releases:			
Tuition and fees, room and board	\$ 614,323	\$ -	\$ 614,323
Grants and contracts	159,888	20,831	180,719
Physician services	3,994		3,994
Auxilliary enterprises	13,212		13,212
Commonwealth appropriations	8,970		8,970
Contributions	4,429	25,644	30,073
Allocation of endowment spending from financial capital	12,488	25,692	38,180
Investment income, net	3,212	669	3,881
Other income	38,170	368	38,538
Total revenues	858,686	73,204	931,890
Net assets released from restrictions	71,699	(71,699)	-
Total revenues and releases	930,385	1,505	931,890
Expenses:			
Salaries and wages	421,304		421,304
Employee benefits	83,312		83,312
Depreciation and amortization	54,065		54,065
Interest	18,332		18,332
Other operating expenses	306,839		306,839
Total expenses	883,852	-	883,852
Increase in net assets from operating activities	46,533	1,505	48,038
Non-operating			
Contributions - Endowment and other gifts	14	11,812	11,826
Realized / unrealized net (loss) / gain on investments, net of endowment payout and expenses	(8,683)	118,739	110,056
Change in funding status of post-retirement and defined benefit plans	3,437		3,437
Other increases	3,760		3,760
(Decrease) / increase in net assets from non-operating activities	(1,472)	130,551	129,079
Total increase in net assets	45,061	132,056	177,117
Net assets, beginning of year	558,426	704,950	1,263,376
Net assets, end of year	\$ 603,487	\$ 837,006	\$ 1,440,493

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

Drexel University and Subsidiaries
Consolidated Statement of Activities
For the Year Ended June 30, 2020 (\$'s in thousands)

	Without Donor Restrictions	With Donor Restrictions	Total
Operating			
Revenues and releases:			
Tuition and fees, room and board	\$646,463	\$ -	\$ 646,463
Grants and contracts	109,899	28,030	137,929
Physician services	3,938		3,938
Auxilliary enterprises	16,490		16,490
Commonwealth appropriations	8,459		8,459
Contributions	2,897	34,834	37,731
Allocation of endowment spending from financial capital	12,512	24,653	37,165
Investment income, net	3,007	537	3,544
Other income	35,784	204	35,988
Total revenues	839,449	88,258	927,707
Net assets released from restrictions	69,779	(69,779)	-
Total revenues and releases	909,228	18,479	927,707
Expenses:			
Salaries and wages	435,535		435,535
Employee benefits	111,888		111,888
Depreciation and amortization	59,713		59,713
Interest	13,566		13,566
Other operating expenses	267,315		267,315
Total expenses	888,017	-	888,017
Increase in net assets from operating activities	21,211	18,479	39,690
Loss from discontinued operations			
Closure of physician's practice plan	(42,543)		(42,543)
(Decrease) in net assets from discontinued operations	(42,543)	-	(42,543)
Non-operating			
Contributions - Endowment and other gifts	44	8,826	8,870
Realized / unrealized net loss on investments, net of endowment payout and expenses	(6,923)	(17,234)	(24,157)
Change in funding status of post-retirement and defined benefit plans	(3,368)		(3,368)
Other (decreases)	(208)		(208)
(Decrease) in net assets from non-operating activities	(10,455)	(8,408)	(18,863)
Total (decrease) / increase in net assets	(31,787)	10,071	(21,716)
Net assets, beginning of year	590,213	694,879	1,285,092
Net assets, end of year	\$ 558,426	\$ 704,950	\$ 1,263,376

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

Drexel University and Subsidiaries
Consolidated Statements of Cash Flows
For the Years Ended June 30, 2021 and 2020 (\$'s in thousands)

	2021	2020
Operating activities:		
Increase / (decrease) in net assets	\$ 177,117	\$ (21,716)
Adjustments to reconcile change in net assets to net cash (used in)/provided by operating activities:		
Depreciation and amortization	51,002	56,824
Loss on extinguishment of debt	388	-
Provision for uncollectible accounts	35,250	-
Loss on disposal of equipment	508	425
Change in market value in beneficial interests in trusts	(7,257)	1,256
Contributions restricted for long-term investment	(14,252)	(11,251)
Non-cash contributions received	(3,367)	(2,645)
Proceeds from the sale of donated securities	3,547	2,351
Actuarial change on annuity liabilities	(553)	1,719
Realized/unrealized gain on investments	(140,247)	(21,624)
Changes in assets and liabilities that provide / (use) cash:		
Accounts receivable	9,532	(49,371)
Contributions receivable	7,926	1,649
Prepaid expenses and other assets	(48,125)	(46,870)
Accounts payable and accrued liabilities	10,361	(22,096)
Accrued retirement obligations	(8,518)	(1,677)
Deposits and deferred revenue	(11,056)	29,264
Other, net	(7,216)	(291)
Net cash provided by / (used in) operating activities	55,040	(84,053)
Investing activities:		
Purchase of investments	(157,924)	(86,864)
Proceeds from sales and maturities of investments	93,923	161,150
Change in malpractice insurance trust	(3,977)	4,352
Student loans repaid	5,426	4,942
Student loans issued	(5)	(13)
Purchases of land, buildings and equipment	(25,477)	(61,948)
Net cash (used in) / provided by investment activities	(88,034)	21,619
Financing activities:		
Proceeds from restricted contributions	14,252	11,251
Proceeds from sale of contributed securities restricted for endowment	1,563	924
Payments on annuity obligations	(492)	(439)
Proceeds/(repayment) of federal student loan funds	(5,165)	(9,208)
Proceeds from short-term debt	-	70,000
Payments on finance lease liability	(2,129)	(1,274)
Proceeds from long-term notes payable	149,016	28,150
Repayments of short-term debt	(100,165)	-
Repayments of long-term debt	(7,891)	(7,596)
Net cash provided by financing activities	48,989	91,808
Net increase in cash and cash equivalents, and restricted cash	15,995	29,374
Cash and cash equivalents, and restricted cash, beginning of year	87,126	57,752
Cash and cash equivalents, and restricted cash, end of year	\$ 103,121	\$ 87,126
Supplemental Information		
Gifts-in-kind	\$ 77	\$ 277
Cash paid for interest	18,883	15,047
Amounts accrued for purchase of land, buildings and equipment	4,765	12,130
Donated securities	4,822	3,305

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

Drexel University and Subsidiaries

Notes to Consolidated Financial Statements

June 30, 2021 and 2020

1. Nature of Organization and Operations

Drexel University (the “University”) is one of the largest private universities in the United States of America. The University has the distinction of having one of the nation’s oldest, largest and best-known cooperative education programs. Founded in 1891 by founder and philanthropist Anthony Joseph Drexel, the University is a private comprehensive global research university with three campuses located in Philadelphia, Pennsylvania, as well as other regional sites. With over 24,000 enrolled undergraduate, graduate and professional students, the University is dedicated to advancing knowledge and society and to providing every student with a valuable, rigorous, experiential, technology-infused education. The University offers over 200-degree programs in its 15 colleges and schools in arts and sciences, biomedical engineering and sciences, business, computing and informatics, economics, education, engineering, entrepreneurship, food and hospitality management, law, media arts and design, medicine, nursing and health professions, and public health.

Academy of Natural Sciences of Philadelphia

Pursuant to an affiliation agreement dated September 30, 2011, the University owns 100% of the Academy of Natural Sciences of Philadelphia, doing business as the Academy of Natural Sciences of Drexel University (“ANS”). ANS, founded in 1812, is a tax-exempt organization under Section 501 (c)(3) of the Internal Revenue Code. ANS is dedicated to encouraging and cultivating the sciences and advancing learning. ANS operates a public museum in Philadelphia and conducts systematic research and research in aquatic ecosystems, including integrating such research with education regarding biodiversity and environmental science in collaboration with the University and its students.

Academic Properties, Inc.

The University owns 100% of Academic Assets, Inc. which owns 100% of Academic Properties, Inc. (“API”), an exempt organization under Section 501 (c)(3) of the Internal Revenue Code. API manages properties used by the University, as well as other strategically located properties contiguous to its campus.

Drexel University Online, LLC

Drexel University Online, LLC (“DUO”) is a non-profit, Delaware, single-member, limited liability company, wholly owned subsidiary of the University that specializes in marketing, recruiting, instructional design, and supporting innovative internet-based distance education programs for working professionals and corporations in the U.S. and abroad. DUO also provides training, performs industry comparison research, and support for grants. DUO was created on July 1, 2015 as the successor entity to the former for-profit operations of Drexel eLearning, Inc., which was merged with and into DUO on that date.

Dragon Risk Limited, Co.

Dragon Risk Limited, Co. (“DRLC”) is a single member, limited liability company, formed and domiciled in the State of Vermont, of which the University is the sole member. DRLC received its Articles of Organization on May 23, 2014 from the Vermont Secretary of State, its Certificate of Authority from the Vermont Department of Financial Regulation on June 11, 2014 and commenced business on July 1, 2014. DRLC provides excess liability coverage to the University.

Drexel University and Subsidiaries

Notes to Consolidated Financial Statements

June 30, 2021 and 2020

Drexel Global Initiatives, LLC

Drexel Global Initiatives, LLC (“Drexel Global”) is a Pennsylvania, single member limited liability company established February 1, 2014, of which the University is the sole member. Drexel Global’s purpose is to operate exclusively for educational purposes within the meaning of Section 501 (c)(3) of the Internal Revenue Code, and it has been established to assist the University in its international operations. The business and affairs of Drexel Global are managed by a board of managers established by the University.

DUC, LLC

DUC, LLC is a Pennsylvania limited liability company established on December 13, 2013, of which the University has the 95% ownership. DUC, LLC’s purpose is to carry out the purposes of the University, including, but not limited to assisting in the financing for the development, construction and leasing of certain real estate owned by the University located at 3610 Warren Street, Philadelphia, Pennsylvania 19104 (the “Land”). The University’s portion of business (“POB”) shall construct and develop an approximately 90,000 square foot building at this land to house the K-9 school campus for the Powel-Science Leadership Academy Middle School. The business and affairs of DUC, LLC are managed by the University.

11th Street Family Health Services, Inc.

11th Street Family Health Services, Inc. (“11th Street”), a Pennsylvania non-profit corporation, was formed on December 12, 2013. 11th Street is a non-profit real estate holding company, wholly owned by the University, organized to operate in furtherance of the activities of the University and to facilitate the use of new market tax credits in rehabilitating and expanding the structures located at 850 North 11th Street, Philadelphia (the “Property”) which was donated from the University on December 23, 2013. The Property is in a qualified census tract that meets certain income, unemployment and poverty level requirements that qualified under the New Market Tax Credit Program as a qualified active low-income community business (a “QALICB”), as defined by Section 45D of the Internal Revenue Code of 1986, as amended, and Section 1.45D-1(d)(4) of the Code of Federal Regulations. The project was funded by a qualified low-income community investment loan. On December 24, 2020, the New Market Tax Credit financing was unwound. As part of the unwind, the University became the holder of the investment loan, which was satisfied in full pursuant to a Mortgage Satisfaction effective December 24, 2020. 11th Street continues to own the fee interest in the Property and leases the Property to the University pursuant to an amended lease agreement effective January 1, 2021.

1200 Chestnut Street General Partner, Inc.

1200 Chestnut Street General Partner, Inc. (“1200 Chestnut GP”), Pennsylvania corporation, is the sole general partner in 1200 Chestnut Street I, Limited Partnership (“1200 Chestnut LP”). 1200 Chestnut GP is a wholly owned subsidiary of the University. The officers of 1200 Chestnut GP are also the officers and senior leadership of the University. As part of the historic tax credit transactions, a separate, for-profit, single purpose entity was established to own the 1200-1202 Chestnut Street property with 1200 Chestnut GP holding a 1% interest. 1200 Chestnut GP follows a calendar based fiscal year.

Drexel University and Subsidiaries

Notes to Consolidated Financial Statements

June 30, 2021 and 2020

1200 Chestnut Street I, Limited Partnership

1200 Chestnut LP, a Pennsylvania limited partnership, was formed on November 28, 2016 to acquire, own, rehabilitate and lease, manage and operate Partnership property in a manner that will qualify such rehabilitation for historic rehabilitation tax credits allowable pursuant to Section 47 of the Internal Revenue Code of 1986, as amended. 1200 Chestnut LP property is comprised of the land and historic building located at 1200-1202 Chestnut Street, Philadelphia, Pennsylvania 19107. The general partner is 1200 Chestnut Street GP, which holds a 1% interest in 1200 Chestnut LP. The University meets the requirements for consolidation of 1200 Chestnut LP through its ownership of 1200 Chestnut GP and control of 1200 Chestnut LP. 1200 Chestnut LP follows a calendar based fiscal year.

3509 Spring Garden GP, Inc.

3509 Spring Garden GP, Inc., (“3509 GP”) a Pennsylvania corporation, is the sole general partner in 3509 Spring Garden, LP (“3509 LP”). 3509 GP is a wholly owned subsidiary of the University. The officers of 3509 GP are also the officers and senior leadership of the University. As part of the new market tax credit and historic tax credit transactions, a for-profit, single purpose entity was needed to acquire, own, rehabilitate, lease, manage and operate the 3509 Spring Garden property (the “Dornsife Center”) and to own the 3509 Spring Garden, LP Qualified Active Low-Income Community Business (“QALICB”). The 3509 LP QALICB was established, with 3509 GP acting as the general partner and holding a 90% interest. On September 30, 2020, the new market tax credit and historic tax credit financing was unwound. As part of the unwind, the University became the direct holder of the investment loan, with 3509 LP as borrower. 3509 LP is in the process of transferring the fee ownership in the Dornsife Center to the University in full satisfaction of the investment loan. Following such transfer, it is intended that 3509 GP will be dissolved and liquidated. 3509 GP follows a calendar based fiscal year.

3509 Spring Garden, LP

3509 Spring Garden, LP, a Pennsylvania limited partnership (“3509 LP”), was formed on February 25, 2013, to acquire, own, rehabilitate, lease, manage and operate the Dornsife Center in a manner that will qualify such rehabilitation for historic rehabilitation tax credits allowable pursuant to Section 47 of the Internal Revenue Code of 1986, as amended (the “Code”). The Dornsife Center is also located in a qualified census tract that meets certain income, unemployment and poverty level requirements and qualifies under the New Market Tax Credit Program as a QALICB under Section 45D of the Code. On September 30, 2020, the new market tax credit and historic tax credit financing was unwound. As part of the unwind, the University became the direct holder of the investment loan, with 3509 LP as borrower. 3509 LP is in the process of transferring the fee ownership in the Dornsife Center to the University in full satisfaction of the investment loan. The transfer is expected to be completed in 2022. Following such transfer, it is intended that 3509 LP will be dissolved and liquidated. 3509 LP follows a calendar based fiscal year.

Drexel University and Subsidiaries

Notes to Consolidated Financial Statements

June 30, 2021 and 2020

3509 Spring Garden MT Manager, Inc.

3509 Spring Garden MT Manager, Inc., (“3509 MT Manager”) a Pennsylvania corporation, is the sole general partner in 3509 Spring Garden MT, LP, a Pennsylvania limited partnership (“3509 MT”). 3509 MT Manager is a wholly owned subsidiary of the University. The officers of 3509 MT Manager are also the officers and senior leadership of the University. As part of the new market tax credit and historic tax credit transactions, 3509 MT Manager and 3509 MT were established as separate, for-profit, single purpose entities to operate the sublease of the Dornsife Center to satisfy the new markets tax credit and historic tax credit requirements. 3509 MT Manager held a 0.01% interest in 3509 MT. On September 30, 2020, the new market tax credit and historic tax credit financing was unwound. As part of the unwind, 3509 MT Manager and 3509 MT were dissolved and liquidated. In the liquidation, the University acquired the 10% limited partnership interest in 3509 LP previously owned by 3509 MT. Consequently, the University remains the direct owner of a 10% limited partnership interest in 3509 LP, and an indirect 90% limited partnership interest in 3509 LP through its ownership of 3509 GP. 3509 MT Manager follows a calendar based fiscal year.

3509 Spring Garden MT, LP

3509 MT was formed on August 21, 2013, to lease the Dornsife Center from 3509 LP in satisfaction of the requirements for historic tax credits pursuant to that certain Master Lease dated August 21, 2013 (the “Master Lease”). 3509 MT contributed equity from a historic tax credit investor to 3509 LP in exchange for a 10% limited partnership interest in 3509 LP, in order to fund the rehabilitation and development of the Dornsife Center. 3509 MT then subleased the Dornsife Center to the University (the “Sublease”). The University meets the requirements for consolidation of the 3509 MT through its ownership of the general partner (3509 MT Manager) and control of 3509 MT. On September 30, 2020, the new market tax credit and historic tax credit financing was unwound. As part of the unwind, 3509 MT Manager and 3509 MT were dissolved and liquidated. In the liquidation, the University acquired the 10% limited partnership interest in 3509 LP previously owned by 3509 MT. Consequently, the University remains the direct owner of a 10% limited partnership interest in 3509 LP, and an indirect 90% limited partnership interest in 3509 LP through its ownership of 3509 GP. Additionally, both the Master Lease and the Sublease were terminated in the unwind and were replaced by a direct lease of the Dornsife Center from 3509 LP to the University pursuant to a certain Agreement of Lease effective October 1, 2020. 3509 MT follows a calendar based fiscal year.

2. Summary of Significant Accounting Policies

General

The University is a tax-exempt organization under Section 501 (c)(3) of the Internal Revenue Code. The consolidated financial statements include the University, the Academy of Natural Sciences of Philadelphia, Drexel University Online, LLC, Academic Properties, Inc., and the University’s other subsidiaries which are described in detail in these notes. All University subsidiaries have a fiscal year ending June 30, unless otherwise indicated in Note 1. All subsidiary financial information included within the financial statements has been consolidated utilizing the University’s fiscal year.

Drexel University and Subsidiaries

Notes to Consolidated Financial Statements

June 30, 2021 and 2020

Basis of Presentation

The consolidated financial statements have been prepared on the accrual basis of accounting in accordance with accounting principles generally accepted in the United States of America and with the provision of the Financial Accounting Standards Board (“FASB”) Accounting Standards Codification (“ASC”) 958, *Not-for-Profit Entities*, which requires the university to classify its net assets into two categories according to donor-imposed restrictions; net assets without donor imposed restrictions and net assets with donor imposed restrictions. All material transactions between the University and its subsidiaries have been eliminated.

Net Assets without Donor Restrictions – Net assets derived from tuition and other University resources that are not subject to explicit donor-imposed restrictions. Net assets without donor restrictions include board designated funds functioning as endowment funds.

Net Assets with Donor Restrictions - Net assets which are subject to explicit donor-imposed restrictions on the expenditure of contributions or income and gains on contributed assets, net assets from endowments not yet appropriated for spending by the University and student loan funds. In some cases, donor restrictions can be fulfilled by actions of the University in accordance with those stipulations or by the passage of time. In other cases, some restrictions, such as endowed funds, are permanent, and typically, the donors of these assets permit the University to use all or part of the income earned on these assets for operations. Restrictions include support of specific schools, colleges and departments of the University, professorships, research, faculty support, scholarships and fellowships, building construction and other purposes. When time and purpose restrictions expire, net assets with donor restrictions are reclassified to net assets without donor restrictions.

Measure of Operations

The University’s measure of operations as presented in the Consolidated Statements of Activities includes revenue from tuition and fees, room and board, grants and contracts, physician services, contributions for operating programs, the allocation of endowment spending for operations and other revenues. Operating expenses are reported on the Consolidated Statements of Activities by natural classification.

Drexel University and Subsidiaries

Notes to Consolidated Financial Statements

June 30, 2021 and 2020

Liquidity and Availability

The University's financial assets available within one year of the balance sheet date for general expenditure as of June 30, 2021 and 2020 are as follows:

<i>(in thousands)</i>	2021	2020
Total assets at year-end	\$ 2,493,574	\$ 2,325,554
Less: non-financial and financial assets not available within one year		
Restricted cash	(13,838)	(38,599)
Tuition receivable due in more than one year	(5,693)	(6,532)
Contributions receivable with donor restrictions	(74,996)	(84,531)
Loans receivable due in more than one year	(8,146)	(13,415)
Prepaid expenses and other assets	(76,108)	(78,025)
Malpractice insurance trust	(12,833)	(8,856)
Beneficial Interests in trusts	(49,596)	(42,339)
Investments	(963,448)	(759,488)
Land, buildings and equipment, net	(961,491)	(981,859)
Finance lease right-of-use (ROU) asset	(14,288)	(12,877)
Operating lease right-of-use (ROU) asset	(77,914)	(91,139)
Financial assets available at year-end for current use	\$ 235,223	\$ 207,894

As of June 30, 2021, the University has \$235,223,000 of financial assets that are available within one year of the balance sheet date to meet cash needs for general expenditure. In addition to these available financial assets, a significant portion of the University's annual expenditures will be funded by current year operating revenues including tuition and fees, room and board, grant and contract income and auxiliary enterprise income. The University structures its financial assets to be available as general expenditures, liabilities and other obligations come due.

The University's endowment funds consist of donor-restricted and board-designated endowment funds. Income from donor-restricted endowments is restricted for specific purposes and, therefore, is not available for general expenditure. As described in Note 7, for fiscal year 2021 and 2020, the Board of Trustees approved a current distribution to 6.00% of the average fair value of the pooled endowment portfolio for the prior seven fiscal years, except for ANS in which the Board of Trustees approved a distribution to 7.00% and 6.00% of the fair market value of the pooled endowment assets for the prior seven fiscal years. Under the approved spending rules, the University received an allocation of \$38,180,000 and \$37,165,000 in fiscal years 2021 and 2020, respectively. The endowment portfolio structures cash to be available for the endowment spend and to fulfill capital calls for alternative investments.

To help manage unanticipated liquidity needs, the University has committed lines of credit in the amount of \$150 million, which it could draw upon. Additionally, the University has a board-designated endowment of \$313,699,000 as of June 30, 2021. Although the University does not intend to spend from its board-designated endowment funds other than amounts appropriated for general expenditure as part of its annual budget approval and appropriation process, amounts from its board-designated endowment could be made available if necessary. However, the board-designated endowment funds contain investments with lock-up provisions that reduce the total investments that could be made available.

Drexel University and Subsidiaries
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Cash, Cash Equivalents, and Restricted Cash

Cash and cash equivalents represent demand deposits and other investments with an initial maturity date not exceeding 90 days. At June 30, 2021 and 2020, the University had cash balances in financial institutions, which exceed federal depository insurance limits. Management believes the credit risks related to these deposits to be minimal. Cash and cash equivalents are carried at cost, which approximates fair value. Restricted cash includes funds related to the Perkins Loan program and K-8 Powel Elementary School and Science Leadership Academy Middle School (“Powel/SLA-MS”) project. All money market funds that are held in endowment are considered investments by the University. Cash, cash equivalents, and restricted cash as reported in the consolidated statement of cash flows are presented on the consolidated statement of financial position as follows:

<i>(in thousands)</i>	2021	2020
Cash, cash equivalents, and restricted cash		
Operating	\$ 84,701	\$ 48,527
Restricted	13,838	38,599
Prepaid expenses and other assets	4,582	-
Total cash, cash equivalents, and restricted cash	\$ 103,121	\$ 87,126

Contributions Receivable

Contributions and unconditional pledges are recorded at the present value of their expected future cash flows. Unconditional pledges that are expected to be collected within one year are recorded at their estimated net realizable value. Conditional pledges are not included as revenue until the conditions, which represent barriers that must be overcome before the University is entitled to the assets transferred, are fulfilled. Contributions are reported as an increase in the appropriate net asset category.

Beneficial Interests in Trusts and Split-Interest Agreements

The University is the beneficiary of the income of certain trusts but has neither possession nor control of the investments. Beneficial interests in trusts are classified as Level 3. (See Note 6 for investment level definitions). The trusts are recorded at fair value based on the interest in the trust as determined by the trustee based on the value of underlying securities held by the trusts and are primarily composed of equity and fixed income securities that have readily determinable values. The primary unobservable inputs used in the fair value measurement of the trusts are the present value of expected future cash flows. Significant fluctuation in the securities held in the trusts could result in a material change in fair value. The University is also party to certain split-interest agreements. The related liabilities to these arrangements are revalued annually based on the current interest rate tables from the Society of Actuaries and are categorized as Level 3.

Drexel University and Subsidiaries

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Fair Value of Financial Instruments

The University applies fair value measurements in the year of receipt to contributions receivable, beneficial interests in trusts, investments, self-insurance escrow funds, internally held real estate of the endowment, funds held by trustees, interest rate swaps, and annuities on an annual basis. A reasonable estimate of the fair value of student loans receivable under government loan programs and refundable federal student loans cannot be made because the loans cannot be sold and can only be assigned to the U.S. Government or its designees. These loans are recorded at cost, less an allowance for doubtful accounts and the carrying value of the loan receivable from students under Drexel's loan programs approximate fair value. (Notes 5, 6, 7, and 10 for additional fair value disclosures).

Physician Services

Faculty physicians participate in several physician practice plans that are managed by the University. Revenue and expenses related to these practice plans are recorded by the University as physician services. Physician services include patient service revenue and other physician service activities.

Patient service revenue is reported at the estimated net realizable amounts due from patients, third-party payers, and others for services rendered. The University provides care to patients under various reimbursement arrangements, including Medicare and Medicaid. These arrangements provide payment for covered services at agreed-upon rates under certain fee schedules and various discounts. Price concessions to estimate the difference between gross rates and contracted rates with payers have been included in the determination of net revenue.

Contributions

All contributions received are available for unrestricted use unless specifically restricted by the donor. Amounts to be received in the future or that are designated for future periods or restricted by the donor for specific purposes are classified as such. Contributions having restrictions that are general purpose in nature are released in the year of the donation.

Contributed property and equipment are recorded at fair value as of the date of the donation. If the donor restricts how long the asset must be used or how the asset is used, the contributions are recorded as restricted. In the absence of stipulations, these contributions are recorded as without restrictions.

Non-operating Activities

Non-operating activities include contributions to the University's endowment, investment returns, gains and losses on investments, and other activities related to endowment, post-retirement benefit plan and defined benefit pension plan adjustments, restructuring costs, and losses on extinguishment of debt.

Drexel University and Subsidiaries

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Use of Estimates

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

Income Taxes

The University has been granted tax-exempt status as a non-profit organization under Section 501 (c)(3) of the Internal Revenue Code and, accordingly, files Federal Tax Form 990 (*Return of Organization Exempt from Income Tax*), annually. The University files U.S. federal, state and local informational returns. The statute of limitations on the University's U.S. federal information returns remains open for three years following the year they are filed.

The University and its affiliates engage in activities that are subject to unrelated business income taxes for which appropriate income tax returns are filed (Note 17).

The FASB issued ASC No. 740-10, *Accounting for Uncertainty in Income Taxes*, which requires that a tax position be recognized or derecognized based on a "more likely than not" threshold. The University does not believe there are any uncertain tax positions that require recognition in the financial statements.

Accounting for Derivative Instruments and Hedging Activities

On July 15, 2020, the University terminated the variable-to-fixed swap agreement with Wells Fargo Bank, N.A. that converted the Series B of 2005 bonds to a fixed interest rate of 3.414% through the maturity of the bonds. The University made a termination payment of \$4,472,500 to Wells Fargo Bank. The changes in fair value of the agreement resulted in a loss of \$1,001,000 at June 30, 2020. The fair value of the interest rate swap agreement was a liability of \$4,424,000 at June 30, 2020.

The swap agreement was used by the University to reduce exposure to the volatility in variable interest rates on long-term debt (Note 12). There were no other swap agreements in effect as of June 30, 2021 or 2020. The fair value of the swap agreements was reported within accrued expenses in the Consolidated Statements of Financial Position. The change in the estimated fair value of the interest rate swap agreement was included in realized and unrealized net (loss) / gain on investments in the non-operating section of the Consolidated Statements of Activities.

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Recently Adopted Accounting Pronouncements

In February 2016, the FASB issued ASU No. 2016-02, *Leases (Topic 842)*, which is meant to increase transparency and comparability among organizations by recognizing lease assets and lease liabilities on the balance sheet and disclosing key information about leasing arrangements. The guidance is effective for annual fiscal periods beginning after December 15, 2018. In July 2018, FASB issued ASU No. 2018-11 which amends the transition methods contained in ASU No. 2016-02. The University early adopted the standard on a modified retrospective basis effective July 1, 2019. As a result, the University recorded the finance and operating lease right-of-use (ROU) assets and liabilities related to real estate and equipment leases. The impact is reflected in the Consolidated Statements of Financial Position and Note 9 for the period ending June 30, 2021 and 2020.

In August 2018, the FASB issued ASU No. 2018-13, *Fair Value Measurement (Topic 820): Disclosure Framework – Changes to the Disclosure Requirements for Fair Value Measurement*, which aims to improve the usefulness of the disclosures to financial statement users and reduce unnecessary costs to companies when preparing the disclosures. After the adoption of ASU 2018-13, the University is no longer required to disclose the amount and reasons for transfers between Level 1 and Level 2 of the fair value hierarchy; the policy for timings of transfers between levels; the valuation processes for Level 3 fair value measurements; and the changes in unrealized gains and losses for the period included in earnings for recurring Level 3 fair value measurements held at the end of the reporting period. The ASU also eliminated the requirement to disclose a roll forward for Level 3 fair value measurements. ASU No. 2018-013 is effective for annual periods beginning after December 15, 2019, with early adoption permitted. The University has adopted the standard effective July 1, 2020. The adoption of this guidance did not have a material impact on the consolidated financial statements.

In August 2018, the FASB issued ASU No. 2018-15, *Customer's Accounting for Implementation Costs Incurred in a Cloud Computing Arrangement That Is a Service Contract*. The ASU aligns the accounting for costs incurred to implement a cloud computing arrangement that is a service arrangement with the guidance on capitalizing costs associated with developing or obtaining internal-use software. ASU No. 2018-15 is effective for annual periods beginning after December 15, 2020, with early adoption permitted. Entities can apply the guidance prospectively or retrospectively. The University has early adopted the standard on a prospective basis effective July 1, 2020. The adoption of this guidance did not have a material impact on the consolidated financial statements.

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During March 2019, the FASB issued ASU No. 2019-03, *Updating the Definition of Collections*. ASU No. 2019-03 indicates the definition of the term collections and requires that a collection-holding entity disclose its policy for the use of proceeds from collections items that are deaccessioned (that is, removed from a collection). If a collection-holding entity has a policy that allows proceeds from deaccessioned collection items to be used for direct care, it should disclose its definition of direct care. ASU No. 2019-03 is effective for fiscal years beginning after December 15, 2019, and interim periods within fiscal years beginning after December 15, 2020. Early adoption is permitted, and the standard should be applied on a prospective basis when adopted. The University has adopted the standard on a prospective basis effective July 1, 2020. The adoption of this guidance did not have a material impact on the consolidated financial statements.

Recently Issued Accounting Pronouncements

In June 2016, FASB issued Accounting Standards Update (ASU) 2016-13, *Financial Instruments—Credit Losses (Topic 326)*. This ASU represents a significant change in the allowance for credit losses accounting model by requiring immediate recognition of management’s estimates of current expected credit losses. Under the current model, losses are recognized only as they are incurred, which FASB has noted delayed recognition of expected losses that might not yet have met the threshold of being probable. ASU No. 2016-13 is effective for fiscal years beginning after December 15, 2022, with early adoption permitted. The University is currently evaluating the standard to determine the impact it will have on its consolidated financial statements.

In August 2018, the FASB issued ASU No. 2018-14, *Compensation – Retirement Benefits – Defined Benefit Plans – General (Subtopic 715-20) – Disclosure Framework – Changes to Disclosure Requirements for Defined Benefit Plans* which aims to improve the overall usefulness of disclosures to financial statement users and reduce unnecessary costs to companies when preparing the disclosures. ASU No. 2018-014 is effective for public business entities for annual periods beginning after December 15, 2021, with early adoption permitted on a retrospective basis to all periods presented. The University is currently evaluating the standard to determine the impact it will have on its consolidated financial statements.

In November 2018, the FASB issued ASU No. 2018-18, *Collaborative Arrangements (Topic 808) – Clarifying the Interaction between Topic 808 and Topic 606*, which seeks to clarify that certain transaction between collaborative arrangement participants should be accounted for as revenue and apply all relevant guidance under Topic 606 to these revenues. In addition this ASU provides more comparability in the presentation of revenue for certain transaction between collaborative arrangement participants. ASU No. 2018-18 is effective for annual periods beginning after December 15, 2020. The University does not believe it will have a material impact on the financial statements

Drexel University and Subsidiaries
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3. Accounts Receivable

Accounts receivable are reported less estimates for uncollectable amounts and contractually based discounts.

Accounts receivable as of June 30, 2021 and 2020 were as follows:

<i>(in thousands)</i>	2021	2020
Tuition	\$ 73,008	\$ 92,488
Grants, contracts, and other	88,437	79,002
Patient, net of contractual allowance	77	2,071
Tower Health	548	-
Accounts receivable, gross	162,070	173,561
Allowance for doubtful accounts:		
Tuition	(5,510)	(6,933)
Grants, contracts, and other	(5,227)	(5,288)
Patient	(24)	(499)
Accounts receivable	\$ 151,309	\$ 160,841

Student loans are disbursed based on financial need and include loans granted by the University from institutional resources and under Federal government loan programs. Students have a grace period until repayment is required based upon the earlier of graduation or no longer maintaining full-time status. The grace period varies depending on the type of loan. Loans accrue interest after the grace period and are repaid directly to the University. Student loans are uncollateralized and carry default risk.

The availability of funds for loans under Federal government revolving loan programs is dependent on reimbursements to the pool from repayments of outstanding loans. Funds advanced by the federal government of \$14,826,000 and \$19,991,000 at June 30, 2021 and 2020, respectively, are ultimately refundable to the government and are classified as liabilities in the Statements of Financial Position. Outstanding loans cancelled under the program result in a reduction of the funds available to loan and a decrease in the liability to the government. As of October 1, 2017, the Federal Perkins Loan Program expired, and new loans are no longer awarded and disbursed.

Drexel University and Subsidiaries
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At June 30, 2021 and 2020, student loans consisted of the following:

<i>(in thousands)</i>	2021	2020
Federal government loan programs		
Perkins loan program	\$ 11,771	\$ 14,289
Health professions student loans and loans for disadvantaged students	25	1,760
Federal government loan programs	11,796	16,049
Institutional loan programs	5,233	6,123
Student loans receivable, gross	17,029	22,172
Less: Allowance for doubtful accounts	(3,977)	(3,699)
Student loans receivable	\$ 13,052	\$ 18,473

Allowances for doubtful accounts are established based on prior collection experience and current economic factors which, in management's judgment, could influence the ability of loan recipients to repay the amounts according to the terms of the loan. Student loans are considered past due when payment is not received within 30 days of the due date, and interest continues to accrue until the loan is paid in full or written off. When a student loan receivable is deemed uncollectible, an allowance for doubtful accounts is established.

4. Contributions Receivable

Unconditional pledges are reported as contributions receivable and revenue in the appropriate net asset category. Contributions receivable with a payment due more than a year from the pledge date are recorded net of a discount using rates as of June 30, 2021 and June 30, 2020 that range between 0.25% to 1.45% and 0.16% to 0.66%, respectively. The University considers these discount rates to be a Level 3 input in the context of ASC No. 820-10 (Note 6).

Net contributions receivable at June 30 were as follows:

<i>(in thousands)</i>	2021	2020
Amounts due in		
Less than one year	\$ 19,174	\$ 23,838
One to five years	22,256	24,728
Greater than five years	47,013	47,863
Contributions receivable, gross	88,443	96,429
Less:		
Allowance for uncollectibles	(1,042)	(691)
Discounts to present value	(12,405)	(11,207)
Contributions receivable, net	\$ 74,996	\$ 84,531

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As of June 30, 2021 and June 30, 2020, the University has outstanding unrecorded conditional promises to give, including non-legally binding bequests, of \$113,568,000 and \$106,270,000. When the conditional barriers are overcome and the donor's right of return has expired, the revenue is recorded and is generally restricted for operations, endowment and capital projects as stipulated by the donors.

As of June 30, 2021, the University, acting as an agent for U.S. Squash Racquets Association, has outstanding conditional pass-through pledges of \$250,000. As of June 30, 2021, the University has accrued a liability of \$0 payable to U.S. Squash Racquets Association.

5. Investments and Investment Return

At June 30, 2021 and 2020, the fair value of the malpractice insurance trust and investments included the following:

<i>(in thousands)</i>	Fair value	
	2021	2020
Money market funds	\$ 29,172	\$ 39,668
U.S. equity	217,260	154,610
Global equity	171,695	118,393
Fixed income securities and bond funds	96,065	62,122
Real estate and real assets funds	107,648	62,877
Hedge funds	41,798	28,633
Private equity	163,594	118,347
Directly-held real estate	117,978	107,460
Total endowment investments	945,210	692,110
Self-insurance escrow funds	41,337	33,207
Interest in a partnership	(23,864)	33,440
Other investments	765	731
Total investments	963,448	759,488
Malpractice insurance trust	12,833	8,856
Total investments and malpractice insurance trust	\$ 976,281	\$ 768,344

Self-insurance escrow funds are comprised of mutual funds that trade on active markets with readily observable prices. Malpractice insurance trust funds are comprised of fixed income securities with readily observable prices.

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The following summarizes the University's total investment return and its classification in the financial statements for the years ended June 30, 2021 and 2020:

<i>(in thousands)</i>	2021		
	Without Donor Restrictions	With Donor Restrictions	Total
Investment income, net of expenses	\$ 2,299	\$ 5,074	\$ 7,373
Realized/unrealized gains	1,506	139,357	140,863
Endowment payout under spending formula	(12,488)	(25,692)	(38,180)
Realized/unrealized (loss) / gain on investments, net of endowment payout and expenses	(8,683)	118,739	110,056
Operating investment income, net	3,212	669	3,881
Total return on investments	\$ (5,471)	\$ 119,408	\$ 113,937

<i>(in thousands)</i>	2020		
	Without Donor Restrictions	With Donor Restrictions	Total
Investment income, net of expenses	\$ 3,205	\$ 8,231	\$ 11,436
Realized/unrealized gains	2,384	(812)	1,572
Endowment payout under spending formula	(12,512)	(24,653)	(37,165)
Realized/unrealized loss on investments, net of endowment payout and expenses	(6,923)	(17,234)	(24,157)
Operating investment income, net	3,007	537	3,544
Total return on investments	\$ (3,916)	\$ (16,697)	\$ (20,613)

6. Fair Value of Financial Instruments

The three-level hierarchy for fair value measurements is based on observable and unobservable inputs to the valuation of an asset or liability at the measurement date. It prioritizes the inputs to the valuation techniques used to measure fair value by giving the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (Level 1 measurements) and the lowest priority to measurements involving significant unobservable inputs (Level 3 measurements). Fair value is defined as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants ("exit price") at the measurement date.

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The University maximizes the use of observable inputs and minimizes the use of unobservable inputs when measuring fair value. When available, fair value is based on actively quoted market prices. In the absence of actively quoted market prices, price information from external sources, including broker quotes and industry publications, is used. If pricing information from external sources is not available, or if observable pricing is not indicative of fair value, judgment is required to develop the estimates of fair value. In those cases, prices are estimated based on available historical financial data or comparable investment vehicles that reflect widely accepted market valuation practices. In some cases, the inputs used to measure fair value might fall in different levels of the fair value hierarchy. In those cases, the lowest level input that is significant to a fair value measurement in its entirety determines the applicable level in the fair value hierarchy. Assessing the significance of a particular input to the fair value measurement in its entirety requires judgment and consideration of factors specific to the asset. Fair value measurements are categorized as Level 3 when a significant number of price or other inputs, considered to be unobservable, are used in their valuations. The fair value hierarchy and inputs to valuation techniques are as follows:

- Level 1 Quoted prices (unadjusted) in active markets for identical assets and liabilities at the measurement date. Instruments categorized in Level 1 primarily consist of a broadly traded range of equity and debt securities.
- Level 2 Inputs other than quoted prices included within Level 1 that are either directly or indirectly observable for the asset or liability, including quoted prices for similar assets or liabilities in active markets, inputs other than quoted prices that are observable for the asset or liability and inputs that are derived from observable market data by correlation or other means. Instruments categorized in Level 2 primarily include nonexchange traded fixed income securities and interest rate swaps.
- Level 3 Unobservable inputs for the asset or liability, including situations where there is little, if any, market activity for the asset or liability. Instruments categorized in Level 3 consist of trusts and annuities, directly held real estate, and interest in real estate.

As a practical expedient, the University estimates the fair value of an investment in an investment company fund at the measurement date using the reported net asset value (NAV). The fair values of alternative investments represent the University's ownership interest in the net asset value (NAV) of the respective fund. Investments held by the funds consist of marketable securities, as well as, securities that do not have readily determinable fair values. The fair values of the securities held by these funds that do not have readily determinable fair values are based on historical cost, appraisals, or other estimates that require varying degrees of judgment. If no public market exists for the investment securities, the fair value is determined by taking into consideration, among other things, the cost of the securities, prices of recent significant placements of securities of the same issue, and subsequent developments concerning the companies to which the securities relate.

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The significant unobservable inputs used in the fair value measurements of the University's investments in real estate are the selection of certain investment rates (discount rate, terminal capitalization rate, and overall capitalization rate). Significant increases or decreases in any of those inputs in isolation would result in a significantly lower or higher fair value measurement, respectively.

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Notes to Consolidated Financial Statements

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As of June 30, 2021, and 2020, assets and liabilities at fair value were as follows:

2021					
<i>(in thousands)</i>	Level 1	Level 2	Level 3	Investments at NAV	Total
Assets					
Beneficial interest in trusts	\$ -	\$ -	\$ 49,596	\$ -	\$ 49,596
Malpractice insurance trust	12,833	-	-	-	12,833
Investments					
Money market funds	29,172	-	-	-	29,172
U.S. Equity	198,706	-	-	18,554	217,260
Global Equity	88,885	-	-	82,810	171,695
Fixed Income securities and bond funds	91,979	1,624	-	2,462	96,065
Real estate and real assets funds	-	-	3,990	103,658	107,648
Hedge funds	-	-	-	41,798	41,798
Private Equity	-	-	-	163,594	163,594
Directly-held real estate	-	-	117,978	-	117,978
Investments held in endowment	408,742	1,624	121,968	412,876	945,210
Self-insurance escrow funds	41,337	-	-	-	41,337
Other investments	461	-	-	304	765
Total investments	450,540	1,624	121,968	413,180	987,312
Total assets measured at fair value	\$ 463,373	\$ 1,624	\$ 171,564	\$ 413,180	\$ 1,049,741
Liabilities					
Split-interest agreements	-	-	1,443	-	1,443
Annuities	-	-	6,775	-	6,775
Total liabilities measured at fair value	\$ -	\$ -	\$ 8,218	\$ -	\$ 8,218

2020					
<i>(in thousands)</i>	Level 1	Level 2	Level 3	Investments at NAV	Total
Assets					
Beneficial interest in trusts	\$ -	\$ -	\$ 42,339	\$ -	\$ 42,339
Malpractice insurance trust	8,856	-	-	-	8,856
Investments					
Money market funds	39,668	-	-	-	39,668
U.S. Equity	141,814	-	-	12,796	154,610
Global Equity	82,350	-	-	36,043	118,393
Fixed Income securities and bond funds	56,909	2,501	-	2,712	62,122
Real estate and real assets funds	-	-	5,050	57,827	62,877
Hedge funds	-	-	-	28,633	28,633
Private Equity	-	-	-	118,347	118,347
Directly-held real estate	-	-	107,460	-	107,460
Investments held in endowment	320,741	2,501	112,510	256,358	692,110
Self-insurance escrow funds	33,207	-	-	-	33,207
Other investments	444	-	-	287	731
Total investments	354,392	2,501	112,510	256,645	726,048
Total assets measured at fair value	\$ 363,248	\$ 2,501	\$ 154,849	\$ 256,645	\$ 777,243
Liabilities					
Interest rate swaps (Note 1)	\$ -	\$ 4,424	\$ -	\$ -	\$ 4,424
Split-interest agreements	-	-	1,250	-	1,250
Annuities	-	-	7,521	-	7,521
Total liabilities measured at fair value	\$ -	\$ 4,424	\$ 8,771	\$ -	\$ 13,195

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Details related to the fair value of investments that have been estimated using a net asset value practical expedient (e.g. ownership interest in partners' capital to which a proportionate share of net assets is attributable) were as follows:

<i>(in thousands)</i>	2021			
	Fair Value	Unfunded Commitments	Redemption Terms (If Currently Eligible)	Redemption Notice Period (If Applicable)
Hedge funds:				
Multi-Strategy Hedge Funds (a)	\$ 12,432	\$ -		
Distressed Debt Hedge Funds (b)	2,046	-		
Fixed Income and Related Hedge Funds (c)	19,613	-	Quarterly	45 days
Real Estate Hedge Funds (d)	<u>7,707</u>	<u>-</u>	Quarterly	60 days
Subtotal Hedge funds	41,798	-		
Private Equity:				
Private Capital Funds-Secondaries (e)	6,824	2,869		
Private Capital Funds-Venture Capital (f)	1,191	198		
Private Capital Funds-Buy-out (g)	89,452	38,236		
Private Capital Funds-Debt (h)	9,470	8,492		
Private Capital Funds-Real Asset Funds (i)	42,343	27,735		
Private Capital Funds-Real Estate Funds (j)	14,279	10,448		
Private Capital Funds-Hedge Fund Seeder (k)	<u>35</u>	<u>222</u>		
Subtotal Private Equity	163,594	88,200	Close-ended funds not available for redemption	
US Equity (l)	18,554	-		
Global Equity (l)	82,810	-		
Fixed Income Securities and Bond Funds (l)	2,462	-		
Real Estate and Real Assets Funds (l)	103,658	-		
Other investments (l)	<u>304</u>	<u>-</u>		
	\$ 413,180	\$ 88,200		

- a. This category invests in hedge funds that pursue multiple strategies to diversify risks and reduce volatility. As of June 30, 2021, the composite portfolio includes 99% in multi-strategy hedge fund that invests a significant portion of its assets in certain less liquid special situations opportunities, and 1% in private equity investments which can never be redeemed with the funds. Instead, distributions are received through the liquidation of the underlying assets in the portfolio. If these investments were held, it is estimated that the underlying assets would be liquidated over the next 1 to 4 years. The fair values of the investments have been estimated using the reported net asset value per share of the hedge fund.

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- b. This category includes investments in hedge funds that invest in debt of companies in or facing bankruptcy. As of June 30, 2021, the composite portfolio includes 100% in private equity investments which can never be redeemed with the funds. Instead, distributions are received through the liquidation of the underlying assets in the portfolio. If these investments were held, it is estimated that the underlying assets would be liquidated over the next 1 to 4 years. The fair values of the investments have been estimated using the reported net asset value per share of the hedge fund.
- c. This category includes investment in hedge funds that invest in U.S. mortgage-backed securities. The fair values of the investments have been estimated using the reported net asset value per share of the hedge fund.
- d. This category includes investment in hedge funds that invest in diversified U.S. real estate properties. The fair values of the investments have been estimated using the reported net asset value per share of the hedge fund.
- e. This category includes investments in private equity funds that invest in the secondary market. The private equity secondary market refers to the buying and selling of pre-existing investor commitments to private equity and other alternative investment funds. These investments can never be redeemed with the funds. Instead, distributions are received through the liquidation of the underlying assets of the fund. As of June 30, 2021, it is estimated that the underlying assets of the fund would be liquidated over the following periods: 100% in 1 to 4 years. As of June 30, 2020, the liquidation periods were expected to be: 100% in 1 to 4 years. The fair value has been estimated using the reported net asset value per share of the private capital fund.
- f. This category includes investments in private equity funds that invest primarily in technology and healthcare companies in the U.S. These investments can never be redeemed with the funds. Instead, distributions are received through the liquidation of the underlying assets of the fund. As of June 30, 2021, it is estimated that the underlying assets of the fund would be liquidated over the following periods: 100% in 1 to 4 years. As of June 30, 2020, the liquidation periods were expected to be: 100% in 1 to 4 years. The fair value has been estimated using the reported net asset value per share of the private capital fund.
- g. This category includes investments in private equity funds that invest in buy-outs. A buy-out is a purchase of a company or a controlling interest of a corporation's shares or product line or some business. These investments are diversified across industries and primarily in the U.S. These investments can never be redeemed with the funds. Instead, distributions are received through the liquidation of the underlying assets of the fund. As of June 30, 2021, it is estimated that the underlying assets of the fund would be liquidated over the following periods: 19% over 1 to 4 years; 67% in 5 to 7 years; and 13% over 8 to 10 years. As of June 30, 2020, the liquidation periods were expected to be: 9% in 1 to 4 years; 79% in 5 to 7 years; and 12% in 8 to 10 years. The fair value has been estimated using the reported net asset value per share of the private capital fund.

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- h. This category includes investments in private equity funds that provide debt financing to middle market firms. These investments can never be redeemed with the funds. Instead, distributions are received through the liquidation of the underlying assets of the fund. As of June 30, 2021, it is estimated that the fund's underlying assets would be liquidated over the following time frames: 29% in 1 to 4 years; 62% in 5 to 7 years; and 10% in 8 to 10 years. As of June 30, 2020, the liquidation periods were expected to be: 42% in 1 to 4 years; 52% in 5 to 7 years; and 6% in 8 to 10 years. The fair value has been estimated using the reported net asset value per share of the private capital fund.
- i. This category includes investments in private equity funds that invest primarily in real assets (e.g., investments with intrinsic value, such as real estate or commodities). These investments can never be redeemed with the funds. Instead, distributions are received through the liquidation of the underlying assets of the fund. As of June 30, 2021, it is estimated that the underlying assets of the fund would be liquidated over the following periods: 33% in 1 to 4 years; 53% in 5 to 7 years; and 14% in 8 to 10 years. As of June 30, 2020, the liquidation periods were expected to be: 49% in 1 to 4 years; and 21% in 5 to 7 years; and 30% in 8 to 10 years. The fair value has been estimated using the reported net asset value per share of the real asset fund.
- j. This category includes investments in private equity funds that invest in U.S. commercial real estate. These investments can never be redeemed. Instead, distributions are received through the liquidation of the underlying assets of the fund. As of June 30, 2021, it is estimated that the fund's underlying assets would be liquidated over the following time frames: 29% in 1 to 4 years; 56% in 5 to 7 years; and 15% in 8 to 10 years. As of June 30, 2020, the liquidation periods were expected to be: 33% in 1 to 4 years; 62% in 5 to 7 years; and 5% in 8 to 10 years. The fair value has been estimated using the reported net asset value per share of the real estate fund.
- k. This category includes investments in private equity funds that invest in newly started hedge funds that pursue multiple strategies. The fund provides start-up funding to hedge funds of various strategies with the potential to share in the appreciation of the investment, as well as to share in the management fees gathered by the underlying start-up hedge funds. As of June 30, 2021, the remaining investment is made up of cash held by the investment manager until the fiscal year end audit has been completed. As of June 30, 2020, the fund's underlying investments were: 14% global equity and 86% diversified credit. Distributions had previously been received through the liquidation of the underlying assets of the fund. It is estimated that the remaining audit holdback will be distributed within 1 year, as of June 30, 2021. The fair value has been estimated using the reported net asset value per share of the private capital fund.
- l. This category includes investments in US equity, global equity, fixed income securities and bond funds, real estate and real assets funds, and other investments. Investments in this category reflect the fair value of the specific assets or the underlying ventures' net assets. The valuations of these investments are the net asset values prepared by fund managers. Majority of these investments are commingled funds.

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The University owns partnership interests in a real estate portfolio classified real estate and real estate funds as a Level 3 asset. The interests have a fair market value of \$3,990,000 net of \$1,672,000 in outstanding debt. The valuation of these investment properties is prepared annually by an independent appraiser.

7. Endowment Funds

The University has an investment policy for endowment assets designed to maximize the total return within an acceptable level of risk consistent with long-term preservation of the real value of the funds. The goal is to manage the portfolio for risk as well as total return, consistent with fiduciary standards of the prudent investor rule.

To satisfy its rate-of-return objectives, the University relies on a total return strategy in which investment returns are achieved through both capital appreciation (realized and unrealized) and current yield (interest and dividends). Endowment assets are invested in several asset classes and subclasses thereof to moderate the volatility of the returns for the entire portfolio.

For the years ended June 30, 2021 and 2020, the University had an endowment spending rule that limited the spending of endowment resources to 6.00% of the average fair value of the pooled endowment portfolio for the prior seven fiscal years, except for ANS. For the fiscal year ended June 30, 2021 and 2020, ANS had an endowment spending rule that limited the spending of endowment resources to 7.00% and 6.00% of the fair market value of the pooled endowment assets for the prior seven fiscal years. This rule was applied except in cases where the spending rate had been stipulated by the donor agreement (typically 5.0%).

The University's endowment funds include both donor-restricted funds and funds designated by the Board of Trustees to function as endowments (quasi endowments). Net assets associated with endowment funds are classified and reported based on the existence or absence of donor-imposed restrictions. The earnings on these funds are utilized by the University in a manner consistent with specific donor restrictions on the original contributions.

Interpretation of Relevant Law

The Board of Trustees has interpreted Pennsylvania Act 141 ("PA Act 141") as requiring the preservation of the fair value of the original gift as specified in the individual trust instruments. Because of this interpretation, the University internally classifies as permanently restricted net assets (a) the original value of gifts donated to the permanent endowment, (b) the original value of subsequent gifts to the permanent endowment, and (c) earnings of the endowment made in accordance with the direction of the applicable donor designation. The remaining portion of the donor-restricted endowment fund that is not classified in permanently restricted net assets is classified as temporarily restricted net assets until those amounts are appropriated for expenditure by the organization in a manner consistent with the standard of prudence prescribed by PA Act 141. Both permanently restricted and temporarily restricted net assets are considered net assets with

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donor restrictions as per the applicable accounting standards. The University's policy is to not allocate spend from underwater endowment funds.

Endowment Funds with Deficiencies

From time to time, the fair value of some assets associated with individual donor-restricted endowment funds may fall below the level that donors require to be retained as a perpetual fund. The aggregate amount of funds with deficiencies is reported in net assets with donor restrictions in the Consolidated Statements of Activities. Subsequent investment gains are used to restore the balance to the fair market value of the original amount of the gift. Aggregate deficiencies were \$177,000 and \$4,819,000 as of June 30, 2021 and 2020, respectively. The original gift amount and the fair value of underwater endowment funds in the aggregate were \$6,539,000 and \$6,362,000 as of June 30, 2021 and \$86,486,000 and \$81,667,000 as of June 30, 2020, respectively.

The net asset balances for the endowment composition by fund as of June 30, 2021 and 2020 were as follows:

<i>(in thousands)</i>	2021		
	Without Donor Restrictions	With Donor Restrictions	Total
Donor-restricted endowment funds	\$ -	\$ 650,736	\$ 650,736
Board-designated endowment funds	313,699	-	313,699
Total assets	\$ 313,699	\$ 650,736	\$ 964,435

<i>(in thousands)</i>	2020		
	Without Donor Restrictions	With Donor Restrictions	Total
Donor-restricted endowment funds	\$ -	\$ 531,197	\$ 531,197
Board-designated endowment funds	270,457	-	270,457
Total assets	\$ 270,457	\$ 531,197	\$ 801,654

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Changes in the University's endowment assets (excluding annuities and trusts) and for the years ended June 30, 2021 and 2020 were as follows:

<i>(in thousands)</i>	2021		
	Without Donor Restrictions	With Donor Restrictions	Total
Endowment, at beginning of year	\$ 270,457	\$ 531,197	\$ 801,654
Endowment return:			
Investment income, net of fees	2,299	5,074	7,373
Net realized/unrealized gain	51,738	130,458	182,196
Total endowment return	54,037	135,532	189,569
Contributions	13	11,331	11,344
Use of endowment assets:			
Endowment payout used in operations	(10,804)	(27,376)	(38,180)
Other	(4)	52	48
Total uses of endowment assets	(10,808)	(27,324)	(38,132)
Endowment, at end of year	\$ 313,699	\$ 650,736	\$ 964,435

<i>(in thousands)</i>	2020		
	Without Donor Restrictions	With Donor Restrictions	Total
Endowment, at beginning of year	\$ 277,042	\$ 537,242	\$ 814,284
Endowment return:			
Investment income, net of fees	3,205	8,231	11,436
Net realized/unrealized gain	1,047	2,311	3,358
Total endowment return	4,252	10,542	14,794
Contributions	56	8,834	8,890
Use of endowment assets:			
Endowment payout used in operations	(10,893)	(26,272)	(37,165)
Other	-	851	851
Total uses of endowment assets	(10,893)	(25,421)	(36,314)
Endowment, at end of year	\$ 270,457	\$ 531,197	\$ 801,654

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Endowment Loan

On December 5, 2018, the University's Board of Trustee's authorized management to fund the capital expenditures associated with the renovation and expansion of Bentley Hall (formerly Calhoun Hall) with a loan investment from the University's endowment portfolio, not to exceed \$35,000,000 million. On February 19, 2019, the University received a \$5,000,000 gift from Greg S. and Caroline Bentley for which the dormitory has been renamed. The dormitory will house a living/learning community for the Pennoni Honors College students and include a new, two-story glass stone addition of 10,800 square feet that will house the Pennoni Honors College offices and seminar rooms. The loan investment is consistent with the asset allocation provisions of the University's endowment Investment Policy Statement. Furthermore, the interest rate associated with this loan investment is comparable to investments of similar risk that are available to the endowment for investment.

The loan investment is interest-only over the five-year term, with a balloon payment of principal due no later the last day of the 60th month following the initial/first Anniversary Date. The interest rate is fixed for the first four years at 5% per annum ("Base Rate"). Effective as of the fifth anniversary date, the Base Rate will increase to the greater of (a) 5% plus 100 basis points (bps) or (b) the 10-year U.S. Treasury note plus 200 bps, not to exceed a rate of 8%. While the loan investment is outstanding, any donor funds received in support of this project, in supporting or naming the building, or associated activities concerning the property, will be directly applied to the outstanding principal balance of the loan investment. The University will incur zero fees, and the entire loan investment can be prepaid, at any time, without penalty at the discretion of the University.

In accordance with Treasury Regulation § 1.150-2, the University may temporarily finance from its own funds, all or a portion of the costs of the renovation and expansion of Bentley Hall up to an amount equal to the total costs of the renovation and expansion of Bentley Hall, which shall not exceed \$35,000,000, and may then use all or a portion of the proceeds of tax-exempt obligations to reimburse itself for expenditures originally paid prior to the date of issuance of the tax-exempt obligations, and all original expenditures which may be reimbursed will be capital expenditures (as defined in Treasury Regulation § 1.150-1(b)) and other permissible amounts under Treasury Regulation § 1.150-2(d)(3).

On August 3, 2020, the loan was repaid utilizing proceeds from the University's 2020A tax exempt debt issuance.

On December 4, 2019, the University's Board of Trustee's authorized management to fund a portion of its share of the St. Christopher's Hospital for Children acquisition costs with a loan investment from the University's endowment portfolio, up to \$13 million.

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The loan investment is consistent with the asset allocation provisions of the University's endowment Investment Policy Statement. Furthermore, the interest rate associated with this loan investment is comparable to investments of similar risk that are available to the endowment for investment. The terms of this investment loan mirror the terms of the Bentley Hall endowment loan defined above. On July 22, 2020, the loan was fully repaid utilizing proceeds from the University's 2020B taxable debt issuance.

On December 4, 2019, the University's Board of Trustee's authorized management to establish a \$40 million short term line of credit to support additional start-up needs for St. Christopher's Hospital for Children and costs associated with the dissolution of the Drexel Physician Practice Plan resulting from the bankruptcy of the American Academic Health System and the abrupt closure of Hahnemann University Hospital. The line of credit was funded by an investment loan from the University's endowment portfolio.

The loan investment is consistent with the asset allocation provisions of the University's endowment Investment Policy Statement. Furthermore, the interest rate associated with this loan investment is comparable to investments of similar risk that are available to the endowment for investment. The annual interest rate on the investment loan is 6.5% The interest rate is based on the expected return of the overall portfolio. On July 22, 2020, the loan was fully repaid utilizing proceeds from the University's 2020B taxable debt issuance.

On March 3, 2021, the University's Board of Trustee's authorized management to fund the capital expenditures associated with the renovation and expansion of Kelly Hall with a loan investment from the University's endowment portfolio, not to exceed \$40,000,000 million. The renovation will address the needs of the building envelope and modernize the building throughout to provide an improved living experience and include a 4,000 square foot addition to provide flexible open space for students. The loan investment is consistent with the asset allocation provisions of the University's endowment Investment Policy Statement. Furthermore, the interest rate associated with this loan investment is comparable to investments of similar risk that are available to the endowment for investment.

The loan investment is interest-only over the five-year term, with a balloon payment of principal due no later the last day of the 60th month following the initial/first Anniversary Date. The interest rate is fixed for the first four years at 6.10% per annum ("Base Rate"). Effective as of the fifth anniversary date, the Base Rate will increase to the greater of (a) 6.10% plus 100 basis points (bps) or (b) the 10-year U.S. Treasury note plus 200 bps, not to exceed a rate of 8%. While the loan investment is outstanding, any donor funds received in support of this project, in supporting or naming the building, or associated activities concerning the property, will be directly applied to the outstanding principal balance of the loan investment. The University will incur zero fees, and the entire loan investment can be prepaid, at any time, without penalty at the discretion of the University. As of June 30, 2021, borrowing had not yet commenced on the loan.

In accordance with Treasury Regulation § 1.150-2, the University may temporarily finance from its own funds, all or a portion of the costs of the renovation and expansion of Kelly

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Hall up to an amount equal to the total costs of the renovation and expansion of Kelly Hall, which shall not exceed \$40,000,000, and may then use all or a portion of the proceeds of tax-exempt obligations to reimburse itself for expenditures originally paid prior to the date of issuance of the tax-exempt obligations, and all original expenditures which may be reimbursed will be capital expenditures (as defined in Treasury Regulation § 1.150-1(b)) and other permissible amounts under Treasury Regulation § 1.150-2(d)(3).

8. Land, Buildings and Equipment

Land, buildings and equipment are stated at cost or, if acquired by gift, at the appraised value on the date of acquisition. Amortization and depreciation are computed on a straight-line basis over the lesser of the estimated useful lives of the assets ranging from 3 to 30 years for equipment, 3 to 5 years for software, and 5 to 60 years for buildings and improvements or the shorter of the term of the lease.

The University determined that there were legal obligations to retire certain facilities and equipment. The total asset retirement cost and obligation was \$1,275,000 and \$3,772,000 at June 30, 2021 and \$1,275,000 and \$3,693,000 at June 30, 2020, respectively, and is included in buildings and improvements and accrued expenses, respectively, on the Consolidated Statements of Financial Position. The demolition of the University City High School and removal of its hazardous substances significantly reduced the University's asset retirement obligation resulting in a significant credit to the depreciation expenses to recognize the elimination of this obligation.

The University maintains ownership of a parcel of property located at 1200 Chestnut Street, Philadelphia, PA. The use of the building is restricted for use by the Thomas R. Kline School of Law's Trial Advocacy Program.

Land, buildings and equipment at June 30 included the following:

<i>(in thousands)</i>	2021	2020
Works of art	\$ 10,854	\$ 10,860
Land and improvements	152,188	152,025
Buildings and improvements	1,238,500	1,193,340
Equipment, software and library books	233,805	225,951
Construction in progress	6,800	36,495
Land, buildings, and equipment, gross	1,642,147	1,618,671
Less: Accumulated depreciation	(680,656)	(636,812)
Land, buildings and equipment, net	\$ 961,491	\$ 981,859

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9. Leases

In February 2016, the FASB issued ASU 2016-02 (Topic 842) "Leases." Under Topic 842, lessees are required to recognize assets and liabilities on the balance sheet for most leases and provide enhanced disclosures. Leases can be classified as either finance or operating.

The University adopted and applied Topic 842 to all leases effective July 1, 2019. The University elected the practical expedient package to not reassess at adoption (i) expired or existing contracts for whether they are or contain a lease, (ii) the lease classification of any existing leases or (iii) initial indirect costs for existing leases. Also, the University also elected the policy exemption that allows lessees to choose to not separate lease and non-lease components by class of underlying asset and are applying this expedient to all relevant asset classes.

The University determines if an arrangement is or contains a lease at inception of the contract. The right-of-use assets represent the right to use the underlying assets for the lease term and the lease liabilities represent the obligation to make lease payments arising from the leases. Right-of-use assets and lease liabilities are recognized at commencement date based on the present value of lease payments over the lease term. The University uses the implicit rate noted within the contract. If not readily available, the University uses the estimated incremental borrowing rate, which is derived using a collateralized borrowing rate and term as the associated lease. A right-of-use asset and lease liability is not recognized for leases with an initial term of 12 months or less and a lease expense is recognized for these leases on a straight-line basis over the lease term within lease and rental expense.

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The components of lease expense for the fiscal year ended June 30, 2021, and 2020 are as follows:

<i>(in thousands)</i>	2021	2020
Lease Expense:		
Finance lease expense		
Amortization of ROU assets	1,209	912
Interest on lease liabilities	111	115
Operating lease expense	22,349	24,724
Short-term lease expense	-	194
Variable lease expense	6,131	8,249
Total	29,800	34,194
Other Information		
Cash paid for amounts included in the measurement of lease liabilities for finance leases		
Finance - Financing cash flows	2,129	1,159
Finance - Operating cash flows	111	115
Operating - Operating cash flows	23,280	26,167
ROU assets obtained in the exchange for lease liabilities		
Finance leases	2,620	995
Operating leases	7,431	8,299
Weighted-average remaining lease terms (in years)		
Finance leases	36.32	39.95
Operating leases	11.47	11.26
Weighted-average discount rate		
Finance leases	1.03%	1.18%
Operating leases	2.25%	2.19%

Maturities of lease liabilities as of June 30, 2021 were as follows:

	Finance	Operating
07/01/2021 - 06/30/2022	2,017	22,662
07/01/2022 - 06/30/2023	811	12,108
07/01/2023 - 06/30/2024	768	7,211
07/01/2024 - 06/30/2025	407	6,898
07/01/2025 - 06/30/2026	123	6,016
Thereafter	5,982	53,375
Total	10,108	108,270
Less: Present value discount	(146)	(15,489)
Lease liability	9,962	92,781

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The University entered into an agreement with the Commonwealth of Pennsylvania (the “Commonwealth”) on August 1, 2002 to lease space in the Armory Building (the “Armory”) at no cost for an initial period of fifty years during which time the University agreed to complete certain improvements to the Armory at the University’s expense. Thereafter, the lease may be renewed for two, additional twenty-year periods at fair value. In the event the Commonwealth should desire to sell the property during the initial or additional lease periods, the University has the option to purchase the Armory for \$1,700,000, adjusted for inflation. In June 2018, the University and the Commonwealth of Pennsylvania entered into an amendment to the original lease agreement to extend the initial term for the “Drill Hall” portion of the lease to sixty-five years. The University remeasured the capital lease asset and liability based on the fair market value of the rent under the arrangement for the revised lease term of 65 years. The capital lease liability amounted to \$6,599,000 and \$6,722,000 at June 30, 2021 and 2020, respectively. These costs have been capitalized and a comparable capital lease liability recorded. In June 2018, the University entered into a sublease agreement for the Drill Hall portion of the Armory, the term of which is coterminous with the Armory lease. The sublease is for the benefit of the U.S. Squash Racquet Association. Rent under the sublease agreement is nominal for the entire lease term.

On January 23, 2012, the University and ACC OP (Chestnut PA), LLC, an affiliate of American Campus Communities (“ACC”), entered a triple net ground lease structure governing the conveyance of the land area located on 3200 Chestnut Street with a base lease term of forty years and three, ten-year option periods. In consideration for the right to develop, own, and operate the proposed project referred to as “Chestnut Square” on the University’s campus, ACC pays the University annual ground rent of \$254,000. Chestnut Square includes 360,000 square feet of residential space, housing approximately 863 students. The facility also includes 36,000 square feet of retail and office space along the Chestnut Street frontage. The structures consist of two eight story low-rise buildings and a nineteen-story high-rise residential tower at the corner of 32nd and Chestnut Streets. A 101,500-square foot parking structure containing 267 spaces is also included for the south side of the existing Creese Student Center. The University bears no cost of the Chestnut Square project. At the end of the lease (40-70 years), the asset reverts to the University.

On August 30, 2013, the University entered into a land purchase agreement with 3175 JFK Associates, LP and L-A 31, LP, both affiliates of ACC, whereby ACC contributed land, air rights and a subsurface parcel it owned contiguous to Drexel’s campus (i.e. 3175 JFK Boulevard) to the University as a gift, without any purchase consideration, but retained the ownership of the “University Crossings” building and improvements erected on this land. The University Crossings property consists of 1.15 acres of land and a 17-story, 452,483 square foot building with 261 units and a total bed capacity of 1,016. As a condition of the land purchase agreement, Drexel and ACC also entered into a ground lease agreement whereby Drexel leased the land back to ACC for no consideration other than reimbursement of property tax that Drexel would be required to pay as the landowner. The term of the lease is forty years with an option to renew for three consecutive ten-year terms. Payments to the University from ACC are recorded as a cost recovery of property taxes. Within five years from the effective date, ACC is required to complete no less than

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\$22,327,000 in capital improvements. The University's financial statements include a ground lease liability for the sub-parcel and air rights at June 30, 2021, and 2020 of \$9,650,000 and \$9,950,000 respectively. The University recognized \$300,000 of ground lease income related to this agreement during fiscal years 2021 and 2020.

The University entered into ground lease agreement with ACC OP (Lancaster PA), LLC ("ACC Lancaster"), an affiliate of ACC, on August 30, 2013 for property located at 3400 Lancaster Avenue to undertake "The Summit" project on the University's campus. The Summit project features a tiered eight story and five story mid-and low-rise building along Lancaster Avenue which includes 19,120 square feet of ground floor retail that faces Lancaster Avenue and 34th Street, a 23-story residential tower that sits on a one-story student amenity plinth and a one-story dining venue. The initial term of the lease is forty years, with an option to renew for three consecutive ten-year terms. In consideration for the right to develop, own, and operate The Summit, ACC pays the University annual ground rent of \$725,000.

In tandem with the execution of the ground lease agreement, the University entered into a sublease agreement with ACC Lancaster, for the dining facility at The Summit property at 3400 Lancaster Avenue. The sublease calls for annual rent payments of \$741,395 for the first thirty years of the sublease. The sublease is, in all respects, subject to and subordinate to the ground lease between the University and ACC established on August 30, 2013, to develop the 3400 Lancaster Avenue property. The term of the sublease follows the term of the ground lease, commencing September 2015. The initial term is 40 years with three, ten-year renewal options. At the expiration or sooner termination of the ground lease, title shall vest with the University and belong exclusively to the University without any interest on the part of ACC. The sublease provides a rent prepayment option, which allows the full 30 years of rent for the dining facility to be satisfied with an upfront payment of \$9,200,000. The University executed the option in September 2015. The amount is capitalized and amortized over the term of the lease.

In June 2014, the University entered into ground lease agreements with Wexford 3750 Lancaster Avenue, LLC, Wexford 115 North 38th Street, LLC, Wexford 225 North 38th Street, LLC, and Wexford 3701 Filbert Street, LLC (all to be referred to as "Wexford") for property located at 3601 Filbert Street. Wexford has prepaid the University \$17,616,000, the full amount of the lease. The prepayment has been recorded as deferred rental income and will be amortized over the 99-year term of the lease. In addition, Drexel is obligated to fund an amount not to exceed \$13,200,000 for the development of the property.

On December 17, 2014, the University entered into a ground lease agreement with Study Philadelphia Holding, LLC ("SPHLLC") to build an upscale hotel, "The Study", on University property located at 3301 Chestnut Street and 20-40 South 33rd Street. The hotel features a ground floor restaurant and retail space, a conference center, approximately 212 hotel rooms, and accessory hotel amenities, with a main entrance on 33rd Street. The hotel includes a ten-story building, totaling 145,000 square feet of space. The base term of the lease is fifty years with two, ten-year renewal options. The annual rent commencement date is December 17, 2016 i.e. twenty-four months from the date of

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the lease. Upon the expiration of the lease, the leased premises will become the property of the University. The University recognized \$154,000 of ground lease income related to this agreement during fiscal years 2021 and 2020.

On October 2, 2015, the University entered into a ground lease agreement with RPG 32 Race, LP (“RPG”) for University property located at 3201 Race Street. RPG intends to lease the property and develop a 178,00-square foot multi-storied, mixed-use facility, consisting of 164 “Class A” rental apartment units, 13,800 square foot childcare center, ancillary amenities and improvements including a café and rooftop sundeck, 27 on-site parking spaces, accommodation for customer curbside drop-off for use in connection with the childcare center. Nobel Learning Communities, Inc. is the approved childcare operator. The annual rent commencement date is September 13, 2018 defined as twelve months following the substantial completion of the project. The initial term of the lease is seventy-five years with the option to extend the lease for one additional term of twenty-four years. The University recognized ground lease income of \$215,000 related to this agreement during fiscal years 2021 and 2020.

Schuylkill Yards

On May 9, 2016, the University entered into a master development agreement (the “Development Agreement”) with Brandywine Realty Trust (“BRT”), the sole general partner of Brandywine Operating Partnership, LP. As the master developer, BRT is provided certain rights and obligations, for a multi-phase, multi-component development on approximately 10.11 acres of the University owned land (the “Drexel Site”) adjacent to the University’s main campus in the University City section of Philadelphia. The project’s master planned area includes the Drexel Site and up to four additional adjacent acres owned separately by the University and BRT, to be branded as “Schuylkill Yards.”

Schuylkill Yards is contemplated to be developed in six phases over approximately 20 years, excluding extension options, and will consist of approximately 5.0 million square feet of floor area ratio (FAR) of commercial, office, educational, research, residential, and related facilities, as well as accessory green space uses. Approximately 50% of the total FAR value will consist of office, educational and research space, and the balance in residential, retail, hospitality and parking use.

BRT intends to fund costs to develop each phase of Schuylkill Yards through a combination of cash on hand, capital raised through one or more joint venture formations, proceeds from the sale of other assets or debt financing, including project-specific leasehold mortgage financing. Terms of the Development Agreement were determined through arm’s-length negotiation between the University and BRT.

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On October 13, 2017, the University completed the initial conveyance for the Schuylkill Yards project involving the transfer of 3001 and 3025 Market Street to BRT. The total fair value of these properties included in the endowment was \$52,000,000. BRT commenced the construction of a large public realm area on the 3001 Market Street parking lot with completion in the second quarter of fiscal year 2019. The surface rights for 3001 Market Street were conveyed through a ground lease in consideration for \$100, as the University agreed to provide the land for a park to define and significantly enhance the value of the entire project. The 3025 Market Street parcel was conveyed through a 99-year prepaid ground lease combined with the conveyance of the vertical improvements and the subterranean rights of 3001 Market Street for \$35,000,000 resulting in a loss of \$17,000,000. The proceeds from both parcels were invested in the University's endowment portfolio replacing the real estate values for the 3001 and 3025 Market Street parcels. In addition to the conveyance transactions BRT provided \$370,000 for access to the property management staff at Academic Proprieties Inc., a Drexel subsidiary, to assist with the repositioning and re-tenanting of the 3025 Market Street property.

On March 22, 2018, the University completed the conveyance of the second parcel for the Schuylkill Yards project, 3001-3003 John F. Kennedy Boulevard to BRT. The 3001-3003 John F. Kennedy Boulevard parcel was conveyed through a 99-year prepaid ground lease for \$24,640,000 resulting in a gain of \$16,440,000. The proceeds were invested in the University's endowment portfolio replacing the real estate values for the 3001-3003 John F. Kennedy Boulevard.

On June 29, 2018, the University completed the conveyance of the third parcel for the Schuylkill Yards project, 3025 John F. Kennedy Boulevard to BRT. The 3025 John F. Kennedy Boulevard parcel was conveyed through a 99-year prepaid ground lease for \$20,545,000 resulting in a gain of \$13,945,000. The proceeds were received on July 2, 2018 and invested in the University's endowment portfolio replacing the real estate values for the 3025 John F. Kennedy Boulevard.

10. Retirement Plans

Defined Benefit and Defined Contribution Plans

The University established the Drexel University Defined Contribution Retirement Plan ("DU DC") effective April 1, 1972. Drexel University is the DU DC administrator. The trustees of the DU DC are Teachers Insurance and Annuity Association - College Retirement Equities Fund, as agent for JP Morgan Chase Bank, N.A. ("TIAA-CREF"), Vanguard Fiduciary Trust Company ("Vanguard") and Fidelity Management Trust Company ("Fidelity").

The DU DC is subject to the provisions of the Employee Retirement Income Security Act of 1974. The Institution's Investment Committee determines the appropriateness of the plan's investment offerings, monitors investment performance, and reports to the Institution's Board, who is responsible for the oversight of the Plan.

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All eligible employees, defined as a full-time staff or faculty member, or a part-time employee who earns 1,000 hours of service or more during the 12-consecutive calendar month period beginning with his or her date of hire, can contribute their own deferrals on a pre-tax basis. Effective, January 1, 2015, all full-time faculty and professional staff who do not enroll in the DU DC within 31 days of their date of hire will be automatically enrolled at a rate of two percent (2%) to the default vendor, TIAA-CREF, with the next available payroll. Contribution changes, including stopping participation can be done at any time. Provided that an eligible employee contributes at least one percent (1%) of compensation, the University contributes a “Basic Contribution” to the DU DC equal to three percent (3%) for an eligible employee under the age of 50, and five percent (5%) for those 50 or older. The University contributes matching contributions to DU DC that are equal to one hundred percent (100%) of an eligible employee’s contributions up to six percent (6%). All basic and matching contributions are subject to certain Internal Revenue Code limitations.

On July 1, 2020, in response to the disruption in operations caused by the COVID-19 pandemic, management suspended all University provided matching contributions for the DU DC Plan. The contributions were reinstated July 1, 2021.

During 2021, the DU DC Plan determined that operational failures related to prior years existed as of June 30, 2021. The Plan is in the process of correcting those operational failures in accordance with the relevant Internal Revenue Service Revenue Procedure(s), and a corresponding liability has been recognized in the Consolidated Statements of Financial Position in the Accrued liabilities financial statement line item.

The University also participates in a contributory retirement plan which provides benefits for certain union employees. The policy is to fund pension costs accrued for these plans. Total retirement plan expense for all plans was \$17,002,000 and \$40,288,000 in 2021 and 2020, respectively.

ANS also maintains a defined benefit pension plan. This plan was frozen by the ANS Board of Trustees effective December 31, 2009, prior to the affiliation agreement with Drexel University on September 30, 2011.

The assumptions for the pension liabilities, the accumulated benefit obligation, change in projected benefit obligation, and change in plan assets are as follows:

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<i>(in thousands)</i>	2021	2020
Weighted average assumptions as of June 30		
Discount rate	3.00 %	2.90 %
Expected return on plan assets	5.75 %	6.25 %
Accumulated benefit obligation		
Accumulated benefit obligation at June 30	\$ 21,195	\$ 21,966
Change projected in benefit obligation		
Net benefit obligation at June 30	\$ 21,966	\$ 21,096
Service costs	265	240
Interest costs	620	739
Actuarial (gain)/loss	(366)	1,208
Gross benefits paid	(1,290)	(1,317)
Net benefit obligation at June 30	\$ 21,195	\$ 21,966

<i>(in thousands)</i>	2021	2020
Change in plan assets		
Fair value of plan assets, at beginning of year	\$ 11,574	\$ 11,379
Actual return on plan assets	2,990	116
Employer contributions	1,779	1,396
Gross benefits paid	(1,290)	(1,317)
Fair value of plan assets, at June 30	\$ 15,053	\$ 11,574
Fair value of plan assets, at June 30	\$ 15,053	\$ 11,574
Benefit obligation	21,195	21,966
Net amount recognized, at June 30*	\$ (6,142)	\$ (10,392)

* These amounts are recognized in the financial statements including the Consolidated Statements of Financial Position in the “Accrued retirement obligations” financial statement line item.

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The components of net periodic benefit cost are noted below:

<i>(in thousands)</i>	2021	2020
Weighted average assumptions used to determine net periodic benefit costs		
Discount rate	2.90 %	3.60 %
Expected return on plan assets	5.75 %	6.25 %
Components of net periodic benefit costs		
Service costs	\$ 265	\$ 240
Interest costs	620	739
Expected return on assets	(690)	(728)
Amortization of actuarial (gain)/loss	(2,666)	1,820
Net periodic benefit cost	\$ (2,471)	\$ 2,071

As of June 30, 2021, and 2020, the pension plan had a projected benefit obligation and an accumulated benefit obligation in excess of plan assets. Both the projected and accumulated benefit obligations were \$21,195,000 and \$21,966,000 at June 30, 2021 and 2020, respectively. The fair value of the plan assets was \$15,053,000 and \$11,574,000 as of June 30, 2021 and 2020, respectively.

Information about the expected cash flows for the pension plan is as follows:

Expected benefit payments	
<i>(in thousands)</i>	
June 30,	
2022	1,219
2023	1,307
2024	1,321
2025	1,344
2026	1,358
2027-2031	6,424

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Plan Assets

The ANS pension plan weighted-average asset allocations at June 30, 2021 and 2020 by asset category are as follows:

	2021	2020
Asset category		
Equity securities	50.4 %	46.1 %
Fixed income securities	33.0 %	30.6 %
Hedge fund and alternative investments	15.2 %	21.8 %
Cash	1.4 %	1.5 %
	100.0 %	100.0 %

The ANS investment policy and strategy is to shift investments to the target allocation to control the volatility of investment returns for the portfolio. As the investment horizon is expected to be long-term, the portfolio needs to provide long-term capital growth while also being protected from incurring major losses due to the poor performance of one sector of the market and must be invested to reduce the overall investment risk and volatility of investment returns.

The target composition of the plans assets is characterized as a 34%, 37%, 27%, and 2% allocation between equity, fixed income investments, alternative investments, and cash. The strategy currently utilizes indexed equity funds and fixed income funds, and several alternative investment vehicles. The alternative investments are allocated among various classes, including but not limited to equities, hedge funds, fixed income, natural resources, and real estate. The strategy allows to invest in a diversified manner with a mix of assets that are set not to be highly correlated. The expected rate of return on assets was based on the current interest rate environment and historical market premiums of equity and other asset classes relative to fixed income rates.

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The following tables present the plan assets at fair value as of June 30, 2021, and 2020 according to the valuation hierarchy (Note 6):

<i>(in thousands)</i>	2021			Investments at NAV	Total
	Level 1	Level 2	Level 3		
Assets, at fair value					
Cash equivalents	\$ 209	\$ -	\$ -	\$ -	\$ 209
Mutual funds	12,550	-	-	-	12,550
Alternative investments	-	-	-	2,294	2,294
	\$ 12,759	\$ -	\$ -	\$ 2,294	\$ 15,053

<i>(in thousands)</i>	2020			Investments at NAV	Total
	Level 1	Level 2	Level 3		
Assets, at fair value					
Cash equivalents	\$ 175	\$ -	\$ -	\$ -	\$ 175
Mutual funds	9,149	-	-	-	9,149
Alternative investments	-	-	-	2,250	2,250
	\$ 9,324	\$ -	\$ -	\$ 2,250	\$ 11,574

11. Other Post-Retirement Benefits

In addition to retirement plan benefits, the University also provides post-retirement benefits to retirees in the form of group life insurance, major medical insurance and tuition remission. All eligible faculty and professional staff members who have completed ten (10) years of full-time consecutive service with the University and are age 55 or older, if hired before September 1, 2013, or who have completed fifteen years of full-time consecutive service with the University and are age 60 or older if hired on or after September 1, 2013, excluding any professional staff member who is affiliated with a collective bargaining unit. Full-time consecutive service (10 or 15 years) is strictly services with Drexel University and does not include any subsidiaries.

The University shares the cost of coverage for medical plan options under this Plan with eligible retirees who retired prior to July 1, 2017. Retirees must pay the difference between the monthly cost for the health plan in which they are enrolled and the University's retiree allowance. For eligible retirees who retired from employment prior to September 1, 2014, the retiree allowance is \$400 per month for an eligible retiree and up to an additional \$400 per month for his or her spouse or same-sex domestic partner. For eligible retirees who retire from employment on or after September 1, 2014 but before July 1, 2017, the retiree allowance is \$300 per month for an eligible retiree and up to an additional \$300

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per month for his or her spouse or same-sex domestic partner. The University reserves the right to change the level of the retiree allowance at any time. For eligible retirees who retire from employment after July 1, 2017, there is no retiree allowance and eligible retirees must pay the entire cost of medical coverage under this Plan. The retirees have a choice of various providers. The post-retirement health care plan is contributory, and the life insurance plan is noncontributory.

The net periodic post-retirement benefit costs and related funded status as of June 30 are shown below. Adjustments to the unfunded status amounted to (\$915,000) and \$1,074,000 respectively, for the years ended 2021 and 2020 and are reflected in the Consolidated Statements of Activities and included in Accrued retirement obligations in the Consolidated Statements of Financial Position.

The following tables provide information with respect to the other post-retirement plans for the years ended June 30:

Plans Funded Status

<i>(in thousands)</i>	2021	2020
Change in benefit obligation		
Benefit obligation, beginning of year	\$ 33,879	\$ 36,230
Service cost	286	316
Interest cost	818	1,141
Actuarial (gain) / loss	(1,518)	396
Plan participant contributions	764	784
Actual benefits paid	(4,617)	(4,988)
Benefit obligation, end of year	29,612	33,879
Change in plan assets		
Fair value of plan assets, beginning of year	-	-
Employer contributions	3,853	4,204
Plan participant contributions	764	784
Actual benefits paid	(4,617)	(4,988)
Fair value of plan assets, end of year	-	-
Unfunded status of the plan*	\$ 29,612	\$ 33,879

* These amounts are recognized in the financial statements including the Consolidated Statements of Financial Position in the Accrued retirement obligations financial statement line item.

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Weighted average assumptions to determine benefit obligations and net cost as of June 30

Discount rate - benefit obligations	2.49%	2.51%
Discount rate - benefit cost	2.51%	3.39%
Ultimate retiree health care cost trend	4.50%	4.50%
Year ultimate trend rate is achieved	2028	2028

For measurement purposes, a 6.75% and an 6.00% annual rate of increase in the per capita cost of covered health care benefits for those over 65 and under 65, respectively, was assumed for 2021 grading down to ultimate rates of 4.5% in the year 2028 and thereafter.

Net Periodic Benefit Cost

(in thousands)

	2021	2020
Components of net periodic benefit cost		
Service cost	\$ 286	\$ 316
Interest cost	818	1,141
Amortization of:		
Prior service credit	(1,536)	(1,536)
Net loss	933	858
Net periodic benefit cost	\$ 501	\$ 779
Other changes recognized in net assets without restrictions		
Net actuarial gain	\$ (1,518)	\$ 396
Amortization of:		
Prior service cost	1,536	1,536
Net (gain)	(933)	(858)
Total recognized in net assets without restrictions	\$ (915)	\$ 1,074
Amounts not yet reflected in net periodic benefit cost and included in net assets without restrictions		
Prior service credit	\$ (15,175)	\$ (16,711)
Actuarial loss	12,571	15,022
Amounts in unrestricted net assets, end of year	\$ (2,604)	\$ (1,689)
Amounts in net assets without restrictions expected to be recognized in net periodic benefit cost		
Prior service credit	\$ (1,536)	
Actuarial loss	\$ 766	

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For the fiscal years ended June 30, 2021 and 2020, the effect of a 1% change in the health care cost trend rate is as follows:

<i>(in thousands)</i>	2021		2020	
	1% Increase	1% Decrease	1% Increase	1% Decrease
Effect on net periodic benefit cost	\$ 49	\$ \$ (43)	\$ \$ 53	\$ \$ (47)
Effect on postretirement benefit obligation	121	(126)	370	(334)

Contributions

Expected contributions for the 2021 fiscal year are \$2,731,000.

Estimated future benefit payments

The following benefit payments (net of retiree contributions), which reflect the effects of the Medicare Act and expected future service, as appropriate, are expected to be paid in:

<i>(in thousands)</i>	
June 30,	
2022	2,731
2023	2,651
2024	2,577
2025	2,440
2026	2,318
Thereafter	9,706

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12. Bonds and Notes Payable

Bonds and notes payable at June 30, 2021 and 2020 are as follows:

<i>(in thousands)</i>	Project	Final Maturity	Effective Interest Rate at June 30, 2021	2021	2020
Fixed rate debt obligations					
Drexel University					
Pennsylvania Higher Education Facilities Authority (PHEFA)					
Series A of 2011	Capital improvements and equipment	2012-2041	2.00-5.25%	235	7,025
Series of 2012	Refunding	2013-2032	1.00-5.00%	385	9,775
Series of 2016	Refunding	2022-2037	2.00-5.00%	117,130	117,130
Series of 2017	Refunding	2018-2041	4.00-5.00%	108,405	114,415
Series of 2020A	Refunding and capital improvements	2021-2050	4.00-5.00%	133,645	-
Series of 2020B	Refunding	2021-2041	1.10-3.27%	17,370	-
Drexel University Taxable Bonds					
Series of 2020	Reimbursement of acquisition cost of St. Christopher's Hospital for Children	2042-2050	3.22%	104,100	-
Powel Elementary School and Science Leadership Academy Middle School ("Powel/SLA-MS")					
PNC Bank	New Market Tax Credit Program	2049	1.00%	1,994	1,994
PNC Bank	New Market Tax Credit Program	2049	1.00%	1,006	1,006
Philadelphia Industrial Development Corporation	New Market Tax Credit Program	2049	1.00%	6,646	6,646
Philadelphia Industrial Development Corporation	New Market Tax Credit Program	2049	1.00%	3,054	3,054
Building America	New Market Tax Credit Program	2049	1.00%	5,981	5,981
Building America	New Market Tax Credit Program	2049	1.00%	2,749	2,749
New Markets Investments	New Market Tax Credit Program	2049	1.00%	6,720	6,720
11th Street Family Health Services Inc.					
The Reinvestment Fund, Inc.	New Market Tax Credit Program	2043	1.297%	-	2,717
The Reinvestment Fund, Inc.	New Market Tax Credit Program	2043	1.297%	-	6,783
3509 Spring Garden, LP					
Philadelphia Industrial Development Corporation	New Market Tax Credit Program	2044	1.517%	-	1,964
Philadelphia Industrial Development Corporation	New Market Tax Credit Program	2044	1.517%	-	4,826
U.S. Bank Corp Community Development Entity	New Market Tax Credit Program	2044	1.00%	-	1,045
U.S. Bank Corp Community Development Entity	New Market Tax Credit Program	2044	1.00%	-	2,205
Variable rate debt obligations					
Drexel University					
Second Series of 2000	Capital improvements and equipment	2019-2026	Variable	-	18,210
Series B of 2002	Capital improvements and equipment	2015-2032	Variable	-	39,990
Series B of 2005	Advance refunding	2009-2030	Variable	-	26,650
Series B of 2007	Capital improvements and equipment	2010-2037	Variable	-	22,440
Total outstanding bonds and notes payable				509,420	403,325
Line of Credit				-	100,000
Unamortized original issue premiums/discounts and cost of issuance, net				49,337	31,077
Total bonds and notes payable				\$ 558,757	\$ 534,402

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The documents pursuant to which the Pennsylvania Higher Educational Facilities Authority (“PHEFA”) Revenue Bonds are issued contain restrictive financial covenants which, among other things, require the University to fix, charge and collect tuition, rates, fees and other charges which will provide net revenues, together with other funds of the University available to pay debt service on such Revenue Bonds, in each fiscal year in an amount at least equal to the debt service requirements on such Revenue Bonds and other long-term indebtedness in such fiscal year. An event of default under the Revenue Bonds will only occur if the University fails to meet the foregoing covenant for two consecutive fiscal years and fails to comply with recommendations provided by a consultant, and so long as the University does not fail to pay debt service when due on the Revenue Bonds. The University was in compliance with these financial covenants at June 30, 2021 and 2020.

The University has Reimbursement, Credit and Security Agreements with several banks in regards to letters of credit supporting the variable rate debt. Those agreements contain certain restrictive financial covenants which, among other things, require the University to maintain expendable resources of at least 50% of outstanding long-term debt and to maintain a minimum debt service ratio of not less than 1.1:1 for the fiscal year. The University was in compliance with these financial covenant requirements at June 30, 2020. All the letters of credit supporting the variable rate debt terminated on August 3, 2020 with the refinancing of the debt.

In July 2020, the University issued Drexel University Taxable Bonds, Series of 2020 in the amount of \$104,100,000. The primary purpose to reimburse itself for cost related to the acquisition of an interest in the St. Christopher’s Hospital for Children for use in connection with its academic medical education program in pediatric medicine and to pay costs of issuance and for any other purposes duly authorized by the University. The bonds will be maturing between 2042 through 2050.

In August 2020, the University issued Pennsylvania Higher Educational Facilities Authority, Drexel University Revenue Bonds Series of 2020A and Series of 2020B (Federally Taxable) in the amount of \$152,495,000. The primary purpose of this issue was the current refunding of all of the outstanding Series of 2000-2, 2002B, 2005B, 2007B and the advance refunding of portion of the Series of 2011A and Series of 2012 bonds. The Series of 2020A bonds will be maturing between May 1, 2021 through May 1, 2050 and the Series of 2020B bonds will be maturing between May 1, 2021 through May 1, 2041.

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Debt maturities for the fiscal years ending are as follows:

<i>(in thousands)</i>	Total Debt
2022	12,495
2023	12,238
2024	12,618
2025	13,098
2026	13,598
Thereafter	504,251
	\$ 568,298
Cost of issuance	(9,541)
	<u>558,757</u>

Lines of Credit

The University has the total 50% Secured Revolving Credit Facilities (“Facilities”) of \$55,000,000 and \$15,000,000 that matures on December 31, 2021, and accrues interest based on Intercontinental Exchange Benchmark Administration “ICE” (subject to a floor of 0.75% on the \$55,000,000). It can be extended annually based upon the agreement of the University and the bank maintaining the Facilities. At June 30, 2021, there were no amounts outstanding. At June 30, 2020, the amount outstanding was \$70,000,000.

The University opened a \$30,000,000 50% Secured line of credit in December 2019 to provide support and working capital for a joint venture. The line of credit matures on December 31, 2021. Interest accrues based upon 30-day LIBOR plus 50 basis points. At June 30, 2021, there were no amounts outstanding. At June 30, 2020 amount outstanding was \$30,000,000.

The University opened a \$25,000,000 50% Secured Revolving line of credit in October 2020 to provide working capital. The line of credit matures in one year and can be renewed. Interest accrues based upon either a base rate, Libor option or Daily Libor option. At June 30, 2021 there were no amounts outstanding.

The University opened a \$25,000,000 50% Secured Revolving Line of Credit in November 2020 to provide working capital. The line of credit matures in one year and can be renewed. Interest accrues based upon LIBOR plus 2 percent. At June 30, 2021 there were no amounts outstanding.

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13. Net Assets

Net assets included the following:

<i>(in thousands)</i>	2021	2020
Without donor restrictions:		
Operating	\$ (442,668)	\$ (425,000)
Physical plant	732,456	712,968
Quasi-endowment funds	313,699	270,457
Total net assets without donor restrictions	603,487	558,426
With donor restrictions:		
<i>Temporarily Restricted</i>		
Funds for programs and capital expenditures	125,871	124,187
Funds for endowments	248,197	155,980
Life income annuities	1,985	1,211
Beneficial interests in trusts	5,040	4,873
<i>Permanently Restricted</i>		
Funds for endowments	402,540	375,217
Life income annuities	3,028	1,442
Beneficial interests in trusts	42,254	34,189
Student loans and others	8,091	7,850
Total net assets with donor restrictions	837,006	704,950
Total net assets	\$ 1,440,493	\$ 1,263,375

14. Revenue Recognition

The University adopted *Revenue from Contracts with Customers (Topic 606)* effective July 1, 2018 using the retrospective transition method. The University assessed the various contractual arrangements for material revenue streams, the impact to internal processes, the control environment, and disclosures, and determined that the adoption would not result in a material change to the timing of revenue recognition. For all revenue streams, the impact of the adoption was immaterial and the impact of applying the standard retrospectively had no impact on total revenues or total changes in net assets.

In assessing collectability, the University elects the portfolio approach as a practical expedient to combine customers with similar characteristics. The University determines that the effect of applying a portfolio approach to a group of contracts will not differ materially from considering each contract separately.

For the University's revenue streams, the performance obligations are within contracts with durations of one year or less. Therefore, the optional exemption to not disclose remaining performance obligations was applied.

Tuition and fees, room and board

Tuition and related fees are recognized as revenue over time during the academic period in which the related academic services are rendered. The University records tuition revenue at the standalone selling price, which most often reflects the published rates, less price concessions related to institutional financial discounts provided by the University. Payment is due in full by the student before the commencement of the semester or term.

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As the performance obligations are met (i.e. classes are instructed), revenue is recognized ratably based upon the allocated transaction price. Ratable recognition depicts the transfer of services as the student obtains the benefit of services throughout the semester or term.

The following table disaggregates tuition and fees, room and board revenue by major portfolios for the years ended June 30, 2021, and 2020:

(in thousands)

2021

	Tuition and Fees	Room and Board	Institutional Financial Aid	Total
Undergraduate	\$ 668,674	\$ 11,542	\$ (307,015)	\$ 373,201
Graduate	285,444	292	(44,614)	241,122
Tuition and fees, room and board	\$ 954,118	\$ 11,834	\$ (351,629)	\$ 614,323

(in thousands)

2020

	Tuition and Fees	Room and Board	Institutional Financial Aid	Total
Undergraduate	\$ 688,197	\$ 41,601	\$ (316,505)	\$ 413,293
Graduate	270,168	2,045	(39,043)	233,170
Tuition and fees, room and board	\$ 958,365	\$ 43,646	\$ (355,548)	\$ 646,463

Physician Services

Net patient care activity revenue is reported at the estimated net realizable amounts from patients, third-party payors, and others for services rendered, including retroactive adjustments under reimbursement agreements with third-party payors. Performance obligations are met as Physician Services are administered to patients. The transaction price is allocated to separate performance obligations based upon the relative standalone selling price.

In assessing collectability, the University elected the portfolio approach and grouped into portfolios based on services provided (practice plans). The portfolios elected consist of patients with similar characteristics in payment behavior. The following table disaggregates the Physician Services' revenue by major portfolios with similar characteristics for the years ended June 30, 2021 and 2020 respectively:

<i>(in thousands)</i>	2021	2020
Medicine	\$ (131)	\$ 194
Nursing and Other	3,875	3,477
Psychiatry	250	266
Total physician services	\$ 3,994	\$ 3,937

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Grants and Contracts

The University receives grant and contract revenue from governmental and private sources, which are considered non-exchange revenue transactions. The University generally recognizes revenue associated with the direct and the applicable indirect costs of sponsored programs as the related costs are incurred in accordance with the related cost principles outlines in the grant agreement. The University negotiates its federal indirect rate with its cognizant federal agency.

The following table disaggregates grants and contracts revenue for the years ended June 30, 2021, and 2020:

(in thousands)

	2021		
	Without donor restrictions	With donor restrictions	Total
Government grants and contracts:			
Federal	147,373	871	148,244
State	2,831	6,264	9,095
Local	1,380	174	1,554
Private grants and contracts	8,304	13,522	21,826
Total grants and contracts	159,888	20,831	180,719

(in thousands)

	2020		
	Without donor restrictions	With donor restrictions	Total
Government grants and contracts:			
Federal	\$ 94,989	\$ 429	\$ 95,418
State	5,464	1,302	6,766
Local	567	132	699
Private grants and contracts	8,879	26,167	35,046
Total grants and contracts	\$ 109,899	\$ 28,030	\$ 137,929

As of June 30, 2021, and 2020, the University has outstanding unrecorded conditional grants receivable of \$170,194,000 and \$116,484,000. Revenue for these conditional grants will be recognized in future periods when the related barriers are overcome when the conditions have been substantially met.

15. Functional and Natural Classification of Expenses

Expenses are presented by functional classification in accordance with the overall service mission of the University. Each functional classification displays all expenses related to the underlying operations by natural classification. Depreciation and interest expenses are allocated based on the square footage occupancy. Plant operations and maintenance represent space related costs which are allocated to the functional categories directly and/or based on the square footage occupancy. Expenses reported as auxiliary enterprises, library, and student services are incurred in support of program services.

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Expenses by functional classification for the year ended June 30, 2021 consist of the following:

(in thousands)

	2021			
	Program Services	Management and General	Fundraising	Total
Salaries and wages	\$ 358,756	\$ 52,391	\$ 10,157	\$ 421,304
Employee benefits	70,853	10,371	1,990	83,214
Depreciation and amortization	49,799	4,251	15	54,065
Interest	16,079	2,253	-	18,332
Other operating expenses	194,274	109,959	2,606	306,839
Total expenses	\$ 689,761	\$ 179,225	\$ 14,768	\$ 883,754

Expenses by functional classification for the year ended June 30, 2020 consist of the following:

(in thousands)

	2020			
	Program Services	Management and General	Fundraising	Total
Salaries and wages	\$ 396,191	\$ 57,981	\$ 9,845	\$ 464,017
Employee benefits	102,995	15,217	2,611	120,823
Depreciation and amortization	53,703	5,996	14	59,713
Interest	12,250	1,316	-	13,566
Other operating expenses	224,789	62,543	3,761	291,093
Total expenses	\$ 789,928	\$ 143,053	\$ 16,231	\$ 949,212

16. Professional Liability Insurance

Starting July 1, 2014, Drexel established a Self-Insurance Trust (“SIT”) to provide primary coverage for known claims medical professional liability coverage. The SIT provides primary coverage of \$500,000 for physicians and midwives and up to \$1,000,000 for other health professions and entity coverage. Physicians and midwives also participate in the Pennsylvania Medical Care Availability and Reduction of Error Fund (“Mcare”) that covers from \$500,000 to \$1,000,000. In addition, Drexel self-insures a layer of excess of up to \$2,000,000 above the Mcare Fund.

The Dragon Risk Limited, Co. provides excess coverage above the self-insured layer of an additional \$17,000,000.

For self-insured retention amounts for both reported claims and claims incurred but not reported at June 30, 2021 and 2020, the University and its subsidiaries recorded gross combined reserves of \$35,648,000 and \$35,306,000, respectively and related recoveries from third party insurers of \$9,721,000 and \$10,560,000 at June 30, 2021 and 2020, respectively. For fiscal years 2021 and 2020, the reserves were discounted at 2% for the layers retained by the University and excess carriers. Such reserves and reinsurance recoveries are included in accrued expenses and grants, contracts and other receivables, respectively, in the accompanying 2021 and 2020 Consolidated Statements of Financial Position. Under the self-insurance program, the University is required by the

Drexel University and Subsidiaries

Notes to Consolidated Financial Statements

June 30, 2021 and 2020

Commonwealth of Pennsylvania to maintain a malpractice trust fund. At June 30, 2021 and 2020, self-insurance escrow funds and malpractice insurance trust consisting of mutual funds and fixed income securities amounted to \$54,164,000 and \$42,063,000, respectively, were available to fund incurred but not reported liabilities.

17. Commitments and Contingencies

Healthcare Legislation and Regulation

The healthcare industry is subject to numerous laws and regulations of federal, state and local governments. These laws and regulations include, but are not necessarily limited to, matters such as licensure, accreditation, government healthcare program participation requirements and reimbursement for patient services. Federal government activity has continued with respect to investigations and allegations concerning possible violation of billing regulations by healthcare providers. Violations of these regulations could result in the imposition of significant fines and penalties and have a significant effect on reported activities or cash flow.

The University believes it is in compliance with applicable government laws and regulations. While no regulatory inquiries have been made, compliance with such laws and regulations can be subject to future government review and interpretation as well as regulatory actions unknown or unasserted at this time.

Litigation

There is a pending litigation between SodexoMAGIC and the University in relation to the former food services agreement. There is also pending litigation between United Educators' Insurance and the University for breach of contract in relation to the general liability coverage for medical professionals.

The nature of the educational and healthcare industries is such that, from time to time, claims will be presented on account of alleged negligence, acts of discrimination, medical malpractice, breach of contract or disagreements arising from the interpretation of laws or regulations. While some of these claims may be for substantial amounts, they are not unusual in the ordinary course of providing educational and healthcare services at a large institution. In the opinion of the University, after consultation with legal counsel, the ultimate disposition of these matters will not have a materially adverse effect on the financial condition or results of operations.

Other Commitments and Contingencies

The University maintains a letter of credit in the amount of \$225,000, as required by the Department of Environmental Protection, in connection with the disposal of nuclear medical waste and is renewed annually. There were no amounts outstanding as of June 30, 2021 and 2020.

The University maintains three letters of credit totaling \$3,347,000 associated with workers' compensation insurance. The agreements are renewable annually. There were no amounts outstanding as of June 30, 2021 and 2020.

Drexel University and Subsidiaries

Notes to Consolidated Financial Statements

June 30, 2021 and 2020

The University also maintains a letter of credit in an amount not to exceed \$287,253 as required by the U.S. Department of Education in connection with Federal student loans. It will expire on May 1, 2022 and is automatically renewed annually unless notified by the University of an election not to renew. There was no amount outstanding as of June 30, 2021.

At June 30, 2020 the University had the following letters of credit for bonds having remarketing terms. The letters of credit terminated on August 3, 2020 with the refinancing of the variable rate debt:

- The Second Series of 2000 bond had a letter of credit in an amount not to exceed \$22,500,000, plus required interest coverage, which would expire June 1, 2021.
- The Series B of 2002 bond had a letter of credit in an amount not to exceed \$42,140,000, plus required interest coverage, which would expire June 1, 2021.
- The Series B of 2005 bond had a letter of credit in an amount not to exceed \$30,047,055 which would expire September 30, 2024.
- The Series B of 2007 bond had a letter of credit in an amount not to exceed \$29,879,704, plus required accrued interest, which would expire October 1, 2020.

There were no amounts outstanding on these bond-related letters of credit as of June 30, 2020.

Business Income Taxes

As referenced in Note 1 - Income Taxes, the University is a tax-exempt organization under Section 501 (c)(3) of the Internal Revenue Code. The University and its non-profit affiliates are not subject to taxation for activities and income related to its exempt purpose. Unrelated business income (UBI) is defined by the Internal Revenue Service (IRS) as income generated in a trade or business that is regularly carried on and is not substantially related to further the exempt purpose of the organization. The University is subject to federal UBI tax related to the net income generated from consulting, conference services and investment income held in the endowment fund for which the investment manager has reported unrelated business income on an IRS Schedule K-1 for which it files an IRS Form 990-T, *Exempt Organization Business Tax Return*, annually. The University makes quarterly estimated tax payments to the IRS and submits any additional tax payment with the final submission of its return in the subsequent fiscal year.

Drexel University and Subsidiaries

Notes to Consolidated Financial Statements

June 30, 2021 and 2020

The University is also subject to the City of Philadelphia Business Income and Receipts Tax. The University files an annual Business Income and Receipts Tax return and submits estimated tax payments for the subsequent fiscal year at the time of filing its return to the City of Philadelphia.

The Tax Cuts and Jobs Act (the “Act”) enacted on December 22, 2017, impacted the University in several ways, including new excise taxes on executive compensation and net investment income, increases to unrelated business taxable income (UBTI) by the amount of certain fringe benefits for which a deduction is not allowed, changes to the net operating loss rules, repeal of the alternative minimum tax (AMT), and the computation of UBTI separately for each unrelated trade or business. Further, the Act reduced the US federal corporate tax rate and federal corporate unrelated business income tax rate from 35% to 21%.

For the fiscal years ended June 30, 2021 and 2020, the University recorded (\$125,000) and (\$405,000) as income tax expenses and assigned a functional expense category of institutional support for these expenditures. The University recorded a refund of \$678,000 and \$201,000 against fiscal year 2020 income tax expenses due to repeal of IRC section 512(a)(7) called “parking tax” or QTF related to fiscal years ended June 30, 2018 and 2017.

18. Related Party Transactions

Tower Health

On December 31, 2018, Tower Health (“Tower”) and Drexel University signed a 20-year academic affiliation agreement that allows the University to use Tower Health’s Reading Hospital campus in Berks County, Pennsylvania as another location for the College of Medicine’s four-year undergraduate medical education program. On July 27, 2021, Tower and Drexel University celebrated the grand opening of a state-of-the-art branch campus facility in West Reading PA that will train at least 40 additional Drexel University medical students per year starting in August 2021. The branch campus allows the Drexel University’s College of Medicine to provide high quality medical education and academic programs and serve the community through the delivery of high quality and cost-effective health care services at Tower Health facilities.

St. Christopher’s Hospital for Children Acquisition

On December 15, 2019, the University acquired an undivided 50% interest in St. Christopher’s Hospital for Children and certain pediatric medicine physician practices (“St. Christopher’s”) from the bankruptcy estate of the American Academic Health System (“AAHS”) in a joint venture with Tower Health. As of June 30, 2021 and 2020, the University has recorded the value of its interest in a partnership for St. Christopher’s Hospital of (\$23.9 million) and \$33.4 million, respectively, within investments (Note 5). Drexel’s share of the operating losses/gains of (\$57 million) and \$3 million have been reflected within realized and unrealized gains/(losses) on investments as of June 30, 2021 and 2020, respectively.

Drexel University and Subsidiaries

Notes to Consolidated Financial Statements

June 30, 2021 and 2020

In addition to the purchase, Drexel University and Tower Health each provided a \$85 million working capital line of credit to support the joint venture. Tower Health oversees the operations of the hospital with Drexel overseeing medical education and research at St. Christopher's. The acquisition of St. Christopher's ensured the continued operation of the hospital and an essential academic medical education training site for Drexel's College of Medicine and Drexel's health science professions.

As of June 30, 2021 and 2020, the University recorded a receivable for the outstanding line of credit balance of \$70.5 million and \$30 million from St. Christopher's Hospital within prepaid and other assets. While St. Christopher's Hospital has plans to return to profitability, due primarily to the current operating losses and uncertainty resulting from COVID-19, the University has established a \$35.25 million reserve against the \$70.5 million outstanding balance on the line of credit supporting the St. Christopher's Children Hospital's operations.

As part of the acquisition of St. Christopher's and the subsequent lease by the joint venture of the real estate from ISSTC PROPCO, LLC, Drexel University and Tower Health guaranteed the lease for the joint venture. In addition to the lease guarantee, Drexel and Tower also provided three joint and several guarantees that were each required to provide to induce (i) Tenet Business Services Corporation ("TBS"), (ii) Conifer Revenue Cycle Management Solutions, LLC ("Conifer"), and (iii) Tenet Health System St. Christopher's Hospital for Children LLC ("THSC"), each an affiliate of Tenet, to enter into new agreements with the joint venture deemed to be critical for the operation of the St. Christopher's. By providing the joint and several guarantees of Drexel and Tower, the joint venture was able to reject the existing agreements that the Debtor had with TBS, Conifer and THSC in the bankruptcy sale order, thereby avoiding the obligation to pay cure payments due and owing by Debtor to those companies if the joint venture had assumed the Debtor's agreements, and instead enter into new agreements with significantly better terms and conditions.

In June of 2021, Drexel University provided St. Christopher's with a \$150,000 mission support grant. The grant will be distributed in three equal installments on June 30, 2021, June 30, 2022, and June 30, 2023. The purpose of the grant is to support St. Christopher's leadership retention program.

Powel Elementary and Science Leadership Academy Middle School Project

On May 8, 2019, the Board of Trustees approved a Resolution authorizing the University to undertake the design and construction of a combined K-8 Powel Elementary School and Science Leadership Academy Middle School ("Powel/SLA-MS") on the northern portion of 60 N. 36th Street in Philadelphia, Pennsylvania, which is a portion of the tract of land that formerly housed University City High School. To fund a portion of the Project costs, the University utilized the New Market Tax Credits ("NMTCs"). The Project qualified for the NMTC program because the Property is in a "highly distressed" low income community. The University was allocated \$29,000,000 of NMTCs from four separate Community Development Entities. Upon completion, the University will lease the building to the School District of Philadelphia ("SDP") for nominal annual rent. SDP will be responsible for all operating and maintenance costs. The University special purpose entity Drexel University City, Inc. ("DUC"), serves as the leveraged loan lender for the NMTC transaction.

Drexel University and Subsidiaries

Notes to Consolidated Financial Statements

June 30, 2021 and 2020

Wexford Science and Technology, LLC was engaged to serve as the fee developer for the construction of Powel/SLA-MS. Wexford Science and Technology, LLC initially contributed \$4,850,000 toward the project and subsequently agreed to provide an additional \$4,000,000 to further support the project.

Substantial Completion occurred on December 18, 2020. The School District of Philadelphia's lease commenced on January 4, 2021.

Health Sciences Building (formerly known as the Drexel Academic Tower)

On May 8, 2019, the Board of Trustees approved a resolution authorizing the University to develop a new Academic Tower to house the College of Nursing and Health Professions, relocating the college from Center City to University City. Subsequently, the University executed an option to expand the Academic Tower to also include the Drexel College of Medicine. The Academic Tower will be developed by Wexford Development, LLC on the southern portion of 60 N. 36th Street, Philadelphia, Pennsylvania which is a portion of the tract of land that formerly housed University City High School. The building size is expected to be approximately 459,000 square feet. The building development will be aided by a number of financial mechanisms that include a prepaid ground lease between the University and uCity Academic Owner, LLC, and a sale by the University to Wexford Science and Technology, LLC of 142,857 square feet of air rights above the premises of Lot 6 (the PSLAMS premises). The University entered into a 29 year and 11-month lease with uCity Academic Owner, LLC and sold the air rights on September 26, 2019. Substantial Completion is expected on June 30, 2022.

3675 Market Sublease - DXC Technologies

In October 2018, Drexel University entered into a 20-year lease with Wexford-SCEC 3675 Market Street, LLC for space on the 9th, 10th, and 11th floors of 3675 Market Street, Philadelphia, PA for the College of Computing and Informatics ("CCI"). The 14-story building, opened in November, is located to the west of University City Campus. The Building offers offices, classrooms, laboratories, co-working and convening spaces. On August 29, 2019, Drexel University entered into a sublease with a strategic partner, DXC Technology Services LLC (DXC), to utilize a portion of the 9th floor space to create a "DXC Digital Transformation Center" and to help offset early term lease expenses as CCI continues to grow. The sublease with DXC was not renewed and terminated on August 30, 2020.

19. Discontinued Operations

On June 30 of 2019, the owners of Hahnemann University Hospital ("HUH") and St. Christopher's Hospital for Children ("St. Christopher's"), Philadelphia Academic Health System ("PAHS"), a subsidiary of the California based American Academic Health System ("AAHS"), filed for chapter 11 bankruptcy. HUH was experiencing unsustainable financial losses and could not continue to operate under these financial conditions. As a result of the announcement, HUH's facilities and departments released a timeline of planned closure dates with an estimated final shut down date of September 6, 2019. St. Christopher remained open and operated by a joint venture between the University and Tower Health ("Tower"), which acquired certain assets and liabilities of the hospital in a bankruptcy sale.

Drexel University and Subsidiaries

Notes to Consolidated Financial Statements

June 30, 2021 and 2020

Drexel's main business relationship with the HUH was an academic affiliation agreement that designated HUH as the medical school's primary academic partner for its medical student training and provided for Drexel's faculty to manage the hospital's residency program through 2022.

University leadership in anticipation of the 2022 conclusion of the Drexel Academic affiliation agreement with HUH had previously begun evaluating potential successor hospitals to replace HUH. As a result, on December 31, 2018, the University announced a 20-year academic affiliation with Tower, a six-hospital system with locations in the Philadelphia area, to open a new branch campus for Drexel medical students at Tower's flagship hospital, Reading Memorial Health in Reading Pennsylvania. The University and Tower signed a Letter of Intent on May 10, 2019, to transfer substantially all of the assets of the Drexel University Practice Plan to the Tower Health Medical Group on or before January 1, 2020. Tower, worked with the University's management, to structure agreements to finalize the transfer, defined research management services, and academic affiliation services.

The University took further steps to minimize potential disruptions within the College of Medicine and the University's financial operations as a result of the HUH bankruptcy and closure. In late June 2019, when PAHS notified the University of its intent to file for bankruptcy, the management team developed a timeline in which various departments would close and which ones would be transitioned to Tower. On July 19, 2019, Drexel announced its plan to eliminate certain healthcare service lines and discontinue positions of affected physicians and clinical staff employed by the practice plan. Tower Health worked with Drexel to transition some of the affected physicians and clinical staff to the Tower Health Medical Group on an accelerated basis. The initial closures began on August 23, 2019 and ended December 31, 2019. The transition departments were transferred on January 1, 2020 and at which time the University ceased operations of its practice plan.

The University, in the period ending June 30, 2019, accrued faculty severance of \$5,891,000 and staff severance of \$3,492,000, in addition to the total loss of \$32,268,000 related to the closure of physician practice plan. For faculty, the University was contractually required to provide 6-months' notice of termination and this notice was provided on July 15, 2019. Professional staff severance was determined by length of service and ranges from 2 weeks salary for less than 1 year of service to 5 month's salary for 5 or more years of service. All benefits were discontinued at the end of the month of the effective date of the position elimination. Accrued vacation and sick time, as applicable, were paid out in accordance with the University's policies. As part of the practice plan closure, the University assessed its equipment, furnishings, and software related to the physician practices. Most of these assets were sold or transitioned to Tower.

Drexel University and Subsidiaries
Notes to Consolidated Financial Statements
June 30, 2021 and 2020

The key components of loss from discontinued operations for the years ended June 30 were as follows (in thousands):

Statement of Financial Position:

	2021	2020
Assets:		
Cash, cash equivalents, and restricted cash		
Operating	\$ (3)	\$ (3)
Accounts receivable	(6)	1,339
Prepaid expenses and other assets	-	(18)
Assets held for sale	-	-
Liabilities:		
Accounts payable	\$ (126)	\$ (1,244)
Accrued liabilities	(1,328)	(6,099)
Deposits and deferred revenue	2	2
Liabilities held for sale	1,443	8,659
Change in net assets	-	-

Statement of Activities:

	2021	2020
Revenues:		
Physician services	-	(16,358)
Expenses:		
Salaries and wages	-	(28,482)
Employee benefits	-	(6,641)
Other operating expenses	-	(23,778)
Loss from discontinued operations:		
Closure of physician's practice plan	-	(42,543)
Change in net assets	-	-

Statement of Cash Flows:

	2021	2020
Operating activities:		
Changes in assets and liabilities that provide / (use) cash:		
Accounts receivable	1,345	(1,339)
Other assets	(18)	18
Accounts payable and accrued liabilities	5,889	(7,343)
Deposits and deferred revenue	-	2
Other, net	(7,216)	8,659
Net cash (used in) by operating activities	-	(3)
Net change in cash and cash equivalents, and restricted cash	(3)	(3)

Drexel University and Subsidiaries

Notes to Consolidated Financial Statements

June 30, 2021 and 2020

20. COVID-19

The outbreak of the COVID-19 pandemic has caused domestic and global disruptions in operations for institutions of higher education. In March 2020, the University closed its campus in accordance with applicable governmental mandates and converted all instruction to online, and all employees who were able to do so began working remotely. The long-term effect to the University of the COVID-19 pandemic depends on various factors, including, but not limited to, the effect on student enrollment, the effect on demand for the University programs that involve travel or that have international connections, and the long-term effect on financial markets and consequently the returns on and value of the University's investments, which cannot be fully quantified at this time. As of June 30, 2021 and 2020, and through the date of these financial statements, the University evaluated its accounting estimates for any potential future impacts of the pandemic. While this evaluation did not result in a material effect to the University's financial statements as of June 30, 2021 and 2020, future evaluations could result in a material effect depending on the eventual impact and duration of the pandemic.

21. Paycheck Protection Program

In 2021, the Academy received loan proceeds in the amount of \$1,610,000 under the Paycheck Protection Program (PPP). The PPP, established as part of the Coronavirus Aid, Relief and Economic Security Act (CARES Act), provides for loans to qualifying businesses for amounts up to 2.5 times of the average monthly payroll expenses of a qualifying business. The loans and accrued interest are forgivable after either eight weeks or twenty-four weeks as long as the borrower uses the loan proceeds for eligible purposes including payroll, benefits, rent and utilities, and maintains its payroll levels. The forgiveness amount will be reduced if the borrower terminates employees or reduces salaries during the covered period.

At June 30, 2021, the Academy recorded the loan proceeds in the deferred revenue line item of the Statement of Financial Position. This loan is expected to be forgiven by the Small Business Administration.

22. Subsequent Events

The University evaluated events subsequent from June 30, 2021 through October 28, 2021, the date at which financial statements were issued.

Effective September 1, 2021 the Academic Properties, Inc. Tax Deferred Annuity Plan was merged into the Drexel University Defined Contribution Retirement Plan.

Effective December 1, 2021, the Drexel University Defined Contribution Retirement Plan will be administered by TIAA-CREF as the single record keeper, trustee and custodian. Participants' account balances at Vanguard and Fidelity will be transferred to TIAA on or around December 1, 2021. The University contribution rates, eligibility and vesting requirements remain the same.

Management has determined that no other subsequent events occurred which require recognition or disclosure in the financial statements.

Schedule of Expenditures of Federal Awards

Drexel University and Subsidiaries

Schedule of Expenditures of Federal Awards

For the Year Ended June 30, 2021

Federal Grantor / Program or Cluster Title	Assistance Listing #	Direct	Pass-Through	Pass-Through Entity	Pass-Through Entity Sponsor Number	Total Expenditures	Passed to Sub-Recipients		
RESEARCH AND DEVELOPMENT CLUSTER									
DEPARTMENT OF AGRICULTURE									
NATIONAL INSTITUTE OF FOOD AND AGRICULTURE									
Agriculture and Food Research Initiative (AFRI)	10.310	\$ 148,076	\$ -	The Regents of the University of California Rutgers University	201403031-01; A15-0053-S0003 PO# 848794;SUB # 0451 ;MOD 2	\$ 148,076	\$ 28,006		
Agriculture and Food Research Initiative (AFRI)	10.310	\$ -	\$ 46,875			\$ 46,875	\$ -		
Agriculture and Food Research Initiative (AFRI)	10.310	\$ -	\$ 37,516			\$ 37,516	\$ -		
Total Assistance Listing # 10.310		\$ 148,076	\$ 84,391			\$ 232,467	\$ 28,006		
Total Department of Agriculture		\$ 148,076	\$ 84,391			\$ 232,467	\$ 28,006		
DEPARTMENT OF COMMERCE									
NATIONAL OCEANIC AND ATMOSPHERIC ADMINISTRATION									
NOAA Small Business Innovation Research (SBIR) Program	11.021	\$ -	\$ 49,419	AA Plasma LLC	NA20OAR0210317-01	\$ 49,419	\$ -		
Total Assistance Listing # 11.419		\$ -	\$ 49,419			\$ 49,419	\$ -		
Climate and Atmospheric Research	11.431	\$ -	\$ 42,639	Columbia University	3(GG012355)/ PO GG10011; MOD6	\$ 42,639	\$ -		
Climate and Atmospheric Research	11.431	\$ -	\$ 38,990	Stevens Institute of Technology	2103008-01; MOD 2	\$ 38,990	\$ -		
Climate and Atmospheric Research	11.431	\$ -	\$ 62,061	Columbia University	1(GG015537);NA20OAR4310147A	\$ 62,061	\$ -		
Total Assistance Listing # 11.431		\$ -	\$ 143,690			\$ 143,690	\$ -		
Total Department of Commerce		\$ -	\$ 193,109			\$ 193,109	\$ -		
DEPARTMENT OF DEFENSE									
DEPT OF THE NAVY									
Basic and Applied Scientific Research	12.300	\$ 732,090	\$ -	George Washington University George Washington University	17-21 ; 17-S21; MOD 3 21-S08	\$ 732,090	\$ 326,520		
Basic and Applied Scientific Research	12.300	\$ -	\$ 189,454			\$ 189,454	\$ -		
Basic and Applied Scientific Research	12.300	\$ -	\$ 42,371			\$ 42,371	\$ -		
Total Assistance Listing # 12.300		\$ 732,090	\$ 231,825			\$ 963,915	\$ 326,520		
DEPT OF DEFENSE									
COVID-19 Military Medical Research and Development	12.420	\$ 2,000,882	\$ -	Trustees of Boston University	4500002892	\$ 2,000,882	\$ 536,455		
COVID-19 Military Medical Research and Development	12.420	\$ -	\$ 19,612			\$ 19,612	\$ -		
Total Assistance Listing # 12.420		\$ 2,000,882	\$ 19,612					\$ 2,020,494	\$ 536,455
DEPT OF THE ARMY									
Basic Scientific Research	12.431	\$ 709,700	\$ -	Rowan University EOIR Technologies, Inc. PPG Industries, Inc	51291-1 ; MOD 2 FFP CONTRACT S17-10029; MOD 5 W911NF-17-2-0227	\$ 709,700	\$ 283,573		
Basic Scientific Research	12.431	\$ -	\$ 263,934			\$ 263,934	\$ -		
Basic Scientific Research	12.431	\$ -	\$ 353			\$ 353	\$ -		
Basic Scientific Research	12.431	\$ -	\$ 2,182,013			\$ 2,182,013	\$ 169,059		
Total Assistance Listing # 12.431		\$ 709,700	\$ 2,446,300			\$ 3,156,000	\$ 452,629		
Office of the Secretary of Defense									
Basic, Applied, and Advanced Research in Science and Engineering	12.630	\$ 8,053	\$ -	Advanced Functional Fabrics of America, Inc. Advanced Functional Fabrics of America, Inc. University of Delaware University of Delaware University of Delaware DexMat	EXHIBIT 1-I; PO 774; MOD 1 Exhibit 1-K; PO 782 54496; MOD 3 56874; MOD 1 54496; MOD 3 Award Dated 9/11/2020	\$ 8,053	\$ -		
Basic, Applied, and Advanced Research in Science and Engineering	12.630	\$ -	\$ 589,683			\$ 589,683	\$ 111,038		
Basic, Applied, and Advanced Research in Science and Engineering	12.630	\$ -	\$ 59,045			\$ 59,045	\$ -		
Basic, Applied, and Advanced Research in Science and Engineering	12.630	\$ -	\$ 1,054			\$ 1,054	\$ -		
Basic, Applied, and Advanced Research in Science and Engineering	12.630	\$ -	\$ 150,248			\$ 150,248	\$ -		
Basic, Applied, and Advanced Research in Science and Engineering	12.630	\$ -	\$ 25,000			\$ 25,000	\$ -		
Basic, Applied, and Advanced Research in Science and Engineering	12.630	\$ -	\$ 10,241			\$ 10,241	\$ -		
Total Assistance Listing # 12.630		\$ 8,053	\$ 826,221					\$ 834,274	\$ 111,038
DEPT OF THE AIR FORCE									
COVID-19 Air Force Defense Research Sciences Program	12.800	\$ 142,730	\$ -	George Mason University	E2046603; MOD 03	\$ 142,730	\$ -		
COVID-19 Air Force Defense Research Sciences Program	12.800	\$ -	\$ 83,489			\$ 83,489	\$ -		
Total Assistance Listing # 12.800		\$ 142,730	\$ 83,489					\$ 226,219	\$ -
Advanced Research Projects Agency									
COVID-19 Research and Technology Development	12.910	\$ -	\$ -	University of Delaware	42527; MOD 7	\$ -	\$ -		
COVID-19 Research and Technology Development	12.910	\$ -	\$ (3,289)			\$ (3,289)	\$ -		
Total Assistance Listing # 12.910		\$ -	\$ (3,289)					\$ (3,289)	\$ -
Senior Design Project	12.RD	\$ 12,602	\$ -	KBRwyle Smart Information Flow Technologies LLC PAR Government Systems Corporation Massachusetts Institute of Technology Simmetrix Inc SOAR Technologies, Inc. epoXtal LLC Telebyne FLIR, LLC AA Plasma LLC	LXS016218 ;FA8075-14-D-0025 ASIST-DREXEL-01; MOD 2 FFP PGSC-SC-113233-01; P0001 PO # 7000401304 N68935-21-C-0052; PHASE 2 SC-20-015 ; 10417; 10384.03;M2 A-W911-NF-17-P-0070 AWARD DATED 5/26/2021; T7929 SP47019C0039-01	\$ 12,602	\$ -		
Application of Non Thermal Plasma Technology	12.RD	\$ 2,124	\$ -			\$ 2,124	\$ -		
Non Thermalized Carrier Photo Galvanic Device Science	12.RD	\$ (1,764)	\$ -			\$ (1,764)	\$ -		
Electron Microscopy Engineering Services	12.RD	\$ 4,160	\$ -			\$ 4,160	\$ -		
Uptake and Bioaccumulation of Surface Derived PFAS	12.RD	\$ 233,880	\$ -			\$ 233,880	\$ 162,041		
Uptake and Bioaccumulation of Surface Derived PFAS	12.RD	\$ -	\$ 70,490			\$ 70,490	\$ -		
Vertical Field Domain Wall Enabled Agile Microwave Material	12.RD	\$ 136,205	\$ -			\$ 136,205	\$ 33,333		
SPARTACUS X Sparse Coding	12.RD	\$ 25,372	\$ -			\$ 25,372	\$ -		
Temporal Circuit Obfuscation and Learning Based Design Automation	12.RD	\$ -	\$ 46,353			\$ 46,353	\$ -		
Artificial Social Intelligence for Successful Teams (ASIST)	12.RD	\$ 53,254	\$ -			\$ 53,254	\$ -		
Media Tampering Detection and Countermeasures Prototype	12.RD	\$ 95,153	\$ -			\$ 95,153	\$ -		
CT Based Mesh Generation of Laminated Composite Structural Components	12.RD	\$ -	\$ (684)			\$ (684)	\$ -		
ATTUNE: Predicting Effects of HPO Interventions	12.RD	\$ 45,306	\$ -			\$ 45,306	\$ -		
Ferroelectric Domain Wall Enabled Microwave Phase Shifter Technology	12.RD	\$ 42,000	\$ -			\$ 42,000	\$ -		
Personalized Protective Biosystem	12.RD	\$ 34,325	\$ -			\$ 34,325	\$ -		
Extending Shelf Life of Strawberries	12.RD	\$ 10,676	\$ -			\$ 10,676	\$ -		
Total Assistance Listing # 12.RD		\$ 483,069	\$ 466,774					\$ 949,843	\$ 195,374
Total Department of Defense		\$ 4,076,524	\$ 4,070,932					\$ 8,147,456	\$ 1,622,016

Drexel University and Subsidiaries

Schedule of Expenditures of Federal Awards

For the Year Ended June 30, 2021

Federal Grantor / Program or Cluster Title	Assistance Listing #	Direct	Pass-Through	Pass-Through Entity	Pass-Through Entity Sponsor Number	Total Expenditures	Passed to Sub-Recipients
DEPARTMENT OF THE INTERIOR							
US GEOLOGICAL SURVEY							
U.S. Geological Survey Research and Data Collection	15,808	\$ (3,074)	\$ -			\$ (3,074)	\$ -
Total Assistance Listing # 15,608		\$ (3,074)	\$ -			\$ (3,074)	\$ -
Great Apes Conservation Fund	15,629	\$ 21,853	\$ -			\$ 21,853	\$ -
Total Assistance Listing # 15,629		\$ 21,853	\$ -			\$ 21,853	\$ -
Wildlife Without Borders-Africa	15,651	\$ 278,013	\$ -			\$ 278,013	\$ -
Total Assistance Listing # 15,651		\$ 278,013	\$ -			\$ 278,013	\$ -
U.S. FISH AND WILDLIFE SERVICE							
NFWF-USFWS Conservation Partnership	15,663	\$ -	\$ 20,803	The Nature Conservancy	SA040120_A105719; P103678	\$ 20,803	\$ -
Total Assistance Listing # 15,663		\$ -	\$ 20,803			\$ 20,803	\$ -
NATIONAL PARK SERVICE							
Cooperative Research and Training Programs – Resources of the National Park System	15,945	\$ 32,730	\$ -			\$ 32,730	\$ -
Total Assistance Listing # 15,945		\$ 32,730	\$ -			\$ 32,730	\$ -
Total Department of the Interior		\$ 329,522	\$ 20,803			\$ 350,325	\$ -
DEPARTMENT OF JUSTICE							
OFFICE OF JUSTICE PROGRAMS							
Juvenile Justice and Delinquency Prevention	16,540	\$ 189,360	\$ -			\$ 189,360	\$ -
Total Assistance Listing # 16,540		\$ 189,360	\$ -			\$ 189,360	\$ -
National Institute of Justice Research, Evaluation, and Development Project Grants	16,500	\$ 269,990	\$ -	Trustees of the University of Pennsylvania	SUB AWD# 573344 ; MOD 4	\$ 269,990	\$ 23,650
National Institute of Justice Research, Evaluation, and Development Project Grants	16,500	\$ -	\$ 149,389			\$ 149,389	\$ -
Total Assistance Listing # 16,500		\$ 269,990	\$ 149,389			\$ 419,379	\$ 23,650
COMMUNITY ORIENTED POLICING SERVICE							
Public Safety Partnership and Community Policing Grants	16,710	\$ -	\$ 53,608	Philadelphia School District	2470/P20 ; 956-590368;3HSX-G34	\$ 53,608	\$ -
Total Assistance Listing # 16,710		\$ -	\$ 53,608			\$ 53,608	\$ -
Total Department of Justice		\$ 459,350	\$ 202,997			\$ 662,347	\$ 23,650
DEPARTMENT OF STATE							
BUREAU OF OCEANS & INTL ENVIRONMENTAL & SCIENTIFIC AFFAIRS							
COVID-19 Environmental and Scientific Partnerships and Programs	19,017	\$ 10,000	\$ -			\$ 10,000	\$ -
Total Assistance Listing # 19,029		\$ 10,000	\$ -			\$ 10,000	\$ -
OFFICE OF THE UNDER SECRETARY FOR PUBLIC DIPLOMACY AND PUBLIC AFFAIRS							
Public Diplomacy Programs	19,040	\$ -	\$ 11,062	University of Nebraska	45-2402-1031-308; MOD 1	\$ 11,062	\$ 6,966
Total Assistance Listing # 19,040		\$ -	\$ 11,062			\$ 11,062	\$ 6,966
Total Department of State		\$ 10,000	\$ 11,062			\$ 21,062	\$ 6,966
DEPARTMENT OF TRANSPORTATION							
FEDERAL AVIATION ADMINISTRATION							
Aviation Research Grants	20,108	\$ 207,094	\$ -			\$ 207,094	\$ -
Total Assistance Listing # 20,108		\$ 207,094	\$ -			\$ 207,094	\$ -
Air Transportation Centers of Excellence	20,109	\$ -	\$ 70,089	FAA-ASSURE(Alliance System Safety UAS Research Excellence)	15-C-UAS-DU-06 ; ANG-C21	\$ 70,089	\$ -
Air Transportation Centers of Excellence	20,109	\$ -	\$ 59,680	FAA-ASSURE(Alliance System Safety UAS Research Excellence)	15-C-UAS-DU-07	\$ 59,680	\$ -
Total Assistance Listing # 20,109		\$ -	\$ 129,739			\$ 129,739	\$ -
FEDERAL HIGHWAY ADMINISTRATION							
Highway Research and Development Program	20,200	\$ 51,845	\$ -			\$ 51,845	\$ 26,117
Total Assistance Listing # 20,200		\$ 51,845	\$ -			\$ 51,845	\$ 26,117
Total Department of Transportation		\$ 258,939	\$ 129,739			\$ 388,678	\$ 26,117
DEPARTMENT OF THE TREASURY							
DEPARTMENTAL OFFICES							
COVID-19 Relief Fund	21,019	\$ -	\$ 999,317	PA Dept of Community & Economic Development	C000074810	\$ 999,317	\$ -
Total Assistance Listing # 21,019		\$ -	\$ 999,317			\$ 999,317	\$ -
Total Department of Treasury		\$ -	\$ 999,317			\$ 999,317	\$ -
NATIONAL AERONAUTICS AND SPACE ADMINISTRATION							
NATIONAL AERONAUTICS AND SPACE ADMINISTRATION							
Science	43,001	\$ 367,878	\$ -	Smithsonian Astrophysical Observatory	G07-18110X ; MOD 2	\$ 367,878	\$ 164,635
Science	43,001	\$ -	\$ 974	Trustees of Boston University	4500002264;MOD 2	\$ 974	\$ -
Science	43,001	\$ -	\$ 3,482			\$ 3,482	\$ -
Total Assistance Listing # 43,001		\$ 367,878	\$ 4,456			\$ 372,334	\$ 164,635
Office of Stem Engagement (OSTEM)	43,008	\$ 7,500	\$ -	Penn State University	S000301-NASA; MOD 1	\$ 7,500	\$ -
Office of Stem Engagement (OSTEM)	43,008	\$ -	\$ 1,530	Penn State University	5502-DU-NASA-K06H ; MOD 6	\$ 1,530	\$ -
Office of Stem Engagement (OSTEM)	43,008	\$ -	\$ 7,647			\$ 7,647	\$ -
Total Assistance Listing # 43,008		\$ 7,500	\$ 9,177			\$ 16,677	\$ -
High Energy Density Lithium Sulfur Battery	43.RD	\$ -	\$ 82,994	Giner, Inc	403305	\$ 82,994	\$ -
High Energy Density and High Cycle Life Lithium Sulfur Battery	43.RD	\$ -	\$ 26,407	Giner, Inc	403275; MOD 1	\$ 26,407	\$ -
Application of Independent Component Analysis to Legacy QV Quasar Spectra	43.RD	\$ -	\$ 5,781	Space Telescope Science Institute	HST-AR-15048.001-A ; MOD 4	\$ 5,781	\$ -
Total Assistance Listing # 43.RD		\$ -	\$ 115,182			\$ 115,182	\$ -
Total National Aeronautics and Space Administration		\$ 375,378	\$ 128,815			\$ 504,193	\$ 164,635

Drexel University and Subsidiaries

Schedule of Expenditures of Federal Awards

For the Year Ended June 30, 2021

Federal Grantor / Program or Cluster Title	Assistance Listing #	Direct	Pass-Through	Pass-Through Entity	Pass-Through Entity Sponsor Number	Total Expenditures	Passed to Sub-Recipients
NATIONAL ENDOWMENT FOR THE ARTS							
NATIONAL ENDOWMENT FOR THE ARTS							
COVID-19 Promotion of the Arts Grants to Organizations and Individuals	45.024	\$ 68,204	\$ -			\$ 68,204	\$ -
Total Assistance Listing # 45.024		\$ 68,204	\$ -			\$ 68,204	\$ -
NATIONAL ENDOWMENT FOR THE HUMANITIES							
COVID-19 Promotion of the Humanities Division of Preservation and Access	45.149	\$ 5,749	\$ -			\$ 5,749	\$ -
COVID-19 Promotion of the Humanities Division of Preservation and Access	45.144	\$ -	\$ 527	The Historical Society of Pennsylvania	PW-264121-19	\$ 527	\$ -
Total Assistance Listing # 45.149		\$ 5,749	\$ 527			\$ 6,276	\$ -
THE INSTITUTE OF MUSEUM AND LIBRARY SERVICES							
Museums for America	45.301	\$ 59,739	\$ -			\$ 59,739	\$ -
Total Assistance Listing # 45.301		\$ 59,739	\$ -			\$ 59,739	\$ -
COVID-19 National Leadership Grants	45.312	\$ -	\$ 42,770	University of Wisconsin	787K102; LG-96-17-0220-17; M5	\$ 42,770	\$ -
Total Assistance Listing # 45.312		\$ -	\$ 42,770			\$ 42,770	\$ -
Laura Bush 21st Century Librarian Program	45.313	\$ 257,105	\$ -			\$ 257,105	\$ 3,154
Total Assistance Listing # 45.313		\$ 257,105	\$ -			\$ 257,105	\$ 3,154
Total National Endowment for the Arts		\$ 390,797	\$ 43,297			\$ 434,094	\$ 3,154
NATIONAL SCIENCE FOUNDATION							
NATIONAL SCIENCE FOUNDATION							
Engineering	47.041	\$ 3,219,038	\$ -			\$ 3,219,038	\$ 44,831
Engineering	47.041	\$ -	\$ 32,491	Colorado School of Mines	SUB 401283-5801 ; MOD 3	\$ 32,491	\$ -
Engineering	47.041	\$ -	\$ 1,390	University of Texas at Austin	UTA-19-00190	\$ 1,390	\$ -
Engineering	47.041	\$ -	\$ 31,703	University of Maryland	85694-Z3513201; MOD A	\$ 31,703	\$ -
Engineering	47.041	\$ -	\$ 1,555	Widener University	#1/#3344; MOD 1	\$ 1,555	\$ -
COVID-19 Engineering	47.041	\$ -	\$ 70,000	George Washington University	20-S05; MOD 1	\$ 70,000	\$ -
Engineering	47.041	\$ -	\$ 70,969	Texas A&M University	M2100218	\$ 70,969	\$ -
Engineering	47.041	\$ -	\$ 6,767	NanoGrass Solar LLC	NGS-SBIR080220	\$ 6,767	\$ -
Engineering	47.041	\$ -	\$ 7,216	University of Pennsylvania	572449; MOD 02	\$ 7,216	\$ -
Engineering	47.041	\$ -	\$ (26,430)	University of Alabama	A18-0467-8002-A02; MOD2	\$ (26,430)	\$ -
Total Assistance Listing # 47.041		\$ 3,219,038	\$ 195,661			\$ 3,414,699	\$ 44,831
Mathematical and Physical Sciences	47.049	\$ 1,657,269	\$ -			\$ 1,657,269	\$ 5,614
Total Assistance Listing # 47.049		\$ 1,657,269	\$ -			\$ 1,657,269	\$ 5,614
Geosciences	47.050	\$ 170,632	\$ -			\$ 170,632	\$ -
Total Assistance Listing # 47.050		\$ 170,632	\$ -			\$ 170,632	\$ -
Computer and Information Science and Engineering	47.070	\$ 3,057,229	\$ -			\$ 3,057,229	\$ 157,942
Computer and Information Science and Engineering	47.070	\$ -	\$ 18,819	University of Illinois at Urbana-Champaign	097053-17577; MOD 1	\$ 18,819	\$ -
Computer and Information Science and Engineering	47.070	\$ -	\$ 32,878	Massachusetts Institute of Technology	S4919 PO 396441; 48209; MOD3	\$ 32,878	\$ -
Computer and Information Science and Engineering	47.070	\$ -	\$ 203,099	New York University	F1436-01; TRANSFER AW 1703736	\$ 203,099	\$ -
Total Assistance Listing # 47.070		\$ 3,057,229	\$ 254,796			\$ 3,312,025	\$ 157,942
Biological Sciences	47.074	\$ 1,682,510	\$ -			\$ 1,682,510	\$ 117,021
Biological Sciences	47.074	\$ -	\$ 22,183	Washington University in St. Louis	WU-20-263; PO# 2941189H	\$ 22,183	\$ -
Biological Sciences	47.074	\$ -	\$ 52,942	Bishop Museum	310842-ANSF	\$ 52,942	\$ -
Biological Sciences	47.074	\$ -	\$ 20,250	University of Montana	PG20-66626-01; MOD 2	\$ 20,250	\$ -
Biological Sciences	47.074	\$ -	\$ 6,521	University of Pennsylvania	564812 / 10042268 / 16103	\$ 6,521	\$ -
Biological Sciences	47.074	\$ -	\$ 1,227	Cornell University	AGREEMENT 74983-10504;MOD 2	\$ 1,227	\$ -
Biological Sciences	47.074	\$ -	\$ 121	Northern Arizona University	1003017-01; MOD 01	\$ 121	\$ -
Biological Sciences	47.074	\$ -	\$ 9,221	Carnegie Mellon University	SUBAWD# 441290-1	\$ 9,221	\$ -
Biological Sciences	47.074	\$ -	\$ 26,074	New York Botanical	1802034-03-PHASE; MOD 1	\$ 26,074	\$ -
Total Assistance Listing # 47.074		\$ 1,682,510	\$ 137,539			\$ 1,820,049	\$ 117,021
Social, Behavioral, and Economic Sciences	47.075	\$ 516,541	\$ -			\$ 516,541	\$ 12,439
Total Assistance Listing # 47.075		\$ 516,541	\$ -			\$ 516,541	\$ 12,439
Education and Human Resources	47.076	\$ 3,018,480	\$ -			\$ 3,018,480	\$ 439,374
COVID-19 Education and Human Resource	47.076	\$ -	\$ 35,532			\$ 35,532	\$ -
Education and Human Resources	47.076	\$ -	\$ 73,788	University of Wisconsin	782K530 ,1726625; MOD 3	\$ 73,788	\$ -
Education and Human Resources	47.076	\$ -	\$ 25,892	Bucks County Community College	1902075 001	\$ 25,892	\$ -
Education and Human Resources	47.076	\$ -	\$ 7,825	Cheyney University	1912011-DREXEL; MOD 2	\$ 7,825	\$ -
Education and Human Resources	47.076	\$ -	\$ 18,837	University of Utah	1 - COE.21	\$ 18,837	\$ -
Education and Human Resources	47.076	\$ -	\$ 73,961	Wayne State University	WSU19062-A3 ;INDEX 301232 ;MD3	\$ 73,961	\$ -
Education and Human Resources	47.076	\$ -	\$ 3,599	Villanova University	525885DREXELWEISBERG; P2001053	\$ 3,599	\$ -
Total Assistance Listing # 47.076		\$ 3,054,012	\$ 203,902			\$ 3,257,914	\$ 439,374
Dr Ying Sun NSF IPA Agreement	47.RD	\$ 220,029	\$ -			\$ 220,029	\$ -
ECOG ACRIN Operations Center	47.RD	\$ 141,021	\$ -			\$ 141,021	\$ -
Total Assistance Listing # 47.RD		\$ 361,050	\$ -			\$ 361,050	\$ -
Total National Science Foundation		\$ 13,718,281	\$ 791,898			\$ 14,510,179	\$ 777,221

Drexel University and Subsidiaries

Schedule of Expenditures of Federal Awards

For the Year Ended June 30, 2021

Federal Grantor / Program or Cluster Title	Assistance Listing #	Direct	Pass-Through	Pass-Through Entity	Pass-Through Entity Sponsor Number	Total Expenditures	Passed to Sub-Recipients
ENVIRONMENTAL PROTECTION AGENCY							
ENVIRONMENTAL PROTECTION AGENCY							
Nonpoint Source Implementation Grants							
	66.460	\$ -	\$ (1,493)	Barnegat Bay National Estuary Program	RP10-105	\$ (1,493)	\$ -
Total Assistance Listing # 66.462		\$ -	\$ (1,493)			\$ (1,493)	\$ -
Chesapeake Bay Program	66.466	\$ -	\$ -			\$ -	\$ -
Chesapeake Bay Program	66.466	\$ -	\$ 1,807	PA Department of Environmental Protection	4400015647 / PO#4300622599	\$ 1,807	\$ -
Chesapeake Bay Program	66.466	\$ -	\$ 64,998	PA Department of Environmental Protection	4400015647 / PO#4300667105	\$ 64,998	\$ -
Chesapeake Bay Program	66.466	\$ -	\$ 14,042	PA Department of Environmental Protection	4400015647; PO# 4300684300	\$ 14,042	\$ -
Chesapeake Bay Program	66.466	\$ -	\$ 19,083	Chesapeake Conservancy Inc.	CB-96363001-0; YEAR 3	\$ 19,083	\$ -
Total Assistance Listing # 66.466		\$ -	\$ 99,930			\$ 99,930	\$ -
Office of Research and Development Consolidated Research/Training/Fellowships	66.511	\$ 228,938	\$ -			\$ 228,938	\$ -
Total Assistance Listing # 66.511		\$ 228,938	\$ -			\$ 228,938	\$ -
Regional Applied Research Efforts (RARE)	66.517	\$ -	\$ 14,900	Barnegat Bay National Estuary Program	BBP-EPAED-01; B0010157	\$ 14,900	\$ -
Total Assistance Listing # 66.517		\$ -	\$ 14,900			\$ 14,900	\$ -
TSCA Title IV State Lead Grants Certification of Lead-Based Paint Professionals	66.707	\$ -	\$ 4,602	Versar	PO#008430	\$ 4,602	\$ -
Total Assistance Listing # 66.517		\$ -	\$ 4,602			\$ 4,602	\$ -
Brownfields Training, Research, and Technical Assistance Grants and Cooperative Agreements	66.814	\$ 56,660	\$ -			\$ 56,660	\$ -
Total Assistance Listing # 66.814		\$ 56,660	\$ -			\$ 56,660	\$ -
Plasma Enhancement of Absorbers for Improved Removal of PFOS	66.RD	\$ -	\$ 29,996	AA Plasma LLC	CONTRACT # 68HERC20C0009-01	\$ 29,996	\$ -
Total Assistance Listing # 66.RD		\$ -	\$ 29,996			\$ 29,996	\$ -
Total Environmental Protection Agency		\$ 285,598	\$ 147,935			\$ 433,533	\$ -
DEPARTMENT OF ENERGY							
ENERGY							
Office of Science Financial Assistance Program	81.049	\$ 734,719	\$ -	Oak Ridge National Laboratory/Dept of Energy	4000150343; MOD 6	\$ 734,719	\$ -
Office of Science Financial Assistance Program	81.049	\$ -	\$ 283,015	Argonne National Laboratory	SUB 7F-30116; MOD 0004	\$ 283,015	\$ -
Office of Science Financial Assistance Program	81.049	\$ -	\$ 41,065	State University of New York	68856 /1149710/2 ; MOD3	\$ 41,065	\$ -
Office of Science Financial Assistance Program	81.049	\$ -	\$ 145,744			\$ 145,744	\$ -
Total Assistance Listing # 81.049		\$ 734,719	\$ 469,824			\$ 1,204,543	\$ -
Conservation Research and Development	81.086	\$ 767,661	\$ -			\$ 767,661	\$ 508,833
Conservation Research and Development	81.086	\$ -	\$ 101,235			\$ 101,235	\$ -
Conservation Research and Development	81.086	\$ -	\$ 74,762			\$ 74,762	\$ -
Total Assistance Listing # 81.086		\$ 767,661	\$ 175,997			\$ 943,658	\$ 508,833
Renewable Energy Research and Development	81.087	\$ 285,123	\$ -	PPL Electric Utilities Corp	CONTRACT 9018537-C; MOD 1	\$ 285,123	\$ 138,889
Renewable Energy Research and Development	81.087	\$ -	\$ 226,193	FERMI National Accelerator Laboratory	651820 ; LDRD-2018-003 ;MOD1	\$ 226,193	\$ -
Renewable Energy Research and Development	81.087	\$ -	\$ 5,111			\$ 5,111	\$ -
Total Assistance Listing # 81.087		\$ 285,123	\$ 232,304			\$ 517,427	\$ 138,889
Epidemiology and Other Health Studies Financial Assistance Program	81.108	\$ 133,484	\$ -			\$ 133,484	\$ 58,773
Total Assistance Listing # 81.108		\$ 133,484	\$ -			\$ 133,484	\$ 58,773
Advanced Research Projects Agency - Energy	81.135	\$ 139,552	\$ -			\$ 139,552	\$ 27,039
Total Assistance Listing # 81.135		\$ 139,552	\$ -			\$ 139,552	\$ 27,039
Fault Detection and Diagnostics	81.RD	\$ -	\$ 12,360	University of California Lawrence Berkeley National Labs	7512117; MOD 3	\$ 12,360	\$ -
Dynamic Material Flow Assessment	81.RD	\$ -	\$ 38,654	Alliance for Sustainable Energy, LLC	SUB-2020-10029 MOD 1	\$ 38,654	\$ -
Security Through Obfuscation of Critical Analog Circuit Properties	81.RD	\$ -	\$ 47,412	Honeywell Federal Manufacturing and Technologies LLC	No00382806	\$ 47,412	\$ -
Total Assistance Listing # 81.RD		\$ -	\$ 98,426			\$ 98,426	\$ -
Total Department of Energy		\$ 2,060,539	\$ 976,551			\$ 3,037,090	\$ 733,534
DEPARTMENT OF EDUCATION							
OFFICE OF POSTSECONDARY 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	\$ -	\$ 2,056	University of Pennsylvania	P015A180141 ; 575240; MOD 3	\$ -	\$ -
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	\$ -	\$ 10,323	University of Pennsylvania	575256; MOD 1	\$ -	\$ -
Total Assistance Listing # 84.015		\$ -	\$ 12,379			\$ 10,323	\$ -
Minority Science and Engineering Improvement	84.120	\$ -	\$ 97,567	University of Texas at El Paso	226150855A ; MOD 03	\$ 97,567	\$ -
Total Assistance Listing # 84.120		\$ -	\$ 97,567			\$ 97,567	\$ -
EDUCATION							
COVID-19 Governor's Emergency Education Relief Fund	84.425C	\$ 316,507	\$ -			\$ 316,507	\$ -
Total Assistance Listing # 84.425C		\$ 316,507	\$ -			\$ 316,507	\$ -
INSTITUTE OF EDUCATION SCIENCES							
Research in Special Education	84.324	\$ -	\$ 3,758	University of California, Davis	201700390-02; 4040-0001;MOD3	\$ 3,758	\$ -
Total Assistance Listing # 84.324		\$ -	\$ 3,758			\$ 3,758	\$ -
OII - OFFICE OF INNOVATION AND IMPROVEMENT							
Arts in Education	84.351	\$ -	\$ 49,996	Infexion	FAIN U351D180047; MOD 03	\$ 49,996	\$ -
Total Assistance Listing # 84.351		\$ -	\$ 49,996			\$ 49,996	\$ -
Total Department of Education		\$ 316,507	\$ 163,700			\$ 480,207	\$ -

Drexel University and Subsidiaries

Schedule of Expenditures of Federal Awards

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Federal Grantor / Program or Cluster Title	Assistance Listing #	Direct	Pass-Through	Pass-Through Entity	Pass-Through Entity Sponsor Number	Total Expenditures	Passed to Sub-Recipients
DEPARTMENT OF HEALTH AND HUMAN SERVICES							
CENTERS FOR DISEASE CONTROL AND PREVENTION							
Chronic Diseases, Research, Control, and Prevention							
	93.068	\$ 724,262	\$ -			\$ 724,262	\$ -
Total Assistance Listing # 93.068		\$ 724,262	\$ -			\$ 724,262	\$ -
Environmental Public Health and Emergency Response	93.070	\$ 54,865	\$ -			\$ 54,865	\$ -
Total Assistance Listing # 93.070		\$ 54,865	\$ -			\$ 54,865	\$ -
Blood Disorder Program: Prevention, Surveillance, and Research	93.080	\$ -	\$ 7,169	Children's Hospital of Philadelphia	8901210920; 2041984	\$ 7,169	\$ -
Blood Disorder Program: Prevention, Surveillance, and Research	93.080	\$ -	\$ 16,865	Children's Hospital of Philadelphia	20224725; GRT-00000783	\$ 16,865	\$ -
Total Assistance Listing # 93.080		\$ -	\$ 24,034			\$ 24,034	\$ -
Prevention of Disease, Disability, and Death by Infectious Diseases	93.084	\$ -	\$ -			\$ -	\$ -
Prevention of Disease, Disability, and Death by Infectious Diseases	93.084	\$ -	\$ 137,185	City of Philadelphia	1720467-04, 05, 06; 2120491	\$ 137,185	\$ -
Total Assistance Listing # 93.084		\$ -	\$ 137,185			\$ 137,185	\$ -
FOOD AND DRUG ADMINISTRATION							
Food and Drug Administration Research	93.103	\$ 113,119	\$ -			\$ 113,119	\$ -
Food and Drug Administration Research	93.103	\$ -	\$ 10,000	Children's Hospital of Philadelphia	3201480820 / PO 20124702-RSUB	\$ 10,000	\$ -
Total Assistance Listing # 93.103		\$ 113,119	\$ 10,000			\$ 123,119	\$ -
HEALTH RESOURCES AND SERVICES ADMINISTRATION							
Maternal and Child Health Federal Consolidated Programs	93.110	\$ 608,666	\$ -			\$ 608,666	\$ 115,863
Maternal and Child Health Federal Consolidated Programs	93.110	\$ -	\$ 1,830	Epilepsy Foundation Western/Central Pennsylvania	AWARD DATED 08/22/2017	\$ 1,830	\$ -
Total Assistance Listing # 93.110		\$ 608,666	\$ 1,830			\$ 610,496	\$ 115,863
Environmental Health	93.113	\$ -	\$ 13,277	Johns Hopkins University	2003188471; MOD 4	\$ 13,277	\$ -
Environmental Health	93.113	\$ -	\$ 10,135	University of Washington	UWSC10028 ; MOD 05	\$ 10,135	\$ -
Environmental Health	93.113	\$ -	\$ 6,061	University of California, Davis	2015000641-02/A18-0173-S001-A2	\$ 6,061	\$ -
Environmental Health	93.113	\$ -	\$ 59,722	Penn State University	S000443-NIH; MOD 1	\$ 59,722	\$ -
Environmental Health	93.113	\$ -	\$ 111,582	Mount Sinai School of Medicine	0255-C301-4609; MOD 2	\$ 111,582	\$ -
Environmental Health	93.113	\$ -	\$ 28,718	Johns Hopkins University School of Medicine	2004628645; MOD 1	\$ 28,718	\$ -
Environmental Health	93.113	\$ -	\$ 14,877	Johns Hopkins University School of Medicine	2004638646; MOD 1	\$ 14,877	\$ -
Total Assistance Listing # 93.113		\$ -	\$ 244,372			\$ 244,372	\$ -
Oral Diseases and Disorders Research	93.121	\$ 51,564	\$ -			\$ 51,564	\$ 26,038
Oral Diseases and Disorders Research	93.121	\$ -	\$ 1,074	University of Connecticut Health Center	UCHC7-140298528	\$ 1,074	\$ -
Total Assistance Listing # 93.121		\$ 51,564	\$ 1,074			\$ 52,638	\$ 26,038
Community Programs to Improve Minority Health Grant Program	93.137	\$ -	\$ 6,327	District 1199C Training & Upgrading Fund	AGREEMENT DATED 01/16/2020	\$ 6,327	\$ -
Community Programs to Improve Minority Health Grant Program	93.137	\$ -	\$ 1,701	District 1199C Training & Upgrading Fund	5 CPIMP151091-05-00	\$ 1,701	\$ -
Total Assistance Listing # 93.137		\$ -	\$ 8,028			\$ 8,028	\$ -
Human Genome Research	93.172	\$ -	\$ 204,009	Children's Hospital of Philadelphia	20199014 ;962638-R ;3200860721	\$ 204,009	\$ -
Human Genome Research	93.172	\$ -	\$ 257,413	University of California, San Francisco	10993SC ; MOD 03	\$ 257,413	\$ -
Total Assistance Listing # 93.172		\$ -	\$ 461,422			\$ 461,422	\$ -
Research Related to Deafness and Communication Disorders	93.173	\$ 758,517	\$ -			\$ 758,517	\$ 289,808
Research Related to Deafness and Communication Disorders	93.173	\$ -	\$ 43,430	University of Pennsylvania	574758; MOD 2	\$ 43,430	\$ -
Research Related to Deafness and Communication Disorders	93.173	\$ -	\$ 94,067	Georgetown University	412748_GR412673-DU ; 7772933	\$ 94,067	\$ -
Total Assistance Listing # 93.173		\$ 758,517	\$ 137,497			\$ 896,014	\$ 289,808
Research and Training in Complementary and Integrative Health	93.213	\$ 209,222	\$ -			\$ 209,222	\$ 20,997
Total Assistance Listing # 93.213		\$ 209,222	\$ -			\$ 209,222	\$ 20,997
AGENCY FOR HEALTHCARE RESEARCH AND QUALITY							
Research on Healthcare Costs, Quality and Outcomes	93.226	\$ 25,716	\$ -			\$ 25,716	\$ 3,968
Total Assistance Listing # 93.226		\$ 25,716	\$ -			\$ 25,716	\$ 3,968
NATIONAL INSTITUTES OF HEALTH							
Mental Health Research Grants	93.242	\$ 6,215,223	\$ -			\$ 6,215,223	\$ 1,787,011
Mental Health Research Grants	93.242	\$ -	\$ 79,438	American University	31464-02; MOD 7	\$ 79,438	\$ -
Mental Health Research Grants	93.242	\$ -	\$ (32,476)	Florida State University	Ro2061 ; MOD 1	\$ (32,476)	\$ -
Mental Health Research Grants	93.242	\$ -	\$ 28,016	New York University School of Medicine	18-A1-00-007376 ; 11443	\$ 28,016	\$ -
Mental Health Research Grants	93.242	\$ -	\$ 204,482	Temple University	263821-DREXEL; PO#: P0612952	\$ 204,482	\$ -
Mental Health Research Grants	93.242	\$ -	\$ 284,443	Promptworks	AWARD DATED 12/12/2019	\$ 284,443	\$ -
Mental Health Research Grants	93.242	\$ -	\$ 75,997	New York University School of Medicine	19-A0-S1-007376 ; 115607	\$ 75,997	\$ -
Mental Health Research Grants	93.242	\$ -	\$ 41,893	Florida State University	Ro2178; MOD 1	\$ 41,893	\$ -
Mental Health Research Grants	93.242	\$ -	\$ 391,320	Temple University	258152-DREXEL; MOD 10; YEAR 5	\$ 391,320	\$ -
Mental Health Research Grants	93.242	\$ -	\$ 37,616	Vulintus Inc.	R44MH19734-PsSUB; MOD 1	\$ 37,616	\$ -
Mental Health Research Grants	93.242	\$ -	\$ 85,834	New York University School of Medicine	18-A1-00-007376 ; 11443	\$ 85,834	\$ -
Mental Health Research Grants	93.242	\$ -	\$ 180,355	Temple University	263821-01-DREXEL; MOD 2	\$ 180,355	\$ -
Mental Health Research Grants	93.242	\$ -	\$ 19,006	New York University School of Medicine	20-00-S2-007376; 117556	\$ 19,006	\$ -
Mental Health Research Grants	93.242	\$ -	\$ 18,430	Temple University	258152-04-DU; P0644339	\$ 18,430	\$ -
Total Assistance Listing # 93.242		\$ 6,215,223	\$ 1,414,354			\$ 7,629,577	\$ 1,787,011

Drexel University and Subsidiaries

Schedule of Expenditures of Federal Awards

For the Year Ended June 30, 2021

Federal Grantor / Program or Cluster Title	Assistance Listing #	Direct	Pass-Through	Pass-Through Entity	Pass-Through Entity Sponsor Number	Total Expenditures	Passed to Sub-Recipients
SUBSTANCE ABUSE AND MENTAL HEALTH SERVICES ADMINISTRATION							
Substance Abuse and Mental Health Services Projects of Regional and National Significance	93-243	\$ 614,128	\$ -			\$ 614,128	\$ -
Substance Abuse and Mental Health Services Projects of Regional and National Significance	93-243	\$ -	\$ 34,485	Pennsylvania Department of Human Services	5-U79-SM061750-05; YEAR5	\$ 34,485	\$ -
Substance Abuse and Mental Health Services Projects of Regional and National Significance	93-243	\$ -	\$ 136,485	Pennsylvania Department of Human Services	239630 GRANTS H79SM082107	\$ 136,485	\$ -
Substance Abuse and Mental Health Services Projects of Regional and National Significance	93-243	\$ -	\$ (2,720)	Pennsylvania Department of Drug and Alcohol Programs	Contract 4400015617	\$ (2,720)	\$ -
Substance Abuse and Mental Health Services Projects of Regional and National Significance	93-243	\$ -	\$ (32)	Pennsylvania Department of Drug and Alcohol Programs	440015617 P04300554481	\$ (32)	\$ -
Total Assistance Listing # 93-243		\$ 614,128	\$ 168,218			\$ 782,346	\$ -
CENTERS FOR DISEASE CONTROL AND PREVENTION							
Occupational Safety and Health Program	93-262	\$ 103,119	\$ -			\$ 103,119	\$ -
Total Assistance Listing # 93-262		\$ 103,119	\$ -			\$ 103,119	\$ -
NATIONAL INSTITUTES OF HEALTH							
Alcohol Research Programs	93-273	\$ 574,705	\$ -			\$ 574,705	\$ -
Alcohol Research Programs	93-273	\$ -	\$ 50,520	University of Massachusetts	16-009293-A05; MOD 05	\$ 50,520	\$ -
Total Assistance Listing # 93-273		\$ 574,705	\$ 50,520			\$ 625,225	\$ -
Drug Abuse and Addiction Research Programs	93-279	\$ 3,464,040	\$ -			\$ 3,464,040	\$ 956,234
Drug Abuse and Addiction Research Programs	93-279	\$ -	\$ 28,349	New York University	F1171-01; MOD 2	\$ 28,349	\$ -
Drug Abuse and Addiction Research Programs	93-279	\$ -	\$ 6,016	Temple University	254958-04 DRXL	\$ 6,016	\$ -
Drug Abuse and Addiction Research Programs	93-279	\$ -	\$ 12,571	Penn State University	DREDA050325 MOD 2	\$ 12,571	\$ -
Drug Abuse and Addiction Research Programs	93-279	\$ -	\$ 26,658	Fordham University	FORD0052-30290; MOD 1	\$ 26,658	\$ 10,000
Drug Abuse and Addiction Research Programs	93-279	\$ -	\$ 30,771	Penn State University	DREDA050325 MOD 2	\$ 30,771	\$ -
Drug Abuse and Addiction Research Programs	93-279	\$ -	\$ 3,811	Temple University	265498-DU	\$ 3,811	\$ -
Drug Abuse and Addiction Research Programs	93-279	\$ -	\$ 11,617	Johns Hopkins University School of Medicine	2004952819	\$ 11,617	\$ -
Total Assistance Listing # 93-279		\$ 3,464,040	\$ 119,733			\$ 3,583,833	\$ 966,234
Discovery and Applied Research for Technological Innovations to Improve Human Health	93-286	\$ 427,606	\$ -			\$ 427,606	\$ 39,704
Discovery and Applied Research for Technological Innovations to Improve Human Health	93-286	\$ -	\$ 203,775	Thomas Jefferson University	080-30000-S30901; MOD 02	\$ 203,775	\$ -
Discovery and Applied Research for Technological Innovations to Improve Human Health	93-286	\$ -	\$ 67,800	Thomas Jefferson University	40115Vz; 080-30000-7008-S30901	\$ 67,800	\$ -
Discovery and Applied Research for Technological Innovations to Improve Human Health	93-286	\$ -	\$ 4,055	University of Southern California	70831027	\$ 4,055	\$ -
Total Assistance Listing # 93-286		\$ 427,606	\$ 275,630			\$ 703,236	\$ 39,704
Minority Health and Health Disparities Research	93-307	\$ 1,074,502	\$ -			\$ 1,074,502	\$ 70,422
Minority Health and Health Disparities Research	93-307	\$ -	\$ 37,231	Harvard University	115001-5111233; MOD 2	\$ 37,231	\$ -
Minority Health and Health Disparities Research	93-307	\$ -	\$ 23,265	Fox Chase Cancer Center	FCCC15126-04; MOD 05	\$ 23,265	\$ -
Minority Health and Health Disparities Research	93-307	\$ -	\$ 37,560	University of Pennsylvania	578558; MOD 2	\$ 37,560	\$ -
Total Assistance Listing # 93-307		\$ 1,074,502	\$ 98,056			\$ 1,172,558	\$ 70,422
Trans-NIH Research Support	93-310	\$ 3,102,758	\$ -			\$ 3,102,758	\$ 2,246,102
Trans-NIH Research Support	93-310	\$ -	\$ 3,908	Duke University	SUBAWARD A03-2323	\$ 3,908	\$ -
Trans-NIH Research Support	93-310	\$ -	\$ 10,303	Duke University	A03-3793; PRO00076786	\$ 10,303	\$ -
Total Assistance Listing # 93-310		\$ 3,102,758	\$ 14,211			\$ 3,116,969	\$ 2,246,102
National Center for Advancing Translational Sciences	93-350	\$ -	\$ 9,024	Duke University	CLINICAL TRIAL SUBAWD 2037876	\$ 9,024	\$ -
National Center for Advancing Translational Sciences	93-350	\$ -	\$ 351,447	Tufts Medical Center, Inc	5017623-SERV; 10T2TR003448-01	\$ 351,447	\$ -
Total Assistance Listing # 93-350		\$ -	\$ 360,471			\$ 360,471	\$ -
Nursing Research	93-361	\$ 751,145	\$ -			\$ 751,145	\$ 38,189
Nursing Research	93-361	\$ -	\$ 27,861	Columbia University	3(GG041705-01); MOD 1	\$ 27,861	\$ -
Nursing Research	93-361	\$ -	\$ 20,751	University of Pennsylvania	579284 PENN 10072088; MOD 1	\$ 20,751	\$ -
Total Assistance Listing # 93-361		\$ 751,145	\$ 48,612			\$ 799,757	\$ 38,189
Cancer Cause and Prevention Research	93-393	\$ 658,600	\$ -			\$ 658,600	\$ 114,579
Total Assistance Listing # 93-393		\$ 658,600	\$ -			\$ 658,600	\$ 114,579
Cancer Detection and Diagnosis Research	93-394	\$ 124,204	\$ -			\$ 124,204	\$ 4,114
Cancer Detection and Diagnosis Research	93-394	\$ -	\$ (821)	ECOG-ACRIN Medical Research Foundation	U24CA196172-01-DREX1;MOD7	\$ (821)	\$ -
Cancer Detection and Diagnosis Research	93-394	\$ -	\$ 10,975	ECOG-ACRIN Medical Research Foundation	U24CA196172-01-DREX1; MOD 8	\$ 10,975	\$ -
Total Assistance Listing # 93-394		\$ 124,204	\$ 10,154			\$ 134,358	\$ 4,114
Cancer Treatment Research	93-395	\$ 296,491	\$ -			\$ 296,491	\$ -
Cancer Treatment Research	93-395	\$ -	\$ (6,517)	Children's Hospital of Philadelphia	U10CA180866	\$ (6,517)	\$ -
Cancer Treatment Research	93-395	\$ -	\$ (9,133)	Children's Hospital of Philadelphia	PO#9509080216-13C PA092	\$ (9,133)	\$ -
Cancer Treatment Research	93-395	\$ -	\$ 15,838	The Children's Oncology Group	CHOP; U10CA180886	\$ 15,838	\$ -
Cancer Treatment Research	93-395	\$ -	\$ 16,248	TDL Innovations LLC	2R44CA121066-02	\$ 16,248	\$ -
Cancer Treatment Research	93-395	\$ -	\$ 195,041	Temple University	264798-DREXEL	\$ 195,041	\$ -
Cancer Treatment Research	93-395	\$ -	\$ 68,984	Albert Einstein College of Medicine	311392; P0752027; 797502	\$ 68,984	\$ -
Cancer Treatment Research	93-395	\$ -	\$ 30,853	ECOG-ACRIN Medical Research Foundation	U10CA180820-06-DREX1A; Y7	\$ 30,853	\$ -
Cancer Treatment Research	93-395	\$ -	\$ 23,437	ECOG-ACRIN Medical Research Foundation	U10CA180820-06-DREX1C; Y7	\$ 23,437	\$ -
Cancer Treatment Research	93-395	\$ -	\$ 37,641	ECOG-ACRIN Medical Research Foundation	U10CA180820-06-DREX1M; Y7	\$ 37,641	\$ -
Cancer Treatment Research	93-395	\$ -	\$ (113)	ECOG-ACRIN Medical Research Foundation	1UG1CA189828-01-DREX1 MOD-5	\$ (113)	\$ -
Cancer Treatment Research	93-395	\$ -	\$ 1,187	ECOG-ACRIN Medical Research Foundation	3UG1CA189828-04-DREX2	\$ 1,187	\$ -
Cancer Treatment Research	93-395	\$ -	\$ (8,686)	ECOG-ACRIN Medical Research Foundation	U10CA180820-01-DREX1;MOD 7	\$ (8,686)	\$ -
Cancer Treatment Research	93-395	\$ -	\$ 24,344	ECOG-ACRIN Medical Research Foundation	1UG1CA189828-01-DREX1	\$ 24,344	\$ -
Cancer Treatment Research	93-395	\$ -	\$ 8,095	ECOG-ACRIN Medical Research Foundation	1UG1CA189828-04-DREX2	\$ 8,095	\$ -
Total Assistance Listing # 93-395		\$ 296,491	\$ 397,219			\$ 693,710	\$ -

Drexel University and Subsidiaries

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For the Year Ended June 30, 2021

Federal Grantor / Program or Cluster Title	Assistance Listing #	Direct	Pass-Through	Pass-Through Entity	Pass-Through Entity Sponsor Number	Total Expenditures	Passed to Sub-Recipients
Cancer Biology Research	93-396	\$ 960,435	\$ -			\$ 960,435	\$ 305,470
Total Assistance Listing # 93-396		\$ 960,435	\$ -			\$ 960,435	\$ 305,470
Cancer Centers Support Grants	93-397	\$ -	\$ 32,948	Thomas Jefferson University	o80-03500-PB0818; MOD 2	\$ 32,948	\$ -
Cancer Centers Support Grants	93-397	\$ -	\$ 18,187	Thomas Jefferson University	o80-03500-PB1518	\$ 18,187	\$ -
Total Assistance Listing # 93-397		\$ -	\$ 51,135			\$ 51,135	\$ -
Cancer Control	93-399	\$ -	\$ 16,306	ECOG-ACRIN Medical Research Foundation	UG1CA189828-06-DREX1/DREX2	\$ 16,306	\$ -
Cancer Control	93-399	\$ -	\$ (1,900)	Children's Hospital of Philadelphia	FP00017458_SUB12a_01	\$ (1,900)	\$ -
Total Assistance Listing # 93-399		\$ -	\$ 14,406			\$ 14,406	\$ -
CENTERS FOR DISEASE CONTROL AND PREVENTION							
COVID-19 Strengthening Public Health Systems and Services through National Partnerships to Improve and Protect the N	93-421	\$ -	\$ 139,210	University of Vermont	AWD00000288SUB00000132	\$ 139,210	\$ -
Total Assistance Listing # 93-421		\$ -	\$ 139,210			\$ 139,210	\$ -
SUBSTANCE ABUSE AND MENTAL HEALTH SERVICES ADMINISTRATION							
COVID-19 Emergency Grants to Address Mental and Substance Use Disorders During COVID-19	93-665	\$ -	\$ 34,309	Center for Community Resources	SUBCONTRACT DATED 02182021	\$ 34,309	\$ -
Total Assistance Listing # 93-665		\$ -	\$ 34,309			\$ 34,309	\$ -
HEALTH RESOURCES AND SERVICES ADMINISTRATION							
Mental and Behavioral Health Education and Training Grants	93-732	\$ -	\$ 90,864	University of Akron	543153-DRXL	\$ 90,864	\$ -
Total Assistance Listing # 93-732		\$ -	\$ 90,864			\$ 90,864	\$ -
NATIONAL INSTITUTES OF HEALTH							
Cardiovascular Diseases Research	93-837	\$ 1,489,261	\$ -			\$ 1,489,261	\$ 393,314
Cardiovascular Diseases Research	93-837	\$ -	\$ (12,995)	Brigham and Women's Hospital	51U01HL101422-02 CIRT ; MOD3	\$ (12,995)	\$ -
Cardiovascular Diseases Research	93-837	\$ -	\$ 60,354	Duke University	GUIDE-IT 122; DUKE SPS# 179452	\$ 60,354	\$ -
Cardiovascular Diseases Research	93-837	\$ -	\$ 29,684	Massachusetts General Hospital	PS225713 ; A5332; A533S; MOD7	\$ 29,684	\$ -
Cardiovascular Diseases Research	93-837	\$ -	\$ 154,283	University of Michigan	3004924795 ; MOD 3	\$ 154,283	\$ -
Cardiovascular Diseases Research	93-837	\$ -	\$ 18,310	University at Buffalo	HL 137558 ; R1187082; MOD 3	\$ 18,310	\$ -
Cardiovascular Diseases Research	93-837	\$ -	\$ 93,111	San Jose State University	S19-0003; MOD 2:204280001	\$ 93,111	\$ -
Cardiovascular Diseases Research	93-837	\$ -	\$ 15,713	University of Texas at Arlington	2017GC0717 ; M3; 2017GC4717	\$ 15,713	\$ -
Cardiovascular Diseases Research	93-837	\$ -	\$ 63,403	University of Michigan	SUBK00006462; 3006119480	\$ 63,403	\$ -
Cardiovascular Diseases Research	93-837	\$ -	\$ 14,359	The Miriam Hospital	7107147197	\$ 14,359	\$ -
Cardiovascular Diseases Research	93-837	\$ -	\$ 71,032	San Francisco State University	S19-0003; MOD 2:204280001	\$ 71,032	\$ -
Total Assistance Listing # 93-837		\$ 1,489,261	\$ 507,254			\$ 1,996,515	\$ 393,314
Lung Diseases Research	93-838	\$ 40,082	\$ -			\$ 40,082	\$ -
Total Assistance Listing # 93-838		\$ 40,082	\$ -			\$ 40,082	\$ -
Blood Diseases and Resources Research	93-839	\$ -	\$ 419	Children's Research Institute	ACRI 39-001 ; MOD 05	\$ 419	\$ -
Total Assistance Listing # 93-839		\$ -	\$ 419			\$ 419	\$ -
Translation and Implementation Science Research for Heart, Lung, Blood Diseases, and Sleep Disorders	93-840	\$ -	\$ 74,612	University of Pennsylvania	580490	\$ 74,612	\$ -
Total Assistance Listing # 93-840		\$ -	\$ 74,612			\$ 74,612	\$ -
Arthritis, Musculoskeletal and Skin Diseases Research	93-846	\$ 575,673	\$ -			\$ 575,673	\$ 40,340
Arthritis, Musculoskeletal and Skin Diseases Research	93-846	\$ -	\$ 101,176	Thomas Jefferson University	PO#2000052675/080-23000-S22501	\$ 101,176	\$ -
Arthritis, Musculoskeletal and Skin Diseases Research	93-846	\$ -	\$ 68,323	University of Pennsylvania	576763 ; MOD 1	\$ 68,323	\$ -
Arthritis, Musculoskeletal and Skin Diseases Research	93-846	\$ -	\$ 17,304	University of Pennsylvania	578671 ; MOD 1	\$ 17,304	\$ -
Total Assistance Listing # 93-846		\$ 575,673	\$ 186,803			\$ 762,476	\$ 40,340
Diabetes, Digestive, and Kidney Diseases Extramural Research	93-847	\$ 1,741,809	\$ -			\$ 1,741,809	\$ 55,480
Diabetes, Digestive, and Kidney Diseases Extramural Research	93-847	\$ -	\$ 181,909	Washington University in St. Louis	WU-17-367-MOD-5 ; 2928731C	\$ 181,909	\$ -
Diabetes, Digestive, and Kidney Diseases Extramural Research	93-847	\$ -	\$ 33,017	University of Pennsylvania	572700 ; MOD4; PENN10059985	\$ 33,017	\$ -
Diabetes, Digestive, and Kidney Diseases Extramural Research	93-847	\$ -	\$ 6,634	Johns Hopkins University	Subaward No: 2004415382	\$ 6,634	\$ -
Diabetes, Digestive, and Kidney Diseases Extramural Research	93-847	\$ -	\$ 34,505	Fred Hutchinson Cancer Research Center	0001031944 ; 295306 ; S9310	\$ 34,505	\$ -
Diabetes, Digestive, and Kidney Diseases Extramural Research	93-847	\$ -	\$ 10,272	University of Pennsylvania	DRC Pilot Awd Datd 4/6/21	\$ 10,272	\$ -
Total Assistance Listing # 93-847		\$ 1,741,809	\$ 266,337			\$ 2,008,146	\$ 55,480
Extramural Research Programs in the Neurosciences and Neurological Disorders	93-853	\$ 9,512,883	\$ -			\$ 9,512,883	\$ 871,216
Extramural Research Programs in the Neurosciences and Neurological Disorders	93-853	\$ -	\$ 248,476	University of California, Davis	A17-0078-S001-A04	\$ 248,476	\$ -
Extramural Research Programs in the Neurosciences and Neurological Disorders	93-853	\$ -	\$ 16,475	Fox Chase Cancer Center	PCCC # 15099-05; MD 03 ; 1572	\$ 16,475	\$ -
Extramural Research Programs in the Neurosciences and Neurological Disorders	93-853	\$ -	\$ 154,762	Georgia Tech Research Corporation	AWD-101454-G1; RJ096-G1;MOD 3	\$ 154,762	\$ -
Extramural Research Programs in the Neurosciences and Neurological Disorders	93-853	\$ -	\$ 68,894	University of Miami	SPC-000881;O80000282; MOD 3	\$ 68,894	\$ -
Extramural Research Programs in the Neurosciences and Neurological Disorders	93-853	\$ -	\$ 35,471	University of Alabama at Birmingham	000513792-SC004;0005252882-004	\$ 35,471	\$ -
Extramural Research Programs in the Neurosciences and Neurological Disorders	93-853	\$ -	\$ 281,211	PolyCore Therapeutics LLC	R44NS117201	\$ 281,211	\$ -
Extramural Research Programs in the Neurosciences and Neurological Disorders	93-853	\$ -	\$ 158,085	Dignify Therapeutics, LLC	DTPO-230	\$ 158,085	\$ -
Extramural Research Programs in the Neurosciences and Neurological Disorders	93-853	\$ -	\$ 100,149	University of South Carolina	2000054782 / 10010139; 21-4158	\$ 100,149	\$ -
Extramural Research Programs in the Neurosciences and Neurological Disorders	93-853	\$ -	\$ 7,111	Texas A&M University	M2101235	\$ 7,111	\$ -
Extramural Research Programs in the Neurosciences and Neurological Disorders	93-853	\$ -	\$ 24,053	University of Louisville	ULRF_20-0750-01	\$ 24,053	\$ -
Extramural Research Programs in the Neurosciences and Neurological Disorders	93-853	\$ -	\$ 23,370	University of Alabama at Birmingham	000513792-SC004;0005252882-004	\$ 23,370	\$ -
Extramural Research Programs in the Neurosciences and Neurological Disorders	93-853	\$ -	\$ 39,523	PolyCore Therapeutics LLC	R44NS117201-01S1	\$ 39,523	\$ -
Total Assistance Listing # 93-853		\$ 9,512,883	\$ 1,157,580			\$ 10,670,463	\$ 871,216

Drexel University and Subsidiaries

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Federal Grantor / Program or Cluster Title	Assistance Listing #	Direct	Pass-Through	Pass-Through Entity	Pass-Through Entity Sponsor Number	Total Expenditures	Passed to Sub-Recipients
Allergy and Infectious Diseases Research	93-855	\$ 6,169,714	\$ -			\$ 6,169,714	\$ 2,086,469
Allergy and Infectious Diseases Research	93-855	\$ -	\$ 17,235	Case Western Reserve University	RES51177; MOD 5	\$ 17,235	\$ -
Allergy and Infectious Diseases Research	93-855	\$ -	\$ 3,662	Oregon Health and Science University	1004354_DREXEL;MOD 6	\$ 3,662	\$ -
Allergy and Infectious Diseases Research	93-855	\$ -	\$ 74,908	Oregon Health and Science University	1011753_DREXEL;MOD 4	\$ 74,908	\$ -
Allergy and Infectious Diseases Research	93-855	\$ -	\$ 34,526	University of Pennsylvania	580768;PO:4590802	\$ 34,526	\$ -
Allergy and Infectious Diseases Research	93-855	\$ -	\$ 33,809	Children's Hospital of Philadelphia	GRT-00000134; PO 20163073-RSUB	\$ 33,809	\$ -
Allergy and Infectious Diseases Research	93-855	\$ -	\$ 28,109	Lenima Diagnostics, LLC	LFD-20200512	\$ 28,109	\$ -
Allergy and Infectious Diseases Research	93-855	\$ -	\$ 101,465	Oregon Health and Science University	1011753_DREXEL;MOD 4	\$ 101,465	\$ -
Total Assistance Listing # 93-855		\$ 6,169,714	\$ 293,714			\$ 6,463,428	\$ 2,086,469
Biomedical Research and Research Training	93-859	\$ 2,583,087	\$ -			\$ 2,583,087	\$ 972,309
Biomedical Research and Research Training	93-859	\$ -	\$ 25,143	University of Pennsylvania	575434; MOD 2	\$ 25,143	\$ -
Total Assistance Listing # 93-859		\$ 2,583,087	\$ 25,143			\$ 2,608,230	\$ 972,309
Child Health and Human Development Extramural Research	93-865	\$ 1,224,872	\$ -			\$ 1,224,872	\$ 561,625
Child Health and Human Development Extramural Research	93-865	\$ -	\$ 146,475	Columbia University	U01HL098354;4 GG010103	\$ 146,475	\$ -
Child Health and Human Development Extramural Research	93-865	\$ -	\$ 252,964	University of Arizona	364645;5R01HD088409-02;MOD 4	\$ 252,964	\$ -
Child Health and Human Development Extramural Research	93-865	\$ -	\$ 4,901	Widener University	# 1/#33445; MOD 2	\$ 4,901	\$ -
Child Health and Human Development Extramural Research	93-865	\$ -	\$ (330)	Harvard School of Public Health	114205-1438-5097549; MOD 02	\$ (330)	\$ -
Child Health and Human Development Extramural Research	93-865	\$ -	\$ (394)	Oregon Research Institute	SUBAWARD 091818; MOD1	\$ (394)	\$ -
Child Health and Human Development Extramural Research	93-865	\$ -	\$ 29,766	Harvard School of Public Health	114205-1538-5097549; 860204;M5	\$ 29,766	\$ -
Child Health and Human Development Extramural Research	93-865	\$ -	\$ 907	Harvard School of Public Health	114205-1538-5097549; 860326	\$ 907	\$ -
Child Health and Human Development Extramural Research	93-865	\$ -	\$ 2,964	Medical University of South Carolina	A00-2240-S003; MOD 2	\$ 2,964	\$ -
Child Health and Human Development Extramural Research	93-865	\$ -	\$ 2,654	Children's Hospital of Philadelphia	3200710000; 962661-RSUB; MOD4	\$ 2,654	\$ -
Child Health and Human Development Extramural Research	93-865	\$ -	\$ 7,661	Colorado State University	G-45063-02; MOD 1	\$ 7,661	\$ -
Child Health and Human Development Extramural Research	93-865	\$ -	\$ 15,931	The Board of Trustees of the University of Alabama	000511041-SC001; MOD5	\$ 15,931	\$ -
Child Health and Human Development Extramural Research	93-865	\$ -	\$ 75,357	Harvard School of Public Health	117267-0138-5119102	\$ 75,357	\$ -
Child Health and Human Development Extramural Research	93-865	\$ -	\$ 2,784	Children's Hospital of Philadelphia	3200710000; 962661-RSUB; MOD4	\$ 2,784	\$ -
Total Assistance Listing # 93-865		\$ 1,224,872	\$ 546,730			\$ 1,771,602	\$ 561,625
Aging Research	93-866	\$ 1,224,987	\$ -			\$ 1,224,987	\$ 252,851
Aging Research	93-866	\$ -	\$ (72,657)	University of Southern California	75696941	\$ (72,657)	\$ -
Aging Research	93-866	\$ -	\$ 123,318	Unknown		\$ 123,318	\$ -
Aging Research	93-866	\$ -	\$ 216,138	University of Pennsylvania	575447; 10067210; 35633/00	\$ 216,138	\$ -
Aging Research	93-866	\$ -	\$ 11,014	Johns Hopkins University School of Medicine	2004256161; MOD 02	\$ 11,014	\$ -
Aging Research	93-866	\$ -	\$ 76,343	Columbia University	1(GG014709-01); MOD 2	\$ 76,343	\$ -
Aging Research	93-866	\$ -	\$ 106,885	Brown University	00001380; MOD 1	\$ 106,885	\$ -
Aging Research	93-866	\$ -	\$ 16,472	University of Texas Rio Grande Valley	DPIAG069870 (01)	\$ 16,472	\$ -
Aging Research	93-866	\$ -	\$ 63,100	Johns Hopkins University	2004525971	\$ 63,100	\$ -
Aging Research	93-866	\$ -	\$ 58,955	University of Pennsylvania	577439; MOD 1	\$ 58,955	\$ -
Total Assistance Listing # 93-866		\$ 1,224,987	\$ 599,568			\$ 1,824,555	\$ 252,851
NATIONAL INSTITUTES OF HEALTH							
Vision Research	93-867	\$ -	\$ 4,699	Johns Hopkins University	2004814710	\$ 4,699	\$ -
Total Assistance Listing # 93-867		\$ -	\$ 4,699			\$ 4,699	\$ -
HEALTH RESOURCES AND SERVICES ADMINISTRATION							
Autism Collaboration, Accountability, Research, Education, and Support	93-877	\$ -	\$ 127,527	University of California Los Angeles	2000 G YC234; 441587-ZI-31103	\$ 127,527	\$ -
Total Assistance Listing # 93-877		\$ -	\$ 127,527			\$ 127,527	\$ -
NATIONAL INSTITUTES OF HEALTH							
Medical Library Assistance	93-879	\$ -	\$ 99,616	Children's Research Institute	30005484-01; MOD 2	\$ 99,616	\$ -
Total Assistance Listing # 93-879		\$ -	\$ 99,616			\$ 99,616	\$ -
CENTERS FOR DISEASE CONTROL AND PREVENTION							
HIV Prevention Activities Health Department Based	93-940	\$ -	\$ 10,000	Children's Hospital of Philadelphia	GRT-00000486;20192785;20250961	\$ 10,000	\$ -
Total Assistance Listing # 93-940		\$ -	\$ 10,000			\$ 10,000	\$ -
Human Immunodeficiency Virus (HIV)/Acquired Immunodeficiency Virus Syndrome (AIDS) Surveillance	93-944	\$ -	\$ 54,000	City of Philadelphia - Aids Activities Coordinating Office	2020593-02 CB0004;CB1004 MOD 2	\$ 54,000	\$ -
Total Assistance Listing # 93-944		\$ -	\$ 54,000			\$ 54,000	\$ -
NATIONAL INSTITUTES OF HEALTH							
International Research and Research Training	93-989	\$ 53,255	\$ -			\$ 53,255	\$ -
International Research and Research Training	93-989	\$ -	\$ 42,084	University of Utah	10039172-01; U000160917;MOD6	\$ 42,084	\$ -
Total Assistance Listing # 93-989		\$ 53,255	\$ 42,084			\$ 95,339	\$ -
Home Assessments for Patients and Families With Special Health Care Needs	93-RD	\$ 141,652	\$ -			\$ 141,652	\$ -
Occupational Safety and Health Technical Assistance	93-RD	\$ 30,843	\$ -			\$ 30,843	\$ -
Jackson Heart Study Field Center	93-RD	\$ -	\$ 39,595	University of Mississippi Medical Center	66111340819-02; MOD 02;YR 3	\$ 39,595	\$ -
Enhancing Effectiveness of a Dissonance Based Obesity Prevention Program	93-RD	\$ -	\$ 228,651	Stanford University	62362327-164181;5068131	\$ 228,651	\$ -
Development of Novel STING Pathway Agonists	93-RD	\$ -	\$ 205,993	Oregon Health and Science University	1014432_Drexel	\$ 205,993	\$ -
A4Tau; Tau PET Imaging for the USC Alzheimer's Therapeutic Research Institute	93-RD	\$ -	\$ 14,000	University of Southern California	70039642 (CTAAMP169)	\$ 14,000	\$ -
Total Assistance Listing # 93-RD		\$ 172,495	\$ 488,239			\$ 660,734	\$ -
Total Department of Health and Human Services		\$ 45,701,005	\$ 8,796,929			\$ 54,497,934	\$ 11,172,103
CORPORATION FOR NATIONAL AND COMMUNITY SERVICE							
Corporation for National and Community Service							
National Service and Civic Engagement Research Competition	94-026	\$ 100,809	\$ -			\$ 100,809	\$ -
Total Assistance Listing # 94-026		\$ 100,809	\$ -			\$ 100,809	\$ -
Total Corporation for National And Community Service		\$ 100,809	\$ -			\$ 100,809	\$ -

Drexel University and Subsidiaries

Schedule of Expenditures of Federal Awards

For the Year Ended June 30, 2021

Federal Grantor / Program or Cluster Title	Assistance Listing #	Direct	Pass-Through	Pass-Through Entity	Pass-Through Entity Sponsor Number	Total Expenditures	Passed to Sub-Recipients
DEPARTMENT OF HOMELAND SECURITY							
FEDERAL EMERGENCY MANAGEMENT AGENCY							
Assistance to Firefighters Grant	97.044	\$ 303,502	\$ -			\$ 303,502	\$ 11,103
Assistance to Firefighters Grant	97.044	\$ -	\$ 53,304	International Association of Fire Fighters	EMW-2019-FP-00096	\$ 53,304	\$ -
Assistance to Firefighters Grant	97.044	\$ -	\$ (303)	Fire Department Safety Officers Association	EMW-2015-FP-00051-SUB	\$ (303)	\$ -
Assistance to Firefighters Grant	97.044	\$ -	\$ 162,077	Fire Department Safety Officers Association	EMW-2017-FP-00274	\$ 162,077	\$ 40,260
Total Assistance Listing # 97.044		\$ 303,502	\$ 215,078			\$ 518,580	\$ 51,363
Total Department of Homeland Security		\$ 303,502	\$ 215,078			\$ 518,580	\$ 51,363
TOTAL RESEARCH AND DEVELOPMENT CLUSTER:		\$ 68,534,827	\$ 16,976,553			\$ 85,511,380	\$ 14,608,765
SUPPLEMENTAL NUTRITION ASSISTANCE PROGRAM CLUSTER							
DEPARTMENT OF AGRICULTURE							
FOOD AND NUTRITION SERVICE							
State Administrative Matching Grants for the Supplemental Nutrition Assistance Program	10.561	\$ -	\$ 8,478	Penn State University	SNAP ED18-19; 5977-DU-COP-9151	\$ 8,478	\$ -
State Administrative Matching Grants for the Supplemental Nutrition Assistance Program	10.561	\$ -	\$ 314,461	Penn State University	S000419-COP-DU	\$ 314,461	\$ -
Total Assistance Listing # 10.561		\$ -	\$ 322,939			\$ 322,939	\$ -
Total Department of Agriculture		\$ -	\$ 322,939			\$ 322,939	\$ -
TOTAL SUPPLEMENTAL NUTRITION ASSISTANCE PROGRAM CLUSTER		\$ -	\$ 322,939			\$ 322,939	\$ -
TEMPORARY ASSISTANCE FOR NEEDY FAMILIES CLUSTER							
DEPARTMENT OF HEALTH AND HUMAN SERVICES							
ADMINISTRATION FOR CHILDREN AND FAMILIES							
Temporary Assistance for Needy Families	93.558	\$ -	\$ 135,666	Philadelphia Works	TF18-036; TF19-043; TP20-093	\$ 135,666	\$ -
Total Assistance Listing # 93.558		\$ -	\$ 135,666			\$ 135,666	\$ -
Total Department of Health and Human Services		\$ -	\$ 135,666			\$ 135,666	\$ -
TOTAL TEMPORARY ASSISTANCE FOR NEEDY FAMILIES CLUSTER		\$ -	\$ 135,666			\$ 135,666	\$ -
OTHER SPONSORED PROJECTS							
DEPARTMENT OF COMMERCE							
ECONOMIC DEVELOPMENT ADMINISTRATION							
Economic Development Technical Assistance	11.303	\$ -	\$ 24,886	Blueprint Local LLC	26048170000	\$ 24,886	\$ -
		\$ -	\$ 24,886			\$ 24,886	\$ -
Total Assistance Listing # 11.303		\$ -	\$ 24,886			\$ 24,886	\$ -
Total Department of Commerce		\$ -	\$ 24,886			\$ 24,886	\$ -
DEPARTMENT OF DEFENSE							
NATIONAL SECURITY AGENCY (NSA)							
Information Security Grants	12.902	\$ 70,948	\$ -			\$ 70,948	\$ -
Total Assistance Listing # 12.902		\$ 70,948	\$ -			\$ 70,948	\$ -
Total Department of Defense		\$ 70,948	\$ -			\$ 70,948	\$ -
DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT							
COVID-19 PHA Cares COVID-19 Action Response and Educational Services							
	14.U02	\$ -	\$ 60,076	Temple University	267222- Drexel	\$ 60,076	\$ -
Total Assistance Listing # 14.U01		\$ -	\$ 60,076			\$ 60,076	\$ -
Total Department of Housing and Urban Development		\$ -	\$ 60,076			\$ 60,076	\$ -
DEPARTMENT OF JUSTICE							
OFFICE OF JUSTICE PROGRAMS							
Crime Victim Assistance	16.575	\$ -	\$ 44,848	Pennsylvania Commission on Crime and Delinquency	2016/2017-VF-05-28235	\$ 44,848	\$ -
Crime Victim Assistance	16.575	\$ -	\$ 471,354	Pennsylvania Commission on Crime and Delinquency	2017/2018-VF-05-29116	\$ 471,354	\$ 11,895
Crime Victim Assistance	16.575	\$ -	\$ 130,739	Commonwealth of Pennsylvania	2019/2020-VF-05-33170	\$ 130,739	\$ -
Total Assistance Listing # 16.575		\$ -	\$ 646,941			\$ 646,941	\$ 11,895
OFFICE OF JUSTICE PROGRAMS							
Crime Victim Assistance/Discretionary Grants	16.582	\$ 140,755	\$ -			\$ 140,755	\$ -
Total Assistance Listing # 16.582		\$ 140,755	\$ -			\$ 140,755	\$ -
Total Department of Justice		\$ 140,755	\$ 646,941			\$ 787,696	\$ 11,895
DEPARTMENT OF STATE							
BUREAU OF EDUCATIONAL AND CULTURAL AFFAIRS							
Academic Exchange Programs - Graduate Students	19.400	\$ -	\$ 118,296	Institute of International Education	FST2001_DREXEL_5.14.20	\$ 118,296	\$ -
Total Assistance Listing # 19.400		\$ -	\$ 118,296			\$ 118,296	\$ -
Total Department of State		\$ -	\$ 118,296			\$ 118,296	\$ -
DEPARTMENT OF THE TREASURY							
DEPARTMENTAL OFFICES							
COVID-19 Coronavirus Relief Fund	21.019	\$ -	\$ 52,762	Pennsylvania Higher Education Assistance Agency	ACT 101 CARES ACT FY21	\$ 52,762	\$ -
COVID-19 Coronavirus Relief Fund	21.019	\$ -	\$ 471,298	Commonwealth of Pennsylvania	Contract Co00075955	\$ 471,298	\$ -
Total Assistance Listing # 21.019		\$ -	\$ 524,060			\$ 524,060	\$ -
Total Department of the Treasury		\$ -	\$ 524,060			\$ 524,060	\$ -

Drexel University and Subsidiaries

Schedule of Expenditures of Federal Awards

For the Year Ended June 30, 2021

Federal Grantor / Program or Cluster Title	Assistance Listing #	Direct	Pass-Through	Pass-Through Entity	Pass-Through Entity Sponsor Number	Total Expenditures	Passed to Sub-Recipients
DEPARTMENT OF VETERAN AFFAIRS							
VHA Human Factors Engineering IPA Phase 2	64.U03	\$ 10,106	\$ -			\$ 10,106	\$ -
Investigating Multi-Level Determinants of Racial/Ethnic Disparities in Quality of End-of-Life Care for Veterans	64.U03	\$ 26,555	\$ -			\$ 26,555	\$ -
Center for Health Equality Research and Promotion	64.U03	\$ 65,395	\$ -			\$ 65,395	\$ -
Strengthening Suicide Prevention Efforts for Women Veterans	64.U03	\$ 44,937	\$ -			\$ 44,937	\$ -
Total CFDA 64.U03		\$ 146,993	\$ -			\$ 146,993	\$ -
TOTAL DEPARTMENT OF VETERAN AFFAIRS		\$ 146,993	\$ -			\$ 146,993	\$ -
DEPARTMENT OF EDUCATION							
OFFICE OF ELEMENTARY AND SECONDARY EDUCATION							
Innovative Approaches to Literacy, Full-service Community Schools; and Promise Neighborhoods	84.215	\$ 4,103,710	\$ -			\$ 4,103,710	\$ 1,819,679
Total CFDA 84.215		\$ 4,103,710	\$ -			\$ 4,103,710	\$ 1,819,679
Office of Safe and Healthy Students							
Student Support and Academic Enrichment Program	84.424A	\$ -	\$ 22,142	School District Of Philadelphia	2088/F20	\$ 22,142	\$ -
Total CFDA 84.424A		\$ -	\$ 22,142			\$ 22,142	\$ -
Department of Education							
COVID-19-Higher Education Emergency Relief Fund-Institutional Portion	84.425F	\$ 39,214,732	\$ -			\$ 39,214,732	\$ -
Total CFDA 84.4254F		\$ 39,214,732	\$ -			\$ 39,214,732	\$ -
Department of Education							
COVID-19-Higher Education Emergency Relief Fund-Student Aid Portion	84.425E	\$ 7,554,916	\$ -			\$ 7,554,916	\$ -
Total CFDA 84.425E		\$ 7,554,916	\$ -			\$ 7,554,916	\$ -
OFFICE OF ELEMENTARY AND SECONDARY EDUCATION							
Supporting Effective Instruction State Grants (formerly Improving Teacher Quality State Grants)	84.367	\$ -	\$ 69,313	School District Of Philadelphia	SC; 586154 RFQ: 180; FY21-22	\$ 69,313	\$ -
Supporting Effective Instruction State Grants (formerly Improving Teacher Quality State Grants)	84.367	\$ -	\$ 198,158	PA Department of Education	4100084641; K18719572311	\$ 198,158	\$ -
Total CFDA 84.367		\$ -	\$ 267,471			\$ 267,471	\$ -
Total Department of Education		\$ 50,873,358	\$ 289,613			\$ 51,162,971	\$ 1,819,679
DEPARTMENT OF HEALTH AND HUMAN SERVICES							
HEALTH RESOURCES AND SERVICES ADMINISTRATION							
Maternal and Child Health Federal Consolidated Programs	93.110	\$ 45,971	\$ -			\$ 45,971	\$ -
Maternal and Child Health Federal Consolidated Programs	93.110	\$ -	\$ 39,549	University of California Los Angeles	2000 G TJ481; MOD 06	\$ 39,549	\$ -
Maternal and Child Health Federal Consolidated Programs	93.110	\$ -	\$ 11,000	Children's Hospital of Philadelphia	127007-32096105 18- 19- 20-21	\$ 11,000	\$ -
Maternal and Child Health Federal Consolidated Programs	93.110	\$ -	\$ 25,000	Children's Sickle Cell Foundation	1SCDNBSFP2020	\$ 25,000	\$ -
Total CFDA 93.110		\$ 45,971	\$ 75,549			\$ 121,520	\$ -
Coordinated Services and Access to Research for Women, Infants, Children, and Youth	93.153	\$ 328,877	\$ -			\$ 328,877	\$ -
COVID-19 Coordinated Services and Access to Research for Women, Infants, Children and Youth	93.153	\$ 9,023	\$ -			\$ 9,023	\$ -
Total CFDA 93.153		\$ 337,900	\$ -			\$ 337,900	\$ -
OFFICE OF ASSISTANT SECRETARY FOR HEALTH							
Family Planning Services	93.217	\$ -	\$ 30,534	Access Matters	CONTRACT# 212501	\$ 30,534	\$ -
Family Planning Services	93.217	\$ -	\$ 205,163	Access Matters	CONTRACT 202401; 202501	\$ 205,163	\$ -
Total CFDA 93.217		\$ -	\$ 235,697			\$ 235,697	\$ -
CENTERS FOR DISEASE CONTROL AND PREVENTION							
State Capacity Building	93.240	\$ -	\$ 19,017	Pennsylvania Department of Health	4400015617	\$ 19,017	\$ -
Total CFDA 93.240		\$ -	\$ 19,017			\$ 19,017	\$ -
HEALTH RESOURCES AND SERVICES ADMINISTRATION							
COVID-19 Provider Relief Fund	93.498	\$ 730,576	\$ -			\$ 730,576	\$ -
Total CFDA 93.498		\$ 730,576	\$ -			\$ 730,576	\$ -
SUBSTANCE ABUSE AND MENTAL HEALTH SERVICES ADMINISTRATION							
Substance Abuse and Mental Health Services Projects of Regional and National Significance	93.243	\$ 395,659	\$ -			\$ 395,659	\$ -
Substance Abuse and Mental Health Services Projects of Regional and National Significance	93.243	\$ -	\$ 78,505	Pennsylvania Department of Human Services	1H79SM083371-01	\$ 78,505	\$ -
Substance Abuse and Mental Health Services Projects of Regional and National Significance	93.243	\$ -	\$ 7,529	Pennsylvania Department of Human Services	GRANT H79SM082107; 239630	\$ 7,529	\$ -
Total CFDA 93.243		\$ 395,659	\$ 86,034			\$ 481,693	\$ -
CENTERS FOR DISEASE CONTROL AND PREVENTION							
Innovative State and Local Public Health Strategies to prevent and Manage Diabetes and Heart Disease and Stroke	93.435	\$ -	\$ 113,398	City of Philadelphia	1920617; CDC1817 GRANT	\$ 113,398	\$ -
Total CFDA 93.435		\$ -	\$ 113,398			\$ 113,398	\$ -
HEALTH RESOURCES AND SERVICES ADMINISTRATION							
Public Health Training Centers Program	93.516	\$ -	\$ 108,338	University of Pittsburgh	CNVA00061461 134676-3	\$ 108,338	\$ -
Total CFDA 93.516		\$ -	\$ 108,338			\$ 108,338	\$ -
ADMINISTRATION FOR COMMUNITY LIVING (ACL)							
Developmental Disabilities Basic Support and Advocacy Grants	93.630	\$ -	\$ 3,100	Pennsylvania Developmental Disabilities Council	4100085033	\$ 3,100	\$ -
COVID-19 Developmental Disabilities Basic Support and Advocacy Grants	93.630	\$ -	\$ 5,000	Pennsylvania Developmental Disabilities Council	AWARD DATED 10/28/2020	\$ 5,000	\$ -
Total CFDA 93.630		\$ -	\$ 8,100			\$ 8,100	\$ -

Drexel University and Subsidiaries

Schedule of Expenditures of Federal Awards

For the Year Ended June 30, 2021

Federal Grantor / Program or Cluster Title	Assistance Listing #	Direct	Pass-Through	Pass-Through Entity	Pass-Through Entity Sponsor Number	Total Expenditures	Passed to Sub-Recipients
HEALTH RESOURCES AND SERVICES ADMINISTRATION							
HIV Emergency Relief Project Grants	93-914	\$ -	\$ -			\$ -	\$ -
HIV Emergency Relief Project Grants	93-914	\$ -	\$ 16,397	City of Philadelphia - Aids Activities Coordinating Office	1820529-01 RW9212	\$ 16,397	\$ -
HIV Emergency Relief Project Grants	93-914	\$ -	\$ 146,441	City of Philadelphia - Aids Activities Coordinating Office	1820528-02; RM0811	\$ 146,441	\$ -
HIV Emergency Relief Project Grants	93-914	\$ -	\$ 826,140	City of Philadelphia - Aids Activities Coordinating Office	1820529-02; RW0212	\$ 826,140	\$ -
HIV Emergency Relief Project Grants	93-914	\$ -	\$ 191,839	City of Philadelphia - Aids Activities Coordinating Office	RW0213; 1820529-02	\$ 191,839	\$ -
HIV Emergency Relief Project Grants	93-914	\$ -	\$ 37,826	City of Philadelphia - Aids Activities Coordinating Office	1820529-02; RS0875	\$ 37,826	\$ -
HIV Emergency Relief Project Grants	93-914	\$ -	\$ 51,314	City of Philadelphia - Aids Activities Coordinating Office	H89jHA00013/ RM1812; 1820528-03	\$ 51,314	\$ -
HIV Emergency Relief Project Grants	93-914	\$ -	\$ 63,279	City of Philadelphia - Aids Activities Coordinating Office	RM1811; 1820528-03	\$ 63,279	\$ -
HIV Emergency Relief Project Grants	93-914	\$ -	\$ 19,865	City of Philadelphia - Aids Activities Coordinating Office	1820529-03; RS1875	\$ 19,865	\$ -
HIV Emergency Relief Project Grants	93-914	\$ -	\$ 109,537	City of Philadelphia - Aids Activities Coordinating Office	RW1213; 1820529-03	\$ 109,537	\$ -
HIV Emergency Relief Project Grants	93-914	\$ -	\$ 58,608	Access Matters	203007	\$ 58,608	\$ -
HIV Emergency Relief Project Grants	93-914	\$ -	\$ 253,196	City of Philadelphia - Aids Activities Coordinating Office	RW1212; 1820529-03	\$ 253,196	\$ -
HIV Emergency Relief Project Grants	93-914	\$ -	\$ 10,953	City of Philadelphia - Aids Activities Coordinating Office	1820528-03; RM1220	\$ 10,953	\$ -
Total Assistance Listing # 93-914		\$ -	\$ 1,785,395			\$ 1,785,395	\$ -
HIV Care Formula Grants	93-917	\$ -	\$ 16,231	Jewish Healthcare Foundation	1718-5142	\$ 16,231	\$ -
HIV Care Formula Grants	93-917	\$ -	\$ 7,664	Jewish Healthcare Foundation	AGREEMENT #1819-5142	\$ 7,664	\$ -
HIV Care Formula Grants	93-917	\$ -	\$ 64,886	Jewish Healthcare Foundation	2021-5142	\$ 64,886	\$ -
Total Assistance Listing # 93-917		\$ -	\$ 88,781			\$ 88,781	\$ -
Grants to Provide Outpatient Early Intervention Services with Respect to HIV Disease	93-918	\$ 608,176	\$ -			\$ 608,176	\$ 31,725
COVID-19 Grants to Provide Outpatient Early Intervention Services with Respect to HIV Disease	93-918	\$ 37,597	\$ -			\$ 37,597	\$ -
Total Assistance Listing # 93-918		\$ 645,773	\$ -			\$ 645,773	\$ 31,725
HIV Prevention Activities Health Department Based	93-940	\$ -	\$ 103,476	City of Philadelphia - Aids Activities Coordinating Office	1820528-02; RM0812	\$ 103,476	\$ -
HIV Prevention Activities Health Department Based	93-940	\$ -	\$ 28,440	City of Philadelphia - Aids Activities Coordinating Office	1820419-03; CP0015	\$ 28,440	\$ -
HIV Prevention Activities Health Department Based	93-940	\$ -	\$ 24,553	City of Philadelphia - Aids Activities Coordinating Office	1820419-04; CP1015	\$ 24,553	\$ -
Total Assistance Listing # 93-940		\$ -	\$ 156,469			\$ 156,469	\$ -
SUBSTANCE ABUSE AND MENTAL HEALTH SERVICES ADMINISTRATION							
Block Grants for Prevention and Treatment of Substance Abuse	93-959	\$ -	\$ -			\$ -	\$ -
Block Grants for Prevention and Treatment of Substance Abuse	93-959	\$ -	\$ (12,610)	City of Philadelphia - Office of Addiction Services	15-20483-03 SBXX18000493	\$ (12,610)	\$ -
Block Grants for Prevention and Treatment of Substance Abuse	93-959	\$ -	\$ 1,509	City of Philadelphia - Office of Addiction Services	19-20259-02 SBXX20000487	\$ 1,509	\$ -
Block Grants for Prevention and Treatment of Substance Abuse	93-959	\$ -	\$ 114,055	City of Philadelphia - Office of Addiction Services	19-20259-03	\$ 114,055	\$ -
Total Assistance Listing # 93-958		\$ -	\$ 102,954			\$ 102,954	\$ -
Mental Health Disaster Assistance and Emergency Mental Health	93-982	\$ -	\$ 1,079,783	Kansas Department for Aging and Disability Services	H79FG000624	\$ 1,079,783	\$ 670,000
Total Assistance Listing # 93-982		\$ -	\$ 1,079,783			\$ 1,079,783	\$ 670,000
HEALTH RESOURCES AND SERVICES ADMINISTRATION							
Maternal and Child Health Services Block Grant to the States	93-994	\$ -	\$ -			\$ -	\$ -
Maternal and Child Health Services Block Grant to the States	93-994	\$ -	\$ 100,116	American Academy of Pediatrics	LTR DATED 05/30/2018	\$ 100,116	\$ -
Maternal and Child Health Services Block Grant to the States	93-994	\$ -	\$ 69,197	Pennsylvania Department of Health	410008052 EXT1	\$ 69,197	\$ -
Maternal and Child Health Services Block Grant to the States	93-994	\$ -	\$ 15,000	Access Matters	AWARD DATED JANUARY 16, 2020	\$ 15,000	\$ -
Maternal and Child Health Services Block Grant to the States	93-994	\$ -	\$ 6,321	Access Matters	AWARD DATED 11/13/19	\$ 6,321	\$ -
Maternal and Child Health Services Block Grant to the States	93-994	\$ -	\$ 120,164	Children's Hospital of Philadelphia	220010621/PO #20213669; MOD 4	\$ 120,164	\$ -
Total Assistance Listing # 93-994		\$ -	\$ 310,798			\$ 310,798	\$ -
Total Department of Health and Human Services		\$ 7,882,322	\$ 4,170,313			\$ 12,052,635	\$ 701,725
AGENCY FOR INTERNATIONAL DEVELOPMENT							
AGENCY FOR INTERNATIONAL DEVELOPMENT							
USAID Foreign Assistance for Programs Overseas	98.001	\$ -	\$ 28,339	21st Century Partnership for STEM Education	21PSTEM 72026318C0003-009	\$ 28,339	\$ -
Total Assistance Listing # 98.001		\$ -	\$ 28,339			\$ 28,339	\$ -
Total Agency for International Development		\$ -	\$ 28,339			\$ 28,339	\$ -
TOTAL OTHER SPONSORED PROJECTS		\$ 59,114,346	\$ 5,862,524			\$ 64,976,870	\$ 2,533,299

Drexel University and Subsidiaries

Schedule of Expenditures of Federal Awards

For the Year Ended June 30, 2021

Federal Grantor / Program or Cluster Title	Assistance Listing #	Direct	Pass-Through	Pass-Through Entity	Pass-Through Entity Sponsor Number	Total Expenditures	Passed to Sub-Recipients
STUDENT FINANCIAL AID CLUSTER							
DEPARTMENT OF THE TREASURY							
DEPARTMENT OF THE TREASURY							
COVID-19 Coronavirus Relief Fund							
	21-019	\$ -	\$ 306,796	PHEAA IAG Program	FINANCIAL AID IAG CARES ACT	\$ 306,796	\$ -
	Total Assistance Listing # 21-019	\$ -	\$ 306,796			\$ 306,796	\$ -
Total Department of the Treasury							
DEPARTMENT OF EDUCATION							
Federal Work-Study Program							
	84-033	\$ 2,188,000	\$ -			\$ 2,188,000	\$ -
	Total Assistance Listing # 84-033	\$ 2,188,000	\$ -			\$ 2,188,000	\$ -
Federal Perkins Loan Program							
Outstanding loans as of July 1, 2020							
	84-038	\$ 14,289,473	\$ -			\$ 14,289,473	\$ -
	Total Assistance Listing # 84-038	\$ 14,289,473	\$ -			\$ 14,289,473	\$ -
Federal Pell Grant Program							
	84-063	\$ 16,841,105	\$ -			\$ 16,841,105	\$ -
	Total Assistance Listing # 84-063	\$ 16,841,105	\$ -			\$ 16,841,105	\$ -
Graduate Assistance in Areas of National Need							
	84-200	\$ 1,105,854	\$ -			\$ 1,105,854	\$ -
	Total Assistance Listing # 84-200	\$ 1,105,854	\$ -			\$ 1,105,854	\$ -
Federal Direct Student Loans							
	84-268	\$ 233,191,263	\$ -			\$ 233,191,263	\$ -
	Total Assistance Listing # 84-268	\$ 233,191,263	\$ -			\$ 233,191,263	\$ -
Teacher Education Assistance for College and Higher Education Grants (TEACH Grants)							
	84-379	\$ 11,554	\$ -			\$ 11,554	\$ -
	Total Assistance Listing # 84-379	\$ 11,554	\$ -			\$ 11,554	\$ -
Total Department of Education							
DEPARTMENT OF HEALTH AND HUMAN SERVICES							
Health Resources and Services Administration							
Primary Care Loans							
Outstanding loans as of July 1, 2020							
	93-342	\$ 1,720,927	\$ -			\$ 1,720,927	\$ -
New loans issued during 2021							
	93-342	\$ -	\$ -			\$ -	\$ -
	Total Primary Care Loans	\$ 1,720,927	\$ -			\$ 1,720,927	\$ -
Total Department of Health and Human Services							
TOTAL STUDENT FINANCIAL AID CLUSTER							
		\$ 269,348,176	\$ 306,796			\$ 269,654,972	\$ -
TOTAL FEDERAL AWARD EXPENDITURES							
		\$ 391,270,906	\$ 23,604,478			\$ 414,875,384	\$ 17,142,064

Drexel University and Subsidiaries

Notes to the Schedule of Expenditures of Federal Awards

For the Year Ended June 30, 2021

1. Basis of Presentation

The accompanying Schedule of Expenditures of Federal Awards (the "Schedule") summarizes the expenditures of Drexel University and Subsidiaries (the "University") under programs of the federal government for the year ended June 30, 2021. Because the Schedule presents only a selected portion of the operations of the University, it is not intended to, and does not, present the consolidated financial position, revenues, expenses, and changes in net assets of the University.

For the purposes of the Schedule, federal awards include all grants, contracts, and similar agreements entered into directly between the University and agencies or departments of the federal government and all sub-awards to the University by nonfederal organizations pursuant to federal grants, contracts, and similar agreements.

Federally guaranteed loans issued to students of the University by various financial institutions and campus-based loan programs, disclosed in Note 3, are also included in the Schedule.

The University applies its predetermined approved facilities and administrative rate when charging indirect costs to federal awards rather than the 10% de minimis cost rate as described in Section 200.414 of the Uniform Guidance.

2. Basis of Accounting

The Schedule is presented using the accrual basis of accounting. Negative items on the Schedule represent adjustments from the prior year.

3. Federal Student Loan Programs

Drexel University also participates in and administers the following student loan programs:

	Assistance Listing Number	Loan Receivable as of June 30, 2021
Other student loan programs:		
Federal Perkins Loan Program	84.038	\$ 11,771,147
Primary Care Loans	93.342	-
Loans for Disadvantaged Students	93.342	25,205
Nursing Student Loan	93.364	-
		<u>\$ 11,796,352</u>

Drexel University accounts for such loan programs in separate revolving loan funds. As such, the balances and transactions of these loan programs are recorded in Drexel University's consolidated financial statements. There was no administrative cost allowance for the Federal Perkins Loan Program for the year ended June 30, 2021. The amount of Perkins loan principal cancelled during the year was \$77,999 (Assistance Listing #84.038).

II. Internal Control and Compliance



Report of Independent Auditors 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*

To the Board of Trustees
Drexel University

We have audited, in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States, the consolidated financial statements of Drexel University and its Subsidiaries (“the University”), which comprise the consolidated statement of financial position as of June 30, 2021, and the related consolidated statements of activities and of cash flows for the year then ended, and the related notes to the financial statements, and have issued our report thereon dated October 28, 2021.

Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered the University’s internal control over financial reporting (“internal control”) as a basis for designing the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the University’s internal control. Accordingly, we do not express an opinion on the effectiveness of the University’s internal control. A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control such that there is a reasonable possibility that a material misstatement of the entity’s financial statements will not be prevented, or detected and corrected on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

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

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the University’s 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 entity'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 entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

PricewaterhouseCoopers LLP

Philadelphia, Pennsylvania
October 28, 2021



**Report of Independent Auditors on Compliance with Requirements
That Could Have a Direct and Material Effect on Each Major Program and on Internal
Control Over Compliance in Accordance with the Uniform Guidance**

To the Board of Trustees
Drexel University

Report on Compliance for Each Major Federal Program

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

Management's Responsibility

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

Auditors' Responsibility

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

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

Opinion on Each Major Federal Program

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

Other Matters

As indicated in Part I to the accompanying Schedule of Findings and Questioned Costs, we have audited the Student Financial Assistance cluster as a major program. Also, as indicated in the first paragraph of this report, we performed our audit of compliance using the compliance requirements contained in the OMB Compliance Supplement, including those contained in Part V 5.3, Compliance Requirement N, Special Tests and Provisions, Section 10 “Gramm-Leach-Bliley Act-Student Information Security.” This section includes three suggested audit procedures with respect to verification that the institution (1) designated an individual to coordinate the information security program, (2) performed a risk assessment that addresses the three required areas in 16 CFR 314.4(b), and (3) documented a safeguard for each risk identified. Our procedures in relation to these three items were limited to inquiry of and obtaining written representation from management and obtaining and reading management’s documentation related to these three items. Our procedures did not include an analysis of the adequacy or completeness of the risk assessment performed or the safeguards for each risk identified by management.

The results of our auditing procedures disclosed instances of noncompliance, which are required to be reported in accordance with the Uniform Guidance and which are described in the accompanying schedule of findings and questioned costs as items 2021-001. Our opinion on each major federal program is not modified with respect to these matters.

The University’s response to the noncompliance findings identified in our audit is described in the accompanying Management’s View and Corrective Action Plan. The University’s response was not subjected to the auditing procedures applied in the audit of compliance and, accordingly, we express no opinion on the response.

Report on Internal Control over Compliance

Management of the University is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements referred to above. In planning and performing our audit of compliance, we considered the University’s internal control over compliance with the types of requirements that could have a direct and material effect on each major federal program to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance for each major federal program and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the University’s internal control over compliance.

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

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

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

PricewaterhouseCoopers LLP

Philadelphia, Pennsylvania
March 31, 2022

III. Schedule of Findings and Questioned Costs

Drexel University and Subsidiaries
Schedule of Audit Findings and Questioned Costs
For the Year Ended June 30, 2021

Section I – Summary of Auditor’s Results

Consolidated Financial Statements

- | | | |
|---|-------------------|---|
| (i) Type of auditor’s report issued: | <u>Unmodified</u> | |
| (ii) Internal control over financial reporting: | | |
| Material weakness(es) identified? | _____ yes | <input checked="" type="checkbox"/> no |
| Significant deficiency(ies) identified that are not considered to be material weaknesses? | _____ yes | <input checked="" type="checkbox"/> none reported |
| (iii) Noncompliance material to financial statements noted? | _____ yes | <input checked="" type="checkbox"/> no |

Federal Awards

- | | | |
|---|---|---|
| (iv) Internal control over financial reporting: | | |
| Material weakness(es) identified? | _____ yes | <input checked="" type="checkbox"/> no |
| Significant deficiency(ies) identified that are not considered to be material weaknesses? | _____ yes | <input checked="" type="checkbox"/> none reported |
| (v) Type of auditor’s report issued on compliance for major programs: | <u>Unmodified</u> | |
| (vi) Any audit findings disclosed that are required to be reported in accordance with 2 CFR 200.516(a)? | <input checked="" type="checkbox"/> yes | _____ no |
| (vii) Identification of major programs: | | |
| Assistance Listing Number(s) | Name of Federal Program or Cluster | |
| Various | Student Financial Assistance Cluster | |
| 84.425E | COVID-19- Higher Education Emergency Relief Fund (HEERF)- Institutional Portion | |
| 84.425F | COVID-19- Higher Education Emergency Relief Fund (HEERF)-Student Portion | |
| 84.215 | Innovative Approaches to Literacy, Full-service Community Schools and Promise Neighborhoods | |
| (vii) Dollar threshold used to distinguish between Type A and Type B programs: | \$ 3,000,000 | |
| (ix) Auditee qualified as low-risk auditee? | <input checked="" type="checkbox"/> yes | _____ no |

Section II – Financial Statement Findings

None noted.

Drexel University and Subsidiaries

Schedule of Audit Findings and Questioned Costs

For the Year Ended June 30, 2021

Section III – Federal Awards Findings and Questioned Costs

Finding 2021-001:	Eligibility
Grantor:	Aids Activity Coordinating Office (AACO)
Program:	Grants to Provide Outpatient Early Intervention Services with Respect to HIV Disease
Assistance Listing #:	93.914
Title:	Ambulatory/Out-Patient Medical Care, Care Services Case Management
Award#:	H89HA00013
Award Year:	3/1/2020 – 6/30/2021
Pass-through entity:	Not applicable

Criteria

Per the AACO/PA Dept. of Health Ryan White Part A/B – Payer of Last Resort Client Certification Form Instructions, “The Health Resources and Services Administration (HRSA) standards require service providers who receive Ryan White funding to screen clients and collect supporting documentation to certify their eligibility for Ryan White-funded services based on HIV positive diagnosis, identity, residence, insurance status, and income. The standards further require recertification every 6 months to determine continued eligibility.” The certification form states under the ‘Verification of Insurance’ requirement, “Having insurance or other third-party coverage does not deem a client ineligible for Ryan White. However, that coverage should serve as primary in reimbursement of services as Ryan White is to serve as ‘Payer of Last Resort’ for those services. Verification of eligibility shall remain in the client’s file.”

Condition

For 2 of a sample of 40 patient files selected for testing in fiscal year 2021, the patients were certified as eligible for Ryan White funds, yet each patient’s income status was not reviewed, and their insurance did not meet the “Payer of Last Resort” requirement. In addition, 1 of these patients was certified without evidence verifying identity or residency. The same condition was present in prior year finding 2020-001.

Cause

Both patients were originally certified as eligible based on allowable insurance coverage (i.e. Government programs). However, at their most recent recertification, both patients’ insurance changed to coverage that did not qualify under the “Payer of Last Resort” requirement. The patients informed case managers of the change in insurance, but recertification still occurred without proper verification of income. This all occurred during the time of the COVID-19 pandemic which had an impact on the ability to update the filing system due to the remote work environment. Patients and staff were not able to come into the office which created additional obstacles in obtaining and recording documentation in charts.

Effect:

As a result of not recertifying upon each visit as required under the program, ineligible participants may improperly receive services under the Ryan White program.

Questioned Costs

There were no questioned costs related to this finding because federal funds were not specifically reimbursed to the University for the services provided to the inappropriately recertified patients.

Drexel University and Subsidiaries
Schedule of Audit Findings and Questioned Costs
For the Year Ended June 30, 2021

Recommendation

We recommend the University ensures that changes in insurance are identified and reviewed for all patients during the recertification process. After a change to an ineligible insurance provider is identified, management should immediately initiate a request for proof of income to verify that the patient's income doesn't exceed 500% of the Federal Poverty Level. In addition, management should consider implementing a secondary level of review during the recertification process.

Views of responsible officials and planned corrective actions

Following this finding is Management's View and Corrective Action Plan.

Drexel University and Subsidiaries

Summary Schedule of Prior Audit Findings

For the Year Ended June 30, 2021

2020-001: Eligibility

Grantor:	Aids Activity Coordinating Office (AACO)
Title:	Ambulatory/Out-Patient Medical Care, Care Service
Assistance Listing #:	93.914
Award #:	H89HA00013
Award Year:	7/1/2019 – 6/30/2020

Summary

For 2 of a sample of 40 patient files selected for testing, the patients were certified as eligible for Ryan White funds, yet each patient's insurance did not meet the "Payer of Last Resort" requirement.

Status Update

We will continue to ensure all staff receive Ryan White certification training quarterly. FY20 and FY21 were trying years as the COVID pandemic significantly affected the way systems functioned. Staff functioned virtually and worked diligently to meet the needs of our population during unprecedented times. This caused difficulty in implementing new processes and maintaining current processes. Clients were being seen by telehealth instead of 'checking in' at the front desk making it difficult to collect IDs and insurance cards.

To ensure that all clients receiving Ryan White services are accurately certified, we have organized a team to create a new workflow. A weekly appointment report is run that allows our team to confirm up to date Ryan White certifications. We can identify that the Ryan White certifications are close to expiration, and we are able to flag the client. The case manager is alerted to address certification at the next patient visit and the EMR Support Analyst & Manager is notified and will then review the client's status and certify as Ryan White eligible if appropriate. The Manager will receive a monthly report of all clients in need of Ryan White certification and will complete a review to determine Ryan White eligibility. Additionally, all new clients to Partnership Comprehensive Care Practice (PCCP) meet with our on-call manager and if qualified will be Ryan White certified.



Office of the Comptroller
Research Accounting Services

Federal Uniform Guidance Audit Findings

2021-001: Eligibility

Agency: Aids Activity Coordinating Office (AACO)
CFDA#: 93.914
Title: Ambulatory/Out-Patient Medical Care, Care Services Case Management
Award#: H89HA00013
Award Year: 3/1/20-6/30/21

Management's Response:

Management agrees with the finding that 2 of the 40 patients that were certified as eligible for Ryan White funds did not meet the "Payer of Last Resort" income requirement. The two patients were both previously Ryan White (RW) eligible due to having Medicaid and/or Special Pharmaceutical Benefit Program (SPBP) coverage. The error was made due to the certifier not checking their current insurance status. Several factors contributed to this error including the clinic being closed to 'in person' visits until July 2020. Also, the transition to a new medical record system occurred remotely required staff to switch between the two medical records to confirm documentation. This was very difficult especially while working remotely with reduced access to IT resources. This caused a higher chance of missing a change in a patient's insurance status on file. In the past year, their insurance status had changed from Medicaid and SPBP to private insurance. There was no current proof of income or proof of income by proxy from Medicaid or SPBP. The two patients were privately insured due to employment. Private insurance can only be confirmed by the patient presenting a card at an office visit.

Corrective Action Plan:

This past year displayed a new range of challenges. The Partnership Comprehensive Care Practice (PCCP) with oversight from Amy Althoff, Medical Director, will be completed by April 2022. These actions include:

1. A training/retraining of ALL staff on a quarterly basis of the Ryan White Certification process to understand the requirements and consequences.
2. The Director of Case Management, will continue to spend one supervisory session each month with individual staff members to review and monitor corrective implementation of the RW Certification process.
3. Organize a Ryan White certification team that monitors and implements a new workflow to ensure up to date and accurate RW certifications and 6-month recertifications. The data team will run weekly reports and inform all case managers of their patients due for recertification. The Manager of the RW certification team will receive a monthly report of all non-case managed clients in need of Ryan White certification. She and her staff will review them for certification on a monthly basis, and, if eligible, will certify them as Ryan White eligible. Additionally, all new clients to PCCP will meet with our on-call case manager. At the time of this first appointment RW eligibility is reviewed and if qualified, the client is certified. Furthermore, the front desk will run an insurance report for all patients with weekly appointments, this will be provided to the case managers and RW certification team to cross check with patients due for RW certification.
4. Revisit establishing a full-time position for Ryan White certifications after conducting an internal audit in six months to assess the effectiveness of the new RW certification team and workflow. This final decision for a hire for this position will be made by December 31, 2022.

DocuSigned by:

Patricia J. Dalessandro

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Patricia J. Dalessandro
Associate Vice President and Comptroller

March 31, 2022

Date

DocuSigned by:

Evelyn Balabis

D54AF282CBB340F...

Evelyn Balabis
Executive Director- Research Accounting Services

March 31, 2022

Date