

Drexel University and Subsidiaries
Financial Statements and
Schedule of Expenditures of Federal Awards and
Reports in Accordance with the Uniform Guidance
For the Year Ended June 30, 2023
EIN # 23-1352630

Drexel University and Subsidiaries
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June 30, 2023

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I. Financial Statements



Report of Independent Auditors

To the Board of Trustees of Drexel University

Report on the Audit of the Consolidated Financial Statements

Opinion

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, 2023 and 2022, and the related consolidated statements of activities and of cash flows for the years then ended, including the related notes (collectively referred to as the “consolidated financial statements”).

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

Basis for Opinion

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

Responsibilities of Management for the 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, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

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

Auditors’ Responsibilities for the Audit of the Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors’ report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and

therefore is not a guarantee that an audit conducted in accordance with US GAAS and *Government Auditing Standards*, will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

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

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

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

Supplemental 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, 2023 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. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the consolidated financial statements. The information has been subjected to the auditing procedures applied in the audit of the consolidated financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the consolidated financial statements or to the consolidated financial statements themselves, and other additional procedures, in accordance with auditing standards generally accepted in the United States of America. In our opinion, the 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 27, 2023, on our consideration of the University's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters for the year ended June 30, 2023. 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.

A handwritten signature in black ink that reads "PricewaterhouseCoopers LLP". The signature is written in a cursive, flowing style.

Philadelphia, Pennsylvania
October 27, 2023

Drexel University and Subsidiaries
Consolidated Statements of Financial Position
June 30, 2023 and 2022 (in thousands)

	2023	2022
Assets:		
Cash, cash equivalents, and restricted cash		
Operating	\$ 58,351	\$ 84,525
Restricted	13,784	11,435
Accounts receivable	164,819	149,093
Contributions receivable, net	82,767	86,563
Loans receivable	7,606	10,090
Prepaid expenses and other assets	91,782	87,135
Malpractice insurance trust	13,398	11,136
Beneficial interests in trusts	42,473	39,913
Investments	934,265	929,830
Land, buildings and equipment, net	1,058,765	969,728
Finance lease right-of-use (ROU) asset	13,402	13,158
Operating lease right-of-use (ROU) asset	491,221	116,641
Total assets	\$ 2,972,633	\$ 2,509,247
Liabilities:		
Accounts payable	\$ 54,537	\$ 56,517
Accrued liabilities	127,696	139,499
Deposits and deferred revenue	171,592	178,359
Finance lease liability	9,555	8,020
Operating lease liability	602,779	145,312
Government advances for student loans	9,898	12,145
Accrued retirement obligations	21,592	27,452
Bonds and notes payable	534,772	546,648
Liabilities held for sale	966	1,081
Total liabilities	1,533,387	1,115,033
Net Assets:		
Without donor restrictions	595,769	573,496
With donor restrictions	843,477	820,718
Total net assets	1,439,246	1,394,214
Total liabilities and net assets	\$ 2,972,633	\$ 2,509,247

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, 2023 (in thousands)

	Without Donor Restrictions	With Donor Restrictions	Total
Operating			
Revenues and releases:			
Tuition and fees, room and board	\$ 658,284	\$ -	\$ 658,284
Grants and contracts	137,172	18,635	155,807
Physician services	22,458		22,458
Auxilliary enterprises	18,648		18,648
Commonwealth appropriations	5,191		5,191
Contributions	3,931	18,808	22,739
Allocation of endowment spending from financial capital	17,407	32,976	50,383
Investment income, net	10,154	2,009	12,163
Other income	112,264	418	112,682
Total revenues	985,509	72,846	1,058,355
Net assets released from restrictions	77,689	(77,689)	-
Total revenues and releases	1,063,198	(4,843)	1,058,355
Expenses:			
Salaries and wages	461,227		461,227
Employee benefits	127,167		127,167
Depreciation and amortization	55,706		55,706
Interest	18,340		18,340
Other operating expenses	382,298		382,298
Total expenses	1,044,738	-	1,044,738
Increase / (decrease) in net assets from operating activities	18,460	(4,843)	13,617
Non-operating			
Contributions - Endowment and other gifts	129	13,359	13,488
Realized / unrealized net gain on investments, net of endowment payout and expenses	3,161	14,243	17,404
Change in funding status of post-retirement and defined benefit plans	778		778
Other decreases	(255)		(255)
Increase in net assets from non-operating activities	3,813	27,602	31,415
Total increase in net assets	22,273	22,759	45,032
Net assets, beginning of year	573,496	820,718	1,394,214
Net assets, end of year	\$ 595,769	\$ 843,477	\$ 1,439,246

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, 2022 (in thousands)

	Without Donor Restrictions	With Donor Restrictions	Total
Operating			
Revenues and releases:			
Tuition and fees, room and board	\$ 647,873	\$ -	\$ 647,873
Grants and contracts	130,328	17,240	147,568
Physician services	20,676		20,676
Auxilliary enterprises	17,829		17,829
Commonwealth appropriations	9,075		9,075
Contributions	3,890	29,923	33,813
Allocation of endowment spending from financial capital	10,265	32,687	42,952
Investment income, net	2,909	3,051	5,960
Other income	35,346	4,928	40,274
Total revenues	878,191	87,829	966,020
Net assets released from restrictions	74,637	(74,637)	-
Total revenues and releases	952,828	13,192	966,020
Expenses:			
Salaries and wages	439,861		439,861
Employee benefits	111,661		111,661
Depreciation and amortization	53,605		53,605
Interest	18,330		18,330
Other operating expenses	339,905		339,905
Total expenses	963,362	-	963,362
(Decrease) / increase in net assets from operating activities	(10,534)	13,192	2,658
Non-operating			
Contributions - Endowment and other gifts	283	13,186	13,469
Realized / unrealized net loss on investments, net of endowment payout and expenses	(23,645)	(42,666)	(66,311)
Change in funding status of post-retirement and defined benefit plans	4,017		4,017
Other decreases	(112)		(112)
Decrease in net assets from non-operating activities	(19,457)	(29,480)	(48,937)
Total decrease in net assets	(29,991)	(16,288)	(46,279)
Net assets, beginning of year	603,487	837,006	1,440,493
Net assets, end of year	\$ 573,496	\$ 820,718	\$ 1,394,214

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, 2023 and 2022 (in thousands)

	2023	2022
Operating activities:		
Increase / (decrease) in net assets	\$ 45,032	\$ (46,279)
Adjustments to reconcile change in net assets to net cash (used in) / provided by operating activities:		
Depreciation and amortization	53,385	51,490
Loss on disposal of assets	2,904	6,447
Change in market value in beneficial interests in trusts	(2,560)	9,683
Contributions restricted for long-term investment	(4,948)	(11,349)
Non-cash contributions received	(5,575)	(905)
Proceeds from the sale of donated securities	5,168	887
Actuarial change on annuity liabilities	(1,170)	(1,755)
Realized/unrealized (gain) / loss on investments	(71,418)	7,076
Changes in assets and liabilities that provide / (use) cash:		
Accounts receivable	(15,726)	6,416
Contributions receivable	2,194	(12,297)
Prepaid expenses and other assets	(4,656)	(15,609)
Accounts payable and accrued liabilities	(24,063)	48,782
Accrued retirement obligations	(5,860)	(8,301)
Deposits and deferred revenue	(6,767)	6,260
Right-of-use assets and liabilities	3,036	3,054
Other, net	(115)	(362)
Net cash (used in) / provided by operating activities	(31,139)	43,238
Investing activities:		
Purchase of investments	(86,212)	(78,005)
Proceeds from sales and maturities of investments	153,755	104,567
Change in malpractice insurance trust	(2,262)	1,697
Student loans repaid	2,517	2,986
Student loans issued	(33)	(24)
Purchases of land, buildings and equipment	(53,406)	(79,024)
Net cash provided by / (used in) investment activities	14,359	(47,803)
Financing activities:		
Proceeds from restricted contributions	4,948	11,349
Proceeds from sale of contributed securities restricted for endowment	1,449	728
Payments on annuity obligations	(331)	(439)
Repayments of federal student loan funds	(2,247)	(2,681)
Payments on finance lease liability	(1,309)	(1,943)
Repayments of long-term debt	(9,555)	(9,610)
Net cash (used in) / provided by financing activities	(7,045)	(2,596)
Net (decrease) / increase in cash and cash equivalents, and restricted cash	(23,825)	(7,161)
Cash and cash equivalents, and restricted cash, beginning of year	95,960	103,121
Cash and cash equivalents, and restricted cash, end of year	\$ 72,135	\$ 95,960
Supplemental Information		
Cash paid for interest	20,384	20,835
Amounts accrued for purchase of land, buildings and equipment	10,809	22,796
Donated securities	7,176	1,635

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

Drexel University and Subsidiaries

Notes to Consolidated Financial Statements

June 30, 2023 and 2022

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”), a tax-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 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, 2023 and 2022

Drexel Global Initiatives, LLC

Drexel Global Initiatives, LLC (“Drexel Global”) is a non-profit Pennsylvania, single member limited liability company established on 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 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”) constructed and developed an approximately 90,000 square foot building on this land to house the K-8 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 GP, Inc. (“1200 Chestnut GP”), a Pennsylvania corporation, is the sole general partner in 1200 Chestnut Street I, LP (the “Partnership”). 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. 1200 Chestnut GP was formed as a for-profit single purpose entity to act as the general partner of the Partnership in connection with the historic rehabilitation of the 1200-1202 Chestnut Street property in a manner intended to qualify for the historic rehabilitation tax credit described in Section 47

Drexel University and Subsidiaries

Notes to Consolidated Financial Statements

June 30, 2023 and 2022

of the Internal Revenue Code of 1986, as amended. 1200 Chestnut GP follows a calendar based fiscal year. The University will be moving forward with the dissolution of 1200 Chestnut GP.

1200 Chestnut Street I, Limited Partnership

1200 Chestnut Street I, LP, a Pennsylvania limited partnership (the “Partnership”), was formed on November 28, 2016, to acquire, own, rehabilitate and lease, manage and operate Partnership property in a manner that was intended to 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 held a 1% interest in 1200 Chestnut LP. On February 7, 2023, the “Flip Date” (as defined in the Partnership Agreement) occurred resulting in 1200 Chestnut GP’s ownership interest being increased to 95% with the University acquiring the remaining 5% ownership interest. The Partnership also transferred fee ownership in the Property to the University. The University meets the requirements for consolidation of the Partnership through its 100% ownership of 1200 Chestnut GP and direct ownership of the remaining 5% limited partnership interest in the Partnership. The Partnership follows a calendar based fiscal year. The University will be moving forward with the dissolution of the Partnership.

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, and the investment loans have been deemed satisfied. 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, and the investment loans have been deemed satisfied. 3509 LP follows a calendar based fiscal year.

Drexel University and Subsidiaries

Notes to Consolidated Financial Statements

June 30, 2023 and 2022

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.

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, 2023 and 2022

Liquidity and Availability

The University's financial assets available within one year of the balance sheet date for general expenditure as of June 30, 2023 and 2022 are as follows:

<i>(in thousands)</i>	2023	2022
Total assets at year-end	\$ 2,972,633	\$ 2,509,247
Less: non-financial and financial assets not available within one year		
Restricted cash	(13,784)	(11,435)
Tuition receivable due in more than one year	(4,769)	(4,631)
Contributions receivable with donor restrictions	(82,767)	(86,563)
Loans receivable due in more than one year	(2,783)	(5,058)
Prepaid expenses and other assets	(91,782)	(87,135)
Malpractice insurance trust	(13,398)	(11,136)
Beneficial Interests in trusts	(42,473)	(39,913)
Investments	(934,265)	(929,830)
Land, buildings and equipment, net	(1,058,765)	(969,728)
Finance lease right-of-use (ROU) asset	(13,402)	(13,158)
Operating lease right-of-use (ROU) asset	(491,221)	(116,641)
Financial assets available at year-end for current use	\$ 223,224	\$ 234,019

As of June 30, 2023, the University has \$223,224,000 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 2023 and 2022, the Board of Trustees approved a current distribution of 7.00% and of 4.75%, respectively, of the average fair value of the pooled endowment portfolio for the prior seven fiscal years, except for ANS, for which the Board of Trustees approved a distribution of 7.00% 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 \$50,383,000 and \$42,952,000 in fiscal years 2023 and 2022, 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 \$150.0 million, which it could draw upon. Additionally, the University has a board-designated endowment of \$309,006,000 as of June 30, 2023. 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

Notes to Consolidated Financial Statements

June 30, 2023 and 2022

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, 2023, and 2022, 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 a 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.

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.

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).

Drexel University and Subsidiaries

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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.

The University's College of Medicine participates in 340B pediatric and adult practice programs as approved by the Health Resources and Services Administration (HRSA) in the areas of Infectious Disease (pediatric and adult) and Family Planning (pediatrics). The University has contracts with drug distributors that provide medications at a reduced cost to contracted pharmacies. The pharmacies bill insurances for prescriptions issued by these practices and remit the revenue to the University less administrative fees. The difference between the amounts received by the University from the pharmacies and the cost of the medications and administrative fees to the University is used by the practices to provide comprehensive services that otherwise could not be offered under the traditional health insurance fee for service model.

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 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.

Recently Adopted Accounting Pronouncements

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 has adopted the standard effective July 1, 2022. The adoption of this guidance did not have a material impact on the 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 transactions between collaborative arrangement participants. ASU No. 2018-18 is effective for annual periods beginning after December 15, 2020. The University has adopted the standard effective July 1, 2021. The adoption of this guidance did not have a material impact on the consolidated financial statements.

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In September 2020, the FASB issued ASU 2020-07, *Presentation and Disclosures by Not-for-Profit Entities for Contributed Nonfinancial Assets*, which increases the transparency of contributed nonfinancial assets within the financial statements of not-for-profit entities through the enhancement of the presentation and disclosure of such activities. The new guidance is effective for fiscal years beginning after June 15, 2021, and interim periods with fiscal years beginning after June 15, 2022. Early adoption is permitted, and amendments should be applied on a retrospective basis. The University has adopted the standard on a retrospective basis, and 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 June 2022, the FASB issued ASU No. 2022-03, *Fair Value Measurement (Topic 820): Fair Value Measurement of Equity Securities Subject to Contractual Sale Restrictions*. The ASU clarifies that contractual restrictions on the sale of equity securities should not be considered part of the unit of account of such securities and, therefore, should not be considered in fair value measurements. ASU No. 2022-03 is effective for fiscal years beginning after Dec. 15, 2024, with early adoption permitted. The University is currently evaluating the standard to determine the impact it will have on its consolidated financial statements.

3. Accounts Receivable

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

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Accounts receivable as of June 30, 2023, and 2022 were as follows:

<i>(in thousands)</i>	2023	2022
Tuition	\$ 64,299	\$ 64,367
Grants, contracts, and other	110,987	94,788
Patient, net of contractual allowance	812	420
St. Christopher Hospital for Children	-	239
Accounts receivable, gross	176,098	159,814
Allowance for doubtful accounts:		
Tuition	(4,842)	(4,779)
Grants, contracts, and other	(6,195)	(5,927)
Patient	(242)	(15)
Accounts receivable	\$ 164,819	\$ 149,093

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 \$9,902,000 and \$12,148,000 at June 30, 2023 and 2022, 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, 2023 and 2022, student loans consisted of the following:

<i>(in thousands)</i>	2023	2022
Federal government loan programs:		
Perkins loan program	\$ 7,163	\$ 9,382
Federal government loan programs	7,163	9,382
Institutional loan programs	4,357	4,709
Student loans receivable, gross	11,520	14,091
Less: Allowance for doubtful accounts	(3,914)	(4,001)
Student loans receivable	\$ 7,606	\$ 10,090

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, 2023 and June 30, 2022 that range between 3.81% to 4.87% and 2.92% to 3.01%, 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>	2023	2022
Amounts due in		
Less than one year	\$ 17,662	\$ 21,324
One to five years	33,085	31,985
Greater than five years	56,242	53,108
Contributions receivable, gross	106,989	106,417
Less:		
Allowance for uncollectibles	(1,523)	(1,034)
Discounts to present value	(22,699)	(18,820)
Contributions receivable, net	\$ 82,767	\$ 86,563

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As of June 30, 2023 and June 30, 2022, the University has outstanding unrecorded conditional promises to give, including non-legally binding bequests, of \$148,670,000 and \$138,148,000, respectively. 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.

5. Investments and Investment Return

At June 30, 2023 and 2022, the fair value of the malpractice insurance trust and investments included the following:

<i>(in thousands)</i>	Fair value	
	2023	2022
Money market funds	\$ 32,107	\$ 30,854
U.S. equity	175,561	176,268
Global equity	152,416	138,410
Fixed income securities and bond funds	82,066	88,622
Real estate and real assets funds	111,446	113,262
Hedge funds	49,063	58,713
Private equity	201,713	188,810
Directly-held real estate	105,804	118,223
Total endowment investments	910,176	913,162
Self-insurance escrow funds	40,050	36,222
Interest in a partnership	(28,111)	(28,601)
Other investments	12,150	9,046
Total investments	934,265	929,830
Malpractice insurance trust	13,398	11,136
Total investments and malpractice insurance trust	\$ 947,663	\$ 940,966

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.

Drexel University and Subsidiaries
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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, 2023 and 2022:

<i>(in thousands)</i>	2023		
	Without Donor Restrictions	With Donor Restrictions	Total
Investment income, net of expenses	\$ 3,358	\$ 8,461	\$ 11,819
Realized/unrealized gain	17,210	38,758	55,968
Endowment payout under spending formula	(17,407)	(32,976)	(50,383)
Realized/unrealized gain on investments, net of endowment payout and expenses	3,161	14,243	17,404
Operating investment income, net	10,154	2,009	12,163
Total return on investments	\$ 13,315	\$ 16,252	\$ 29,567

<i>(in thousands)</i>	2022		
	Without Donor Restrictions	With Donor Restrictions	Total
Investment income, net of expenses	\$ 3,957	\$ 9,030	\$ 12,987
Realized/unrealized loss	(17,337)	(19,009)	(36,346)
Endowment payout under spending formula	(10,265)	(32,687)	(42,952)
Realized/unrealized loss on investments, net of endowment payout and expenses	(23,645)	(42,666)	(66,311)
Operating investment income, net	2,909	3,051	5,960
Total return on investments	\$ (20,736)	\$ (39,615)	\$ (60,351)

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.

Drexel University and Subsidiaries

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As of June 30, 2023, and 2022, assets and liabilities at fair value were as follows:

2023					
<i>(in thousands)</i>	Level 1	Level 2	Level 3	Investments at NAV	Total
Assets					
Beneficial interest in trusts	\$ -	\$ -	\$ 42,473	\$ -	\$ 42,473
Malpractice insurance trust	13,398	-	-	-	13,398
Investments					
Money market funds	32,107	-	-	-	32,107
U.S. Equity	159,563	-	-	15,998	175,561
Global Equity	92,977	-	-	59,439	152,416
Fixed Income securities and bond funds	79,027	1,373	-	1,666	82,066
Real estate and real assets funds	-	-	6,960	104,486	111,446
Hedge funds	2,804	-	-	46,259	49,063
Private Equity	-	-	-	201,713	201,713
Directly-held real estate	-	-	105,804	-	105,804
Investments held in endowment	366,478	1,373	112,764	429,561	910,176
Self-insurance escrow funds	40,050	-	-	-	40,050
Other investments	11,621	-	-	529	12,150
Total investments	418,149	1,373	112,764	430,090	962,376
Total assets measured at fair value	\$ 431,547	\$ 1,373	\$ 155,237	\$ 430,090	\$ 1,018,247
Liabilities					
Split-interest agreements	-	-	1,552	-	1,552
Annuities	-	-	5,022	-	5,022
Total liabilities measured at fair value	\$ -	\$ -	\$ 6,574	\$ -	\$ 6,574

2022					
<i>(in thousands)</i>	Level 1	Level 2	Level 3	Investments at NAV	Total
Assets					
Beneficial interest in trusts	\$ -	\$ -	\$ 39,913	\$ -	\$ 39,913
Malpractice insurance trust	11,136	-	-	-	11,136
Investments					
Money market funds	30,854	-	-	-	30,854
U.S. Equity	162,109	-	-	14,159	176,268
Global Equity	73,879	-	-	64,531	138,410
Fixed Income securities and bond funds	85,667	1,423	-	1,532	88,622
Real estate and real assets funds	-	-	4,431	108,831	113,262
Hedge funds	2,715	-	-	55,998	58,713
Private Equity	-	-	-	188,810	188,810
Directly-held real estate	-	-	118,223	-	118,223
Investments held in endowment	355,224	1,423	122,654	433,861	913,162
Self-insurance escrow funds	36,222	-	-	-	36,222
Other investments	8,742	-	-	304	9,046
Total investments	400,188	1,423	122,654	434,165	958,430
Total assets measured at fair value	\$ 411,324	\$ 1,423	\$ 162,567	\$ 434,165	\$ 1,009,479
Liabilities					
Split-interest agreements	-	-	1,121	-	1,121
Annuities	-	-	5,342	-	5,342
Total liabilities measured at fair value	\$ -	\$ -	\$ 6,463	\$ -	\$ 6,463

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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>	Fair Value	Unfunded Commitments	2023	
			Redemption Terms (If Currently Eligible)	Redemption Notice Period (If Applicable)
Hedge funds:				
Multi-Strategy Hedge Funds (a)	\$ 20,610	\$ -		
Distressed Debt Hedge Funds (b)	17,010	-		
Real Estate Hedge Funds (c)	8,639	-	Quarterly	60 days
Subtotal Hedge funds	46,259	-		
Private Equity:				
Private Capital Funds-Secondaries (d)	3,847	2,869		
Private Capital Funds-Venture Capital (e)	1,053	198		
Private Capital Funds-Buy-out (f)	104,731	46,267		
Private Capital Funds-Debt (g)	9,236	5,516		
Private Capital Funds-Real Asset Funds (h)	64,840	36,197		
Private Capital Funds-Real Estate Funds (i)	18,001	12,616		
Private Capital Funds-Hedge Fund Seeder (j)	5	222		
Subtotal Private Equity	201,713	103,886	Close-ended funds not available for redemption	
US Equity (k)	15,998	-		
Global Equity (k)	59,439	-		
Fixed Income Securities and Bond Funds (k)	1,666	-		
Real Estate and Real Assets Funds (k)	104,486	-		
Other investments (k)	529	-		
	\$ 430,090	\$ 103,886		

- a. This category invests in hedge funds that pursue multiple strategies to diversify risks and reduce volatility. As of June 30, 2023, the composite portfolio includes 99% in a 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, 2023, the composite portfolio includes 87% in an opportunistic credit strategy that invests in liquid and special situation credits, and 13% 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 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.
- d. 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, 2023, 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, 2022, 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.
- e. 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, 2023, 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, 2022, 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 in buyouts. A buyout is the 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, 2023, it is estimated that the underlying assets of the fund would be liquidated over the following periods: 58% over 1 to 4 years and 42% in 5 to 7 years. As of June 30, 2022, the liquidation periods were expected to be: 39% over 1 to 4 years; 48% in 5 to 7 years; and 13% over 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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- g. 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, 2023, it is estimated that the fund's underlying assets would be liquidated over the following time frames: 70% in 1 to 4 years; and 30% in 5 to 7 years. As of June 30, 2022, the liquidation periods were expected to be: 22% in 1 to 4 years; and 78% in 5 to 7 years. The fair value has been estimated using the reported net asset value per share of the private capital fund.
- h. This category includes investments in private equity funds that invest primarily in real assets (e.g., investments with intrinsic value, such as real estate, infrastructure, 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, 2023, it is estimated that the underlying assets of the fund would be liquidated over the following periods: 34% in 1 to 4 years; 46% in 5 to 7 years; and 20% in 8 to 10 years. As of June 30, 2022, the liquidation periods were expected to be: 24% in 1 to 4 years; 64% 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 real asset fund.
- i. 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, 2023, it is estimated that the fund's underlying assets would be liquidated over the following time frames: 49% in 1 to 4 years; 15% in 5 to 7 years; and 36% in 8 to 10 years. As of June 30, 2022, the liquidation periods were expected to be: 21% in 1 to 4 years; 53% in 5 to 7 years; and 26% in 8 to 10 years. The fair value has been estimated using the reported net asset value per share of the real estate fund.
- j. 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, 2023, the remaining investment is made up of cash held by the investment manager until the fiscal year end audit has been completed. It is estimated that the remaining audit holdback will be distributed within 1 year. The fair value has been estimated using the reported net asset value per share of the private capital fund.
- k. 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. The 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 \$6,960,000 net of \$0 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, 2023, and 2022, the University had an endowment spending rule that limited the spending of endowment resources to 7.00% and 4.75%, respectively, 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, 2023, and 2022, ANS had an endowment spending rule that limited the spending of endowment resources to 7.00% 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 donor restrictions as per the applicable accounting standards.

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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 \$1,123,000 and \$1,320,000 as of June 30, 2023 and 2022, respectively. The original gift amount and the fair value of underwater endowment funds in the aggregate were \$22,531,000 and \$21,424,000 as of June 30, 2023 and \$19,817,000 and \$18,508,000 as of June 30, 2022, respectively.

The net asset balances for the endowment composition by fund as of June 30, 2023, and 2022 were as follows:

<i>(in thousands)</i>	2023		
	Without Donor Restrictions	With Donor Restrictions	Total
Donor-restricted endowment funds	\$ -	\$ 653,626	\$ 653,626
Board-designated endowment funds	308,565	-	308,565
Total assets	\$ 308,565	\$ 653,626	\$ 962,191

<i>(in thousands)</i>	2022		
	Without Donor Restrictions	With Donor Restrictions	Total
Donor-restricted endowment funds	\$ -	\$ 629,495	\$ 629,495
Board-designated endowment funds	304,755	-	304,755
Total assets	\$ 304,755	\$ 629,495	\$ 934,250

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Changes in the University's endowment assets (excluding annuities and trusts) and for the years ended June 30, 2023 and 2022 were as follows:

<i>(in thousands)</i>	2023		
	Without Donor Restrictions	With Donor Restrictions	Total
Endowment, at beginning of year	\$ 304,755	\$ 629,495	\$ 934,250
Endowment return:			
Investment income, net of fees	3,358	8,461	11,819
Net realized/unrealized gain	14,481	39,670	54,151
Total endowment return	17,839	48,131	65,970
Contributions	132	12,327	12,459
Use of endowment assets:			
Endowment payout used in operations	(14,161)	(36,222)	(50,383)
Other	-	(105)	(105)
Total uses of endowment assets	(14,161)	(36,327)	(50,488)
Endowment, at end of year	\$ 308,565	\$ 653,626	\$ 962,191

<i>(in thousands)</i>	2022		
	Without Donor Restrictions	With Donor Restrictions	Total
Endowment, at beginning of year	\$ 313,699	\$ 650,736	\$ 964,435
Endowment return:			
Investment income, net of fees	3,957	9,030	12,987
Net realized/unrealized loss	(2,384)	(9,928)	(12,312)
Total endowment return	1,573	(898)	675
Contributions	224	11,400	11,624
Use of endowment assets:			
Endowment payout used in operations	(10,741)	(32,211)	(42,952)
Other	-	468	468
Total uses of endowment assets	(10,741)	(31,743)	(42,484)
Endowment, at end of year	\$ 304,755	\$ 629,495	\$ 934,250

Drexel University and Subsidiaries

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Endowment Loan

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. The renovation addresses the needs of the building envelope and modernizes the building throughout to provide an improved living experience and includes 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, are directly applied to the outstanding principal balance of the loan investment. The University incurs 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, 2023 and 2022, the University borrowed \$31.0 million and 4.0 million for the project.

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 \$3,895,000 at June 30, 2023 and \$1,275,000 and \$3,832,000 at June 30, 2022, respectively, and is included in buildings and improvements and accrued expenses, respectively, on the Consolidated Statements of Financial Position.

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.

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

<i>(in thousands)</i>	2023	2022
Works of art	\$ 10,859	\$ 10,859
Land and improvements	145,657	152,210
Buildings and improvements	1,329,473	1,241,862
Equipment, software and library books	214,440	197,579
Construction in progress	80,668	50,374
Land, buildings, and equipment, gross	1,781,097	1,652,883
Less: Accumulated depreciation	(722,332)	(683,155)
Land, buildings, and equipment, net	\$ 1,058,765	\$ 969,728

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, 2023, and 2022 are as follows:

<i>(in thousands)</i>	2023	2022
Lease Expense:		
Finance lease expense		
Amortization of ROU assets	1,224	1,129
Interest on lease liabilities	100	74
Operating lease expense	43,822	23,426
Short-term lease expense	930	754
Variable lease expense	24,001	16,420
Total	70,077	41,803
Other Information		
Cash paid for amounts included in the measurement of lease liabilities for finance leases		
Finance - Financing cash flows	1,309	1,943
Finance - Operating cash flows	100	74
Operating - Operating cash flows	40,594	20,371
ROU assets obtained in the exchange for lease liabilities		
Finance leases	2,845	0
Operating leases	405,603	59,438
Weighted-average remaining lease terms (in years)		
Finance leases	35.36	42.86
Operating leases	25.25	11.87
Weighted-average discount rate		
Finance leases	1.01%	0.78%
Operating leases	3.66%	1.86%

Minimum lease payments as of June 30, 2023 were as follows:

	Finance	Operating
07/01/2023 - 06/30/2024	1,367	40,169
07/01/2024 - 06/30/2025	1,005	39,323
07/01/2025 - 06/30/2026	722	38,333
07/01/2026 - 06/30/2027	722	37,017
07/01/2027 - 06/30/2028	123	29,912
Thereafter	5,735	812,305
Total	9,674	997,059
Less: Present value discount	(119)	(394,280)
Lease liability	9,555	602,779

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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 \$6,352,000 and \$6,475,000 at June 30, 2023 and 2022, 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

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complete no less than \$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, 2023, and 2022 of \$9,050,000 and \$9,350,000, respectively. The University recognized \$300,000 of ground lease income related to this agreement during fiscal years 2023 and 2022.

The University entered into a 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

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rent commencement date is December 17, 2016, i.e. twenty-four months from the date of 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 2023 and 2022.

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 2023 and 2022.

On July 14, 2022, the University entered a long-term ground lease with Spark Therapeutics, a commercial gene therapy company headquartered in Philadelphia. Spark will be creating a new, state-of-the-art gene therapy innovation center on Drexel’s University City campus. The seven story, 600,000-square-foot-building will be constructed on a Drexel parking lot (F Lot) next to the Main Building. The net proceeds received from the pre-paid ground lease, after related taxes and fees, was \$39,704,000 resulting in a gain of \$23,830,000 included in other income in the Consolidated Statements of Activities.

On December 9, 2022, the University entered into a 99-year prepaid ground lease agreement with a joint venture development group led by Gattuso Development Partners, LLC, for the Buckley Recreation Field located at 3201 Cuthbert Street. The project will span the block from 32nd to 33rd streets and Arch to Cuthbert streets, with a 500,000+/- GSF mixed-use, 11-story building primarily outfitted for life sciences and research and development, including a full-floor vivarium as well as ground-level retail and restaurant space along 33rd Street. The net proceeds received from the pre-paid ground lease, after related taxes and fees, was \$16,059,000 resulting in a gain of \$12,945,000 included in other income in the Consolidated Statements of Activities.

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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.

On April 22, 2022, the University completed the fourth conveyance for the Schuylkill Yards project, 3151 Market Street and the 3101R parking garage. The combined parcel was conveyed through a 99-year prepaid ground lease for \$27,349,000 resulting in a gain of \$18,649,000.

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. Until November 30, 2021, the trustees of the DU DC were 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”).

Effective December 1, 2021, the Drexel University Defined Contribution Retirement Plan has been administered by TIAA-CREF as the single record keeper, trustee, and custodian. The University contribution rates, eligibility and vesting requirements remained the same.

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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.

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 and 2022. The Plan corrected the operational failures in fiscal year 2023 in accordance with the relevant Internal Revenue Service Revenue Procedure(s).

Effective September 1, 2021 the Academic Properties, Inc. Tax Deferred Annuity Plan was merged into DU DC.

The University also sponsors a deferred compensation plan in accordance with Section 457(b) of the Internal Revenue Code of 1986 (IRC). Benefits are payable under the plan equal to the fair value of the underlying investments. Benefits payable under the plan are reported in accrued liabilities with the offsetting fair value of the related assets included in other assets in the Consolidated Statements of Financial Position. The amount reflected in accrued liabilities and other assets was \$15,555,000 and \$13,202,000 as of June 30, 2023, and 2022.

The University participates in a contributory retirement plan as well 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 \$40,106,000 and \$39,125,000 in 2023 and 2022, 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.

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

<i>(in thousands)</i>	2023	2022
Weighted average assumptions as of June 30		
Discount rate	5.60 %	4.90 %
Expected return on plan assets	6.50 %	6.00 %
Accumulated benefit obligation		
Accumulated benefit obligation at June 30	\$ 15,786	\$ 17,385
Change projected in benefit obligation		
Net benefit obligation at June 30	\$ 17,385	\$ 21,195
Service costs	280	270
Interest costs	822	618
Actuarial gain	(1,014)	(3,402)
Gross benefits paid	(1,687)	(1,296)
Net benefit obligation at June 30	\$ 15,786	\$ 17,385

<i>(in thousands)</i>	2023	2022
Change in plan assets		
Fair value of plan assets, at beginning of year	\$ 13,379	\$ 15,053
Actual return on plan assets	1,069	(1,718)
Employer contributions	2,728	1,340
Gross benefits paid	(1,687)	(1,296)
Fair value of plan assets, at June 30	\$ 15,489	\$ 13,379
Fair value of plan assets, at June 30	\$ 15,489	\$ 13,379
Benefit obligation	15,786	17,385
Net amount recognized, at June 30*	\$ (297)	\$ (4,006)

* 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>	2023	2022
Weighted average assumptions used to determine net periodic benefit costs		
Discount rate	4.90 %	3.00 %
Expected return on plan assets	6.00 %	5.75 %
Components of net periodic benefit costs		
Service costs	\$ 280	\$ 270
Interest costs	822	618
Expected return on assets	(826)	(875)
Amortization of actuarial gain	(1,257)	(808)
Net periodic benefit cost	\$ (981)	\$ (795)

As of June 30, 2023, and 2022, 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 \$15,786,000 and \$17,385,000 at June 30, 2023 and 2022, respectively. The fair value of the plan assets was \$15,489,000 and \$13,379,000 as of June 30, 2023, and 2022, respectively.

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

Expected benefit payments	
<i>(in thousands)</i>	
June 30,	
2024	1,302
2025	1,370
2026	1,386
2027	1,374
2028	1,353
2029-2033	6,219

Plan Assets

The ANS pension plan weighted-average asset allocations at June 30, 2023 and 2022 by asset category are as follows:

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	2023	2022
Asset category		
Equity securities	45.1 %	45.0 %
Fixed income securities	39.2 %	36.1 %
Hedge fund and alternative investments	6.7 %	8.0 %
Cash	9.0 %	10.9 %
	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 investing 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, 2023, and 2022 according to the valuation hierarchy (Note 6):

<i>(in thousands)</i>	2023			Investments at NAV	Total
	Level 1	Level 2	Level 3		
Assets, at fair value					
Cash equivalents	\$ 1,401	\$ -	\$ -	\$ -	\$ 1,401
Mutual funds	13,057	-	-	-	13,057
Alternative investments	-	-	-	1,031	1,031
	<u>\$ 14,458</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 1,031</u>	<u>\$ 15,489</u>

<i>(in thousands)</i>	2022			Investments at NAV	Total
	Level 1	Level 2	Level 3		
Assets, at fair value					
Cash equivalents	\$ 1,463	\$ -	\$ -	\$ -	\$ 1,463
Mutual funds	10,843	-	-	-	10,843
Alternative investments	-	-	-	1,073	1,073
	<u>\$ 12,306</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 1,073</u>	<u>\$ 13,379</u>

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 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

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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 \$500,000 and (\$2,915,000) respectively, for the years ended 2023 and 2022 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>	2023	2022
Change in benefit obligation		
Benefit obligation, beginning of year	\$ 23,445	\$ 29,612
Service cost	32	55
Interest cost	1,060	701
Actuarial gain	(576)	(3,701)
Plan participant contributions	641	527
Actual benefits paid	(3,307)	(3,749)
Benefit obligation, end of year	21,295	23,445
Change in plan assets		
Fair value of plan assets, beginning of year	-	-
Employer contributions	2,666	3,222
Plan participant contributions	641	527
Actual benefits paid	(3,307)	(3,749)
Fair value of plan assets, end of year	-	-
Unfunded status of the plan*	\$ 21,295	\$ 23,445

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

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

Discount rate - benefit obligations	5.27%	4.79%
Discount rate - benefit cost	4.79%	2.49%
Ultimate retiree health care cost trend	4.50%	4.50%
Year ultimate trend rate is achieved	2034	2028

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For measurement purposes, an 8.50% and an 8.00% 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 2023 grading down to ultimate rates of 4.5% in the year 2034 and thereafter.

Net Periodic Benefit Cost

<i>(in thousands)</i>	2023	2022
Components of net periodic benefit cost		
Service cost	\$ 32	\$ 55
Interest cost	1,060	701
Amortization of:		
Prior service credit	(1,536)	(1,536)
Net loss	460	750
Net periodic benefit cost	\$ 16	\$ (30)
Other changes recognized in net assets without restrictions		
Net actuarial gain	\$ (576)	\$ (3,701)
Amortization of:		
Prior service cost	1,536	1,536
Net loss	(460)	(750)
Total recognized in net assets without restrictions	\$ 500	\$ (2,915)
Amounts not yet reflected in net periodic benefit cost and included in net assets without restrictions		
Prior service credit	\$ (12,104)	\$ (13,640)
Actuarial loss	7,085	8,121
Amounts in unrestricted net assets, end of year	\$ (5,019)	\$ (5,519)
Amounts in net assets without restrictions expected to be recognized in net periodic benefit cost		
Prior service credit	\$ (1,536)	
Actuarial loss	\$ 396	

For the fiscal years ended June 30, 2023, and 2022, the effect of a 1% change in the health care cost trend rate is as follows:

<i>(in thousands)</i>	2023		2022	
	1% Increase	1% Decrease	1% Increase	1% Decrease
Effect on net periodic benefit cost	\$ 7	\$ (6)	\$ 10	\$ (9)
Effect on postretirement benefit obligation	59	(58)	89	(93)

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Contributions

Expected contributions for the 2023 fiscal year are \$2,555,000.

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:

(in thousands)

June 30,	
2024	2,555
2025	2,433
2026	2,310
2027	2,184
2028	2,062
Thereafter	8,524

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12. Bonds and Notes Payable

Bonds and notes payable at June 30, 2023 and 2022 are as follows:

<i>(in thousands)</i>	Project	Final Maturity	Effective Interest Rate at June 30,	2023	2022
Fixed rate debt obligations					
Drexel University					
Pennsylvania Higher Education Facilities Authority (PHEFA)					
Series of 2016	Refunding	2022-2037	2.00-5.00%	116,400	117,120
Series of 2017	Refunding	2018-2041	4.00-5.00%	95,575	101,290
Series of 2020A	Refunding and capital improvements	2021-2050	4.00-5.00%	129,760	132,260
Series of 2020B (Federally Taxable)	Refunding	2021-2041	1.10-3.27%	16,270	16,890
Drexel University Taxable Bonds					
Series of 2020	Reimbursement of acquisition cost of St. Christopher's Hospital for Children	2042-2050	3.22%	104,100	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
Total outstanding bonds and notes payable				490,255	499,810
Unamortized original issue premiums/discounts and cost of issuance, net				44,517	46,838
Total bonds and notes payable				\$ 534,772	\$ 546,648

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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, 2023 and 2022.

Debt maturities for the fiscal years ending are as follows:

<i>(in thousands)</i>	Total Debt
2024	9,935
2025	10,415
2026	10,915
2027	12,800
2028	13,410
Thereafter	432,780
	<u>\$ 490,255</u>
Cost of issuance	(8,794)
Unamortized premiums	53,311
	<u>534,772</u>

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Notes to Consolidated Financial Statements

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Lines of Credit

The University has 50% Secured Revolving Credit Facilities (“Facilities”) of \$55,000,000 and \$15,000,000 that matures on April 30, 2024. As of June 30, 2022, interest accrued based on Intercontinental Exchange Benchmark Administration “ICE” (subject to a floor of 0.75% on the \$55,000,000). On December 1, 2022 the interest started accruing based upon Term SOFA (subject to a floor of 0.75%) plus the applicable margin. The line of credit can be extended annually based upon the agreement of the University and the bank maintaining the Facilities. At June 30, 2023 and 2022, there were no amounts outstanding.

The University renewed a \$30,000,000 50% Secured line of credit to provide support and working capital for a joint venture. The line of credit matures on April 30, 2024. As of June 30, 2022, interest accrued based upon 30-day LIBOR (subject to a floor of 0.75%) plus 60 basis points. On December 1, 2022, the interest started accruing based upon Term SOFA (subject to a floor of 0.75%) plus the applicable margin. At June 30, 2023 and 2022, there were no amounts outstanding.

The University renewed a \$25,000,000 50% Secured Revolving line of credit to provide working capital. The line of credit matures in one year and can be renewed. Interest accrues based upon SOFR. At June 30, 2023 and 2022, there were no amounts outstanding.

The University renewed another \$25,000,000 50% Secured Revolving line of credit in November 2022 to provide working capital. The line of credit matures in one year and can be renewed. Interest accrues based upon SOFR plus 0.10 percent. At June 30, 2023 and 2022, there were no amounts outstanding.

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13. Net Assets

Net assets included the following:

<i>(in thousands)</i>	2023	2022
Without donor restrictions:		
Operating	\$ (460,868)	\$ (474,211)
Physical plant	748,072	742,952
Quasi-endowment funds	308,565	304,755
Total net assets without donor restrictions	595,769	573,496
With donor restrictions:		
<i>Temporarily Restricted</i>		
Funds for programs and capital expenditures	134,022	138,848
Funds for endowments	231,301	220,530
Life income annuities	2,075	1,842
Beneficial interests in trusts	5,908	4,935
<i>Permanently Restricted</i>		
Funds for endowments	422,325	408,965
Life income annuities	3,268	2,803
Beneficial interests in trusts	36,002	34,509
Student loans and others	8,576	8,286
Total net assets with donor restrictions	843,477	820,718
Total net assets	\$ 1,439,246	\$ 1,394,214

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, 2023, and 2022:

(in thousands)

	2023			
	Tuition and Fees	Room and Board	Institutional Financial Aid	Total
Undergraduate	\$ 689,996	\$ 46,822	\$ (318,551)	\$ 418,267
Graduate	279,873	1,087	(40,943)	240,017
Tuition and fees, room and board	\$ 969,869	\$ 47,909	\$ (359,494)	\$ 658,284

(in thousands)

	2022			
	Tuition and Fees	Room and Board	Institutional Financial Aid	Total
Undergraduate	\$ 684,948	\$ 43,990	\$ (320,325)	\$ 408,613
Graduate	283,133	874	(44,747)	239,260
Tuition and fees, room and board	\$ 968,081	\$ 44,864	\$ (365,072)	\$ 647,873

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, 2023 and 2022 respectively:

(in thousands)

	2023		2022	
Medicine	\$	16,051	\$	13,855
Nursing and Other		5,868		6,426
Psychiatry		539		395
Total physician services	\$	22,458	\$	20,676

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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 outlined 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, 2023, and 2022:

(in thousands)

	2023		Total
	Without donor restrictions	With donor restrictions	
Government grants and contracts:			
Federal	126,563	2,213	128,776
State	3,212	2,169	5,381
Local	1,132	195	1,327
Private grants and contracts	6,265	14,058	20,323
Total grants and contracts	137,172	18,635	155,807

(in thousands)

	2022		Total
	Without donor restrictions	With donor restrictions	
Government grants and contracts:			
Federal	120,809	1,208	122,017
State	1,559	2,244	3,803
Local	1,319	77	1,396
Private grants and contracts	6,641	13,711	20,352
Total grants and contracts	130,328	17,240	147,568

As of June 30, 2023, and 2022, the University has outstanding unrecorded conditional grants receivable of \$142,254,000 and \$194,245,000, respectively. 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, 2023 consist of the following:

(in thousands)

	2023			
	Program Services	Management and General	Fundraising	Total
Salaries and wages	\$ 387,010	\$ 63,017	\$ 11,200	\$ 461,227
Employee benefits	107,019	17,389	3,106	127,514
Depreciation and amortization	51,311	4,380	15	55,706
Interest	16,734	1,606	-	18,340
Other operating expenses	315,410	62,685	4,203	382,298
Total expenses	\$ 877,484	\$ 149,077	\$ 18,524	\$ 1,045,085

Expenses by functional classification for the year ended June 30, 2022 consist of the following:

(in thousands)

	2022			
	Program Services	Management and General	Fundraising	Total
Salaries and wages	\$ 370,229	\$ 58,890	\$ 10,742	\$ 439,861
Employee benefits	93,818	14,895	2,731	111,444
Depreciation and amortization	49,689	3,901	15	53,605
Interest	16,902	1,428	-	18,330
Other operating expenses	284,836	50,675	4,394	339,905
Total expenses	\$ 815,474	\$ 129,789	\$ 17,882	\$ 963,145

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, 2023 and 2022, the University and its subsidiaries recorded gross combined reserves of \$45,896,000 and \$30,627,000, respectively and related recoveries from third party insurers of \$23,190,000 and \$8,628,000, respectively. For fiscal years 2023 and 2022, 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 2023 and 2022 Consolidated Statements of Financial Position. Under the self-insurance program, the University is required by the Commonwealth of Pennsylvania

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to maintain a malpractice trust fund. At June 30, 2023 and 2022, self-insurance escrow funds and malpractice insurance trust consisting of mutual funds and fixed income securities amounted to \$53,443,000 and \$47,353,000, 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 was a litigation between SodexoMAGIC and the University in relation to the former food services agreement, which settled in June 2022. There was also a litigation between Capital Health System and the University in relation to Global Neurosciences Institute, which settled in August 2022. There is a pending litigation between United Educators' Insurance and the University for breach of contract in relation to the general liability coverage for medical professionals. There is also a pending litigation between various patients of a former employee and the University in relation to sexual assault and medical malpractice. As of June 30, 2023, the university has accrued for these pending litigation claims based on current information and advice from external counsel, and the amount is included in accrued liabilities in the Statements of Financial Position.

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, 2023 and 2022.

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The University maintains three letters of credit totaling \$1,716,000 associated with workers' compensation insurance. The agreements are renewable annually. There were no amounts outstanding as of June 30, 2023 and 2022.

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, 2024, 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, 2023 and 2022.

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.

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, 2023 and 2022, the University recorded \$348,000 and \$125,000 as income tax expenses and assigned a functional expense category of institutional support for these expenditures.

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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 located in Philadelphia PA. The agreement calls for Tower to provide free of charge up to 20 rotation slots for each of the 3rd and 4th year classes annually for the Philadelphia based medical students at Tower sites. Rotations over 20 per class year incur a charge to the University. The agreement also calls for the opening of a state of the art 120,000 sf facility in West Reading PA that trains at least 40 additional Drexel University medical students per year starting in July 2021. In August 2019, Tower entered a 25-year lease with Equus Capital Partners for the building that included the 120,000-sf medical school facility. In addition, Tower and Drexel University entered into a Medical Building Access and Occupancy Agreement that run concurrently with the building lease. The new medical school has shared governance through a Joint Operating Committee with members from Tower and Drexel University. All revenues and expenses for the new medical school are shared evenly between Tower and Drexel University. The academic affiliation agreement allows the Drexel University’s College of Medicine to create and maintain high quality medical education and academic programs in an appropriate learning environment 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, 2023, and 2022, the University has recorded the value of its interest in a partnership for St. Christopher’s Hospital of (\$28.1 million) and (\$28.6 million), respectively, within investments (Note 5). Drexel’s share of the operating gains of \$0.5 million and operating losses of (\$4.7 million) have been reflected within realized and unrealized gains/(losses) on investments as of June 30, 2023 and 2022, respectively.

In addition to the purchase, Drexel University and Tower Health each provided a \$85.0 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, 2023, and 2022, the University recorded a receivable for the outstanding line of credit balance of \$70.5 million from St. Christopher’s Hospital within prepaid and other assets. In fiscal year 2022, the University established a \$35.3 million reserve against the \$70.5 million outstanding balance on the line of credit supporting the St. Christopher’s Children Hospital’s operations.

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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 was distributed in three equal installments on June 30, 2021, June 30, 2022, and June 30, 2023. The purpose of the grant was to support St. Christopher's leadership retention program. A second \$150,000 mission support grant was provided by Drexel in June of 2022. The grant is distributed in three equal installments on June 30, 2022, June 30, 2023, and June 30, 2024. The purpose of the grant is to further support St. Christopher's leadership retention program. In addition to the mission support grants, the University also provides a housing benefit for St. Christopher's chief executive officer.

As of June 30, 2023, the University, acting as an agent for St. Christopher's Hospital, has outstanding conditional pass-through pledges of \$5.0 million. As of June 30, 2023, the University has accrued a liability of \$0 payable to St. Christopher's Hospital.

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, 2023 and 2022

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 was developed by Wexford Development, LLC on the southern portion of 60 N. 36th Street, Philadelphia, Pennsylvania which was a portion of the tract of land that formerly housed University City High School. The building size was expected to be approximately 459,000 square feet. The building development was aided by a number of financial mechanisms that included a prepaid ground lease between the University and uCity Academic Owner, LLC, resulting in a gain of \$14,201,000 included in other income in the Consolidated Statements of Activities in FY'23, 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. A temporary certificate of occupancy was issued on June 30, 2022. In accordance with the provisions of the lease, the Term Commencement Date was August 14, 2022 and unless the lease is terminated prior to the Term Expiration Date, the Term Expiration Date shall be July 14, 2052.

19. Paycheck Protection Program

In 2021, the Academy received loan proceeds in the amount of \$1,610,425 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. At June 30, 2022, the Academy's loan has been forgiven, in its entirety, by the Small Business Administration.

Drexel University and Subsidiaries
Notes to Consolidated Financial Statements
June 30, 2023 and 2022

20. Subsequent Events

The University evaluated events subsequent from June 30, 2023 through October 27, 2023, the date at which financial statements were issued.

Drexel University and Salus University formalized a merger agreement to merge Salus into Drexel, with Drexel becoming the surviving institution after consummation of such merger. Salus University, founded in 1919, is the Pennsylvania State College of Optometry and based in Elkins Park, has an enrollment of more than 1,100 students and operates three clinical facilities in Philadelphia and Montgomery counties that provide highly specialized vision, hearing and balance, and speech-language pathology services. The merger is pending regulatory and judicial approvals.

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, 2023

Federal Grantor / Program or Cluster Title	Assistance Listing Number	Direct	Pass-Through	Pass-Through Entity	Pass-Through Entity Sponsor Number	Total Expenditures	Passed to Sub-Recipients
RESEARCH AND DEVELOPMENT CLUSTER							
DEPARTMENT OF AGRICULTURE							
AGRICULTURAL RESEARCH SERVICE							
Agricultural Research Basic and Applied Research	10.001	\$ 409	\$ -			\$ 409	\$ -
Agricultural Research Basic and Applied Research	10.001	-	-			-	-
Total Assistance Listing 10.001		\$ 409	\$ -			\$ 409	\$ -
ANIMAL AND PLANT HEALTH INSPECTION SERVICE							
Plant and Animal Disease, Pest Control, and Animal Care	10.025	\$ 34,168	\$ -			\$ 34,168	\$ -
Total Assistance Listing 10.025		\$ 34,168	\$ -			\$ 34,168	\$ -
NATIONAL INSTITUTE OF FOOD AND AGRICULTURE							
Agriculture and Food Research Initiative (AFRI)	10.310	\$ 12,393	\$ -	The Regents of the University of California	201403031-01; A15-0053-S0003	\$ 12,393	\$ 8,731
Agriculture and Food Research Initiative (AFRI)	10.310	-	28,281	Rutgers University	PO# 848794;SUB # 0451 ;MOD 6	28,281	-
Agriculture and Food Research Initiative (AFRI)	10.310	-	42,557	University of Pennsylvania	583992 (2022-68014-36664)	42,557	-
Agriculture and Food Research Initiative (AFRI)	10.310	-	15,142			15,142	-
Total Assistance Listing 10.310		\$ 12,393	\$ 86,990			\$ 99,383	\$ 8,731
Immunopathology Analysis of Patient Tissue Samples From Cardiovascular and/or Orthopedic Device Implants	10.RD	\$ 97,438	\$ -			\$ 97,438	\$ 29,303
Total Assistance Listing 10.RD		\$ 97,438	\$ -			\$ 97,438	\$ 29,303
Total Department of Agriculture		\$ 144,408	\$ 86,990			\$ 231,398	\$ 38,034
DEPARTMENT OF COMMERCE							
NATIONAL OCEANIC AND ATMOSPHERIC ADMINISTRATION							
Sea Grant Support	11.417	\$ -	\$ 2,605	Susquehanna River Basin Commission	AGREEMENT DATE 2/19/2015	\$ 2,605	\$ -
Total Assistance Listing 11.417		\$ -	\$ 2,605			\$ 2,605	\$ -
Climate and Atmospheric Research	11.431	\$ 158,099	\$ -	Stevens Institute of Technology	2103008-01; MOD 2	\$ 158,099	\$ 38,901
Climate and Atmospheric Research	11.431	-	6,075	Columbia University	1(GG015537);NA20OAR4310147A	6,075	-
Climate and Atmospheric Research	11.431	-	1,393	Columbia University	1(GG016650-01), MOD 1	1,393	-
Climate and Atmospheric Research	11.431	-	62,468	Rand Corp	SCON-00000505	62,468	-
Climate and Atmospheric Research	11.431	-	48,000			48,000	34,000
Total Assistance Listing 11.431		\$ 158,099	\$ 117,936			\$ 276,035	\$ 72,901
NATIONAL INSTITUTE OF STANDARDS AND TECHNOLOGY							
Measurement and Engineering Research and Standards	11.609	\$ 140,408	\$ -			\$ 140,408	\$ -
Total Assistance Listing 11.021		\$ 140,408	\$ -			\$ 140,408	\$ -
Total Department of Commerce		\$ 298,507	\$ 120,541			\$ 419,048	\$ 72,901
DEPARTMENT OF DEFENSE							
DEPT OF THE NAVY							
Basic and Applied Scientific Research	12.300	\$ 1,007,202	\$ 150,000	George Washington University	21-808 MOD 3	\$ 1,157,202	\$ 276,226
Total Assistance Listing 12.300		\$ 1,007,202	\$ 150,000			\$ 1,157,202	\$ 276,226
DEPT OF THE ARMY							
Military Medical Research and Development	12.420	\$ 1,843,670	\$ -	University of Pennsylvania	579797; PR191513; 0011449536	\$ 1,843,670	\$ 223,567
Military Medical Research and Development	12.420	-	79,051	Texas A&M University	WB1XWH111071 (M2102452)	79,051	-
Military Medical Research and Development	12.420	-	14,675	Texas A&M University	M2203514	14,675	-
Military Medical Research and Development	12.420	-	15,759	Trustees of Boston University	4500004375	15,759	-
Military Medical Research and Development	12.420	-	32,742	Thomas Jefferson University	080-27000-X19201 PO#2000157877	32,742	-
Military Medical Research and Development	12.420	-	3,529	Rowan University	61020-1	3,529	-
Military Medical Research and Development	12.420	-	21,424			21,424	-
Total Assistance Listing 12.420		\$ 1,843,670	\$ 167,290			\$ 2,010,960	\$ 223,567
Basic Scientific Research	12.431	\$ 5,382,373	\$ -	PPG Industries, Inc	W911NF-17-2-0227	\$ 5,382,373	\$ 3,362,332
Basic Scientific Research	12.431	-	1,049,661	University of Delaware	UDR000272; MOD 2	1,049,661	101,099
Basic Scientific Research	12.431	-	21,889			21,889	-
Total Assistance Listing 12.431		\$ 5,382,373	\$ 1,071,550			\$ 6,453,923	\$ 3,463,431
Office of the Secretary of Defense							
Basic, Applied, and Advanced Research in Science and Engineering	12.630	\$ 459,255	\$ -	Advanced Functional Fabrics of America, Inc.	EXHIBIT 1-I; PO 774; MOD 1	\$ 459,255	\$ 336,583
Basic, Applied, and Advanced Research in Science and Engineering	12.630	-	100,910	Advanced Functional Fabrics of America, Inc.	EXHIBIT 1-J; PO 774; MOD 1	100,910	-
Basic, Applied, and Advanced Research in Science and Engineering	12.630	-	(46,456)	Advanced Robotics for Manufacturing	ARM-TEC-22-DC-F02	(46,456)	(46,456)
Basic, Applied, and Advanced Research in Science and Engineering	12.630	-	185,789			185,789	177,190

The accompanying notes are an integral part of the schedule.

Drexel University and Subsidiaries

Schedule of Expenditures of Federal Awards

For the Year Ended June 30, 2023

Federal Grantor / Program or Cluster Title	Assistance Listing Number	Direct	Pass-Through	Pass-Through Entity	Pass-Through Entity Sponsor Number	Total Expenditures	Passed to Sub-Recipients
Basic, Applied, and Advanced Research in Science and Engineering	12.630	-	5,831	Trustees of the University of Pennsylvania	586938/ 10063671/ 70384/01 ;M1	5,831	-
Total Assistance Listing 12.630		\$ 459,255	\$ 245,074			\$ 705,329	\$ 467,318
DEPT OF THE AIR FORCE							
Air Force Defense Research Sciences Program	12.800	\$ 203,139	-	George Mason University	E2046603; MOD 03	\$ 203,139	\$ -
Air Force Defense Research Sciences Program	12.800	-	42,663	Ballydel Technologies	BTL_2022_001	42,663	-
Air Force Defense Research Sciences Program	12.800	-	304			304	-
Total Assistance Listing 12.800		\$ 203,139	\$ 42,967			\$ 246,106	\$ -
DEFENSE ADVANCED RESEARCH PROJECTS AGENCY (DARPA)							
Research and Technology Development	12.910	-	239,408	University of Colorado at Boulder	1563539	\$ 239,408	-
Total Assistance Listing 12.910		\$ -	\$ 239,408			\$ 239,408	
Attribution of Malicious Binaries	12.RD	\$ 701	-			\$ 701	\$ -
Non-Thermalized Carrier Photo Galvanic Device Science	12.RD	1,099	-			1,099	-
Uptake and Bioaccumulation of Surface Derived PFAS	12.RD	116,775	-			116,775	84,746
Uptake and Bioaccumulation of Surface Derived PFAS	12.RD	15,430	-			15,430	-
Vertical Field Domain Wall Enabled Agile Microwave Materials	12.RD	136,205	-			136,205	-
SPARTACUS-X Sparse Coding and Extraction of Ultrasound	12.RD	376,985	-			376,985	31,108
Application of Non Thermal Plasma Technology	12.RD	415,685	-			415,685	235,329
JHU Switchable Filter Development RFP-816110	12.RD	-	61,963	Johns Hopkins University	CONTRACT # 172569	61,963	-
TREBUCHET Homomorphic Encryption Using SPIRAL	12.RD	-	50,040	Carnegie Mellon University	1043212-442766; MOD 1	50,040	-
Multiband Control Channel Architecture	12.RD	-	50,000	Shared Spectrum Company	2021-05; MOD 1	50,000	-
Soft ExoSkin Interface and Scale Up	12.RD	-	705,026	Advanced Functional Fabrics of America, Inc.	SOW # 3; PO 977; HQ00342190016	705,026	290,000
Thermal Shock Tolerant Tantalum Carbide Forming MAX Phase Materials	12.RD	-	75,900	Materials Research & Design, Inc	MD21-DREX1; MOD 1	75,900	-
FHE & Textile Sensors for Multi-Domain Platoon Operations Phase II	12.RD	-	1,004,706	FlexTech Alliance, Inc., dba NextFlex	AWARD DATED 10/25/2022 T9441	1,004,706	-
Data Fusion and AI to Optimize Severe Brain Injury Management in Prolonged Care	12.RD	-	79,705	Moberg Research Inc.	SRA DATED 04/01/2022; MOD 1	79,705	-
Prototype Project 3-Textile Garment Sublayer	12.RD	-	536,962	Advanced Functional Fabrics of America, Inc.	SOW # 2; PO 977; HQ00342190016	536,962	-
Drexel Digital Design & Advanced Manufacturing Program (D3-AMP) 20-22-01	12.RD	-	97,975	UI Labs-M&D USA	20-22-01	97,975	-
Media Tampering Detection and Detection Countermeasures	12.RD	-	72,464	PAR Government Systems Corporation	FFP PGSC-SC-113233-01; P0002	72,464	-
Artificial Social Intelligence for Successful Teams (ASIST)	12.RD	-	3,523	Smart Information Flow Technologies LLC	ASIST-DREXEL-01; MOD 5	3,523	-
Fabric Backplane System	12.RD	-	568,967	Advanced Functional Fabrics of America, Inc.	SOW #1; PO 977; HQ00342190016	568,967	-
Total Assistance Listing 12.RD		\$ 1,062,880	\$ 3,307,231			\$ 4,370,111	\$ 641,183
Total Department of Defense		\$ 9,908,619	\$ 5,224,020			\$ 15,183,039	\$ 5,071,724
DEPARTMENT OF THE INTERIOR							
U.S. FISH AND WILDLIFE SERVICE							
Adaptive Science	15.670	\$ -	30,362	National Fish and Wildlife Foundation	0403.21.0723903	\$ 30,362	\$ -
Adaptive Science	15.670	\$ -	81,035	National Fish and Wildlife Foundation	68902; 0403.20.068902	81,035	24,366
Adaptive Science	15.670	\$ -	35,429	National Fish and Wildlife Foundation	0403.20.070607	35,429	13,654
Adaptive Science	15.670	\$ -	336	Partnership for the Delaware Estuary	PDE-380-01	336	-
Total Assistance Listing 15.670		\$ -	\$ 147,162			\$ 147,162	\$ 38,020
Total Department of the Interior		\$ -	\$ 147,162			\$ 147,162	\$ 38,020
DEPARTMENT OF JUSTICE							
OFFICE OF JUSTICE PROGRAMS							
National Institute of Justice Research, Evaluation, and Development Project Grants	16.560	\$ 175,809	-			\$ 175,809	\$ 26,593
National Institute of Justice Research, Evaluation, and Development Project Grants	16.560	-	(1,461)	Rutgers University	PO#568091 Sub No. 0060	(1,461)	-
Total Assistance Listing 16.560		\$ 175,809	\$ (1,461)			\$ 174,348	\$ 26,593
COMMUNITY ORIENTED POLICING SERVICE							
Public Safety Partnership and Community Policing Grants	16.710	\$ -	20,781	Philadelphia School District	2470/P20 ; 956-590368;3HSX-G34	\$ 20,781	\$ 17,771
Total Assistance Listing 16.710		\$ -	\$ 20,781			\$ 20,781	\$ 17,771
OFFICE OF JUSTICE PROGRAMS							
Byrne Criminal Justice Innovation Program	16.817	\$ -	20,547	Mount Vernon Manor	15PBJA-21-66-04111-BCJI	\$ 20,547	\$ -
Total Assistance Listing 16.817		\$ -	\$ 20,547			\$ 20,547	\$ -
STOP School Violence	16.839	\$ 165,248	-			\$ 165,248	\$ 53,582
Total Assistance Listing 16.839		\$ 165,248	\$ -			\$ 165,248	\$ 53,582
Total Department of Justice		\$ 341,057	\$ 39,867			\$ 380,924	\$ 97,946
DEPARTMENT OF STATE							
OFFICE OF THE UNDER SECRETARY FOR PUBLIC DIPLOMACY AND PUBLIC AFFAIRS							
Public Diplomacy Programs	19.040	\$ -	951	University of Nebraska	45-2402-1031-308; MOD 2	\$ 951	\$ 628
Total Assistance Listing 19.040		\$ -	\$ 951			\$ 951	\$ 628
Total Department of State		\$ -	\$ 951			\$ 951	\$ 628

The accompanying notes are an integral part of the schedule.

Drexel University and Subsidiaries

Schedule of Expenditures of Federal Awards

For the Year Ended June 30, 2023

Federal Grantor / Program or Cluster Title	Assistance Listing Number	Direct	Pass-Through	Pass-Through Entity	Pass-Through Entity Sponsor Number	Total Expenditures	Passed to Sub-Recipients
DEPARTMENT OF TRANSPORTATION							
FEDERAL AVIATION ADMINISTRATION							
Aviation Research Grants	20.108	\$ 448,046	\$ -			\$ 448,046	\$ -
Total Assistance Listing 20.108		\$ 448,046	\$ -			\$ 448,046	\$ -
Air Transportation Centers of Excellence	20.109	\$ 643,792	\$ -			\$ 643,792	\$ -
Air Transportation Centers of Excellence	20.109	-	2,410	FAA-ASSURE(Alliance System Safety UAS Research Excellence)	15-C-UAS-DU-07	2,410	-
Air Transportation Centers of Excellence	20.109	-	-			-	-
Total Assistance Listing 20.109		\$ 643,792	\$ 2,410			\$ 646,202	\$ -
FEDERAL HIGHWAY ADMINISTRATION							
Highway Research and Development Program	20.200	\$ 248,548	\$ -			\$ 248,548	\$ 14,205
Total Assistance Listing 20.200		\$ 248,548	\$ -			\$ 248,548	\$ 14,205
Public Transportation Innovation	20.53	\$ -	\$ 349,464	Southeastern Pennsylvania Transportation Authority	N0076	\$ 349,464	-
Total Assistance Listing 20.530		\$ -	\$ 349,464			\$ 349,464	-
Total Department of Transportation		\$ 1,340,386	\$ 351,874			\$ 1,692,260	\$ 14,205
DEPARTMENT OF TREASURY							
DEPARTMENTAL OFFICES							
Resources and Ecosystems Sustainability, Tourist Opportunities, and Revived Economies of the Gulf Coast States	21.015	\$ -	\$ 33,600	University of Southern Mississippi	8006493; PO: 34276	\$ 33,600	\$ -
Total Assistance Listing 21.015		\$ -	\$ 33,600			\$ 33,600	\$ -
Total Department of Treasury		\$ -	\$ 33,600			\$ 33,600	\$ -
NATIONAL AERONAUTICS AND SPACE ADMINISTRATION							
NATIONAL AERONAUTICS AND SPACE ADMINISTRATION							
Science	43.001	\$ 396,775	\$ -			\$ 396,775	\$ 58,275
Science	43.001	-	2,057	Jet Propulsion Laboratory (NASA)	1674020; MOD 1	2,057	-
Science	43.001	-	7,182	The University of Texas at Dallas	22010677	7,182	-
Total Assistance Listing 43.001		\$ 396,775	\$ 9,239			\$ 406,014	\$ 58,275
Office of Stem Engagement (OSTEM)	43.008	\$ -	\$ 11,658	Penn State University	8000756-NASA; MOD 5	\$ 11,658	\$ -
Total Assistance Listing 43.008		\$ -	\$ 11,658			\$ 11,658	\$ -
High Energy Density and High Cycle Life Lithium -Sulfur Battery for Electrified Aircraft Propulsion	43.RD	\$ -	\$ 882	Giner, Inc	403275; MOD 1	\$ 882	\$ -
Total Assistance Listing 43.RD		\$ -	\$ 882			\$ 882	\$ -
Total National Aeronautics and Space Administration		\$ 396,775	\$ 21,779			\$ 418,654	\$ 58,275
NATIONAL ENDOWMENT FOR THE ARTS							
NATIONAL ENDOWMENT FOR THE ARTS							
Promotion of the Arts Grants to Organizations and Individuals	45.024	\$ 80,350	\$ -			\$ 80,350	\$ 3,840
Promotion of the Arts Grants to Organizations and Individuals	45.024	-	130,068	Henry M. Jackson Foundation for Advancement of Military Medi	SUBAWARD #5896/ PO 1040662	130,068	-
Promotion of the Arts Grants to Organizations and Individuals	45.024	-	42,370	Henry M Jackson F. for Advancement of Military Medicine	42370; PO 1040669; 66649	42,370	-
Total Assistance Listing 45.024		\$ 80,350	\$ 172,438			\$ 252,788	\$ 3,840
NATIONAL ENDOWMENT FOR THE HUMANITIES							
Promotion of the Humanities Division of Preservation and Access	45.149	\$ 136,887	\$ -			\$ 136,887	\$ -
Total Assistance Listing 45.149		\$ 136,887	\$ -			\$ 136,887	\$ -
THE INSTITUTE OF MUSEUM AND LIBRARY SERVICES							
Museums for America	45.301	\$ 30,912	\$ -			\$ 30,912	\$ -
Total Assistance Listing 45.301		\$ 30,912	\$ -			\$ 30,912	\$ -
National Leadership Grants	45.312	\$ 52,517	\$ -			\$ 52,517	\$ 13,800
Total Assistance Listing 45.312		\$ 52,517	\$ -			\$ 52,517	\$ 13,800
Laura Bush 21st Century Librarian Program	45.313	\$ 415,394	\$ -			\$ 415,394	\$ 61,007
Total Assistance Listing 45.313		\$ 415,394	\$ -			\$ 415,394	\$ 61,007
Total National Endowment for the Arts		\$ 716,060	\$ 172,438			\$ 888,498	\$ 78,647
NATIONAL SCIENCE FOUNDATION							
NATIONAL SCIENCE FOUNDATION							
Engineering	47.041	\$ 3,420,679	\$ -			\$ 3,420,679	\$ 505,339
Engineering	47.041	-	29,924	University of Maryland	85694-Z3513201; MOD A	29,924	-
Engineering	47.041	-	71,379	Widener University	#2/#33444; MOD 3	71,379	-
Engineering	47.041	-	513	Texas A&M University	M2100218	513	-

The accompanying notes are an integral part of the schedule.

Drexel University and Subsidiaries

Schedule of Expenditures of Federal Awards

For the Year Ended June 30, 2023

Federal Grantor / Program or Cluster Title	Assistance Listing Number	Direct	Pass-Through	Pass-Through Entity	Pass-Through Entity Sponsor Number	Total Expenditures	Passed to Sub-Recipients
Engineering	47.041	-	29,310	University of Pennsylvania	582936; MOD 1	29,310	-
Engineering	47.041	-	19,532	SusMax LLC	2126564	19,532	-
Total Assistance Listing 47.041		\$ 3,420,679	\$ 150,658			\$ 3,571,337	\$ 505,339
Mathematical and Physical Sciences	47.049	\$ 2,849,067	\$ -	University of Pennsylvania	SUB # 583087; PO # 4722006	\$ 2,849,067	\$ 40,815
Mathematical and Physical Sciences	47.049	-	96,909	Texas A&M University	M2301239	96,909	-
Mathematical and Physical Sciences	47.049	-	7,054			7,054	-
Total Assistance Listing 47.049		\$ 2,849,067	\$ 103,963			\$ 2,953,030	\$ 40,815
Geosciences	47.050	\$ 216,695	\$ -			\$ 216,695	\$ -
Total Assistance Listing 47.050		\$ 216,695	\$ -			\$ 216,695	\$ -
Computer and Information Science and Engineering	47.070	\$ 2,574,843	\$ -	Colorado School of Mines	402052_5801-03	\$ 2,574,843	\$ 102,143
Computer and Information Science and Engineering	47.070	-	137,961	University of Texas at El Paso	226101089A; MOD 1	137,961	-
Computer and Information Science and Engineering	47.070	-	9,914			9,914	-
Total Assistance Listing 47.070		\$ 2,574,843	\$ 147,875			\$ 2,722,718	\$ 102,143
Biological Sciences	47.074	\$ 1,349,751	\$ -	Bishop Museum	310842-ANSP	\$ 1,349,751	\$ 51,182
Biological Sciences	47.074	-	21,370	The New York Botanical Garden	2001354-01-PHAS	21,370	-
Biological Sciences	47.074	-	18,716	University of Kansas Center for Research	FY2023-025	18,716	-
Biological Sciences	47.074	-	8,019			8,019	-
Total Assistance Listing 47.074		\$ 1,349,751	\$ 48,105			\$ 1,397,856	\$ 51,182
Social, Behavioral, and Economic Sciences	47.075	\$ 199,232	\$ -			\$ 199,232	\$ 42,109
Total Assistance Listing 47.075		\$ 199,232	\$ -			\$ 199,232	\$ 42,109
STEM Education (formerly Education and Human Resources)	47.076	\$ 4,188,327	\$ -	University of Wisconsin	782K530_1726625 ; MOD 5	\$ 4,188,327	\$ 634,489
STEM Education (formerly Education and Human Resources)	47.076	-	32,848	Bucks County Community College	1902075 001	32,848	-
STEM Education (formerly Education and Human Resources)	47.076	-	17,779	Education Development Center	2021-0129 ; 12607; MOD 2	17,779	-
STEM Education (formerly Education and Human Resources)	47.076	-	16,364	Northeastern University	502996-78052	16,364	-
STEM Education (formerly Education and Human Resources)	47.076	-	58,596	Georgia Research Alliance	2112532 - DREXEL; 2021003	58,596	-
STEM Education (formerly Education and Human Resources)	47.076	-	4,040	University of Tennessee	A23-0132-S002 ; MOD 1	4,040	-
STEM Education (formerly Education and Human Resources)	47.076	-	10,000			10,000	-
Total Assistance Listing 47.076		\$ 4,188,327	\$ 139,627			\$ 4,327,954	\$ 634,489
Office of International Science and Engineering	47.079	\$ -	\$ 22,642			\$ 22,642	\$ -
Total Assistance Listing 47.079		\$ -	\$ 22,642			\$ 22,642	\$ -
Integrative Activities	47.083	\$ 1,227,838	\$ -			\$ 1,227,838	\$ -
Total Assistance Listing 47.083		\$ 1,227,838	\$ -			\$ 1,227,838	\$ -
NSF Technology, Innovation, and Partnerships	47.084	\$ 48,924	\$ -			\$ 48,924	\$ -
Total Assistance Listing 47.084		\$ 48,924	\$ -			\$ 48,924	\$ -
Dr Ying Sun NSF IPA Agreement	47.RD	\$ 15,022	\$ -			\$ 15,022	\$ -
Dr Michelle Rogers NSF IPA Agreement	47.RD	\$ 37,741	\$ -			\$ 37,741	\$ -
Total Assistance Listing 47.RD		\$ 52,763	\$ -			\$ 52,763	\$ -
Total National Science Foundation		\$ 16,128,119	\$ 612,870			\$ 16,740,989	\$ 1,376,076
DEPARTMENT OF VETERANS AFFAIRS							
VA HEALTH ADMINISTRATION CENTER							
Research and Development	64.054	\$ -	\$ 228,269	Worcester Polytechnic Institute	11065-GR; MOD 2	\$ 228,269	\$ -
Total Assistance Listing 64.054		\$ -	\$ 228,269			\$ 228,269	\$ -
Total Department of Veterans Affairs		\$ -	\$ 228,269			\$ 228,269	\$ -
UNITED STATES ENVIRONMENTAL PROTECTION AGENCY							
ENVIRONMENTAL PROTECTION AGENCY							
Nonpoint Source Implementation Grants	66.460	\$ -	\$ 3,244	Barnegat Bay National Estuary Program	RP10-105	\$ 3,244	\$ -
Total Assistance Listing 66.460		\$ -	\$ 3,244			\$ 3,244	\$ -
Regional Wetland Program Development Grants	66.461	\$ -	\$ 12,609	New Jersey Sea Grant Consortium	4904- 0048	\$ 12,609	\$ -
Total Assistance Listing 66.461		\$ -	\$ 12,609			\$ 12,609	\$ -
Geographic Programs - Chesapeake Bay Program	66.466	\$ -	\$ 50,460	Chesapeake Conservancy Inc.	CB-96363001-0; YEAR 5	\$ 50,460	\$ -
Geographic Programs - Chesapeake Bay Program	66.466	-	64,999	PA Department of Environmental Protection	4400024510	64,999	-
Total Assistance Listing 66.466		\$ -	\$ 115,459			\$ 115,459	\$ -

The accompanying notes are an integral part of the schedule.

Drexel University and Subsidiaries

Schedule of Expenditures of Federal Awards

For the Year Ended June 30, 2023

Federal Grantor / Program or Cluster Title	Assistance Listing Number	Direct	Pass-Through	Pass-Through Entity	Pass-Through Entity Sponsor Number	Total Expenditures	Passed to Sub-Recipients
Science To Achieve Results (STAR) Research Program	66.509	\$ 225,282	\$ -			\$ 225,282	\$ 85,040
Science To Achieve Results (STAR) Research Program	66.509		\$ 36,149	University of Michigan	SUBK00014866; 3006732844	36,149	
Total Assistance Listing 66.509		\$ 225,282	\$ 36,149			\$ 261,431	\$ 85,040
Regional Applied Research Efforts (RARE)	66.517	\$ -	\$ -			\$ -	\$ -
Total Assistance Listing 66.517		\$ -	\$ -			\$ -	\$ -
Total United States Environmental Protection Agency		\$ 225,282	\$ 167,461			\$ 392,743	\$ 85,040
DEPARTMENT OF ENERGY							
ENERGY							
Office of Science Financial Assistance Program	81.049	\$ 912,898	\$ -	Oak Ridge National Laboratory/Dept of Energy	PO 4000192537	\$ 912,898	\$ -
Office of Science Financial Assistance Program	81.049	-	244,400	Argonne National Laboratory	SUB 7F-30116; MOD 0004	244,400	-
Office of Science Financial Assistance Program	81.049	-	(387)	State University of New York	68856 /1149710/2; MOD3	(387)	-
Office of Science Financial Assistance Program	81.049	-	616	Giner, Inc	407361	616	-
Office of Science Financial Assistance Program	81.049	-	46,545			46,545	-
Total Assistance Listing 81.049		\$ 912,898	\$ 291,174			\$ 1,204,072	\$ -
Conservation Research and Development	81.086	\$ 450,911	\$ -	Texas A&M University	M2001449; MOD 2	\$ 450,911	\$ 186,963
Conservation Research and Development	81.086	-	5,161	Texas A&M University	M2001971; MOD 2	5,161	-
Conservation Research and Development	81.086	-	151,489	Giner, Inc	406599	151,489	-
Conservation Research and Development	81.086	-	47,377			47,377	-
Total Assistance Listing 81.086		\$ 450,911	\$ 204,027			\$ 654,938	\$ 186,963
Renewable Energy Research and Development	81.087	\$ 32,357	\$ -	University of Delaware	59300; MOD 1	\$ 32,357	\$ -
Renewable Energy Research and Development	81.087	-	70,450			70,450	-
Total Assistance Listing 81.087		\$ 32,357	\$ 70,450			\$ 102,807	\$ -
Advanced Research Projects Agency - Energy	81.135	\$ 107,787	\$ -			\$ 107,787	\$ -
Total Assistance Listing 81.135		\$ 107,787	\$ -			\$ 107,787	\$ -
Collaborative Research: Using Sparse/Efficient Coding and Predictive Processing to Model Optical Recordings from Mouse V1 Simple Cells	81.RD	\$ -	\$ 68,385	DOE-Pacific Northwest National Laboratory	605843;DE-AC05-76RL01830	\$ 68,385	\$ -
Superconducting Materials and Devices for Quantum Sensing	81.RD	-	32,033	Argonne National Laboratory	2F-60198; M0001	32,033	-
Advanced PILBC Ionomer Composites for Durable Heavy Duty PEMFCs	81.RD	-	58,057	University of California Lawrence Berkeley National Labs	7626956; MOD 1	58,057	30,923
Total Assistance Listing 81.RD		\$ -	\$ 158,475			\$ 158,475	\$ 30,923
Total Department of Energy		\$ 1,503,953	\$ 724,126			\$ 2,228,079	\$ 217,886
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	\$ -	\$ 315	University of Pennsylvania	P015A180141; 575240; MOD 4	\$ 315	\$ -
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	-	21,548	University of Pennsylvania	575256; MOD 5	21,548	-
Total Assistance Listing 84.015		\$ -	\$ 21,863			\$ 21,863	\$ -
Minority Science and Engineering Improvement	84.120	\$ 29,712	\$ -	University of Texas at El Paso	226150855A; MOD 03	\$ 29,712	\$ -
Minority Science and Engineering Improvement	84.120	-	3,186			3,186	-
Total Assistance Listing 84.120		\$ 29,712	\$ 3,186			\$ 32,898	\$ -
Graduate Assistance in Areas of National Need	84.200	\$ 1,155,274	\$ -			\$ 1,155,274	\$ -
Total Assistance Listing 84.200		\$ 1,155,274	\$ -			\$ 1,155,274	\$ -
INSTITUTE OF EDUCATION SCIENCES							
Research in Special Education	84.324	\$ -	\$ 60,492	University of California, Davis	201700390-02; 4040-0001;MOD3	\$ 60,492	\$ -
Total Assistance Listing 84.324		\$ -	\$ 60,492			\$ 60,492	\$ -
OFFICE OF ELEMENTARY AND SECONDARY EDUCATION							
Arts in Education	84.351	\$ -	\$ 132,836	Directed Vapor Technologies International	Award Dated 9/27/2022	\$ 132,836	\$ -
Total Assistance Listing 84.351		\$ -	\$ 132,836			\$ 132,836	\$ -
Total Department of Education		\$ 1,184,986	\$ 218,377			\$ 1,403,363	\$ -
DEPARTMENT OF HEALTH AND HUMAN SERVICES							
CENTERS FOR DISEASE CONTROL AND PREVENTION							
Blood Disorder Program: Prevention, Surveillance, and Research	93.080	\$ -	\$ 4,101	Children's Hospital of Philadelphia	GRT-0000783-0922 / PO20319074	\$ 4,101	\$ -
Blood Disorder Program: Prevention, Surveillance, and Research	93.080	-	12,240	Lehigh Valley Health Network	ATHN_22_23_005	12,240	-
Total Assistance Listing 93.080		\$ -	\$ 16,341			\$ 16,341	\$ -

The accompanying notes are an integral part of the schedule.

Drexel University and Subsidiaries

Schedule of Expenditures of Federal Awards

For the Year Ended June 30, 2023

Federal Grantor / Program or Cluster Title	Assistance Listing Number	Direct	Pass-Through	Pass-Through Entity	Pass-Through Entity Sponsor Number	Total Expenditures	Passed to Sub-Recipients
Prevention of Disease, Disability, and Death by Infectious Diseases	93-084	\$ -	\$ (3,104)	City of Philadelphia	1720467-04 ,05, 06; 2120491-01	\$ (3,104)	\$ -
	Total Assistance Listing 93.084	\$ -	\$ (3,104)			\$ (3,104)	\$ -
Collaboration With the World Health Organization and its Regional Offices for Global Health Security and the International Health Regulations (IHR 2005)	93-099	\$ -	\$ 7,190	University of Mississippi Medical Center	6611340819-02 ; MOD 03,YR 4	\$ 7,190	\$ -
	Total Assistance Listing 93.099	\$ -	\$ 7,190			\$ 7,190	\$ -
FOOD AND DRUG ADMINISTRATION							
Food and Drug Administration Research	93-103	\$ 175,485	\$ -			\$ 175,485	\$ -
	Total Assistance Listing 93.103	\$ 175,485	\$ -			\$ 175,485	\$ -
HEALTH RESOURCES AND SERVICES ADMINISTRATION							
Maternal and Child Health Federal Consolidated Programs	93-110	\$ 213,542	\$ -			\$ 213,542	\$ 32,321
Maternal and Child Health Federal Consolidated Programs	93-110	\$ -	\$ 10,000	University of North Carolina at Chapel Hill	UE7MC26282	\$ 10,000	\$ -
	Total Assistance Listing 93.110	\$ 213,542	\$ 10,000			\$ 223,542	\$ 32,321
NATIONAL INSTITUTES OF HEALTH							
Environmental Health	93-113	\$ 966,967	\$ -	University of Washington	UWSC10028 ; MOD 05	\$ 966,967	\$ 376,262
Environmental Health	93-113	-	7,303	Penn State University	S000443-NIH; MOD 2	7,303	-
Environmental Health	93-113	-	69,366	Johns Hopkins University School of Medicine	2004628645; MOD 3	69,366	-
Environmental Health	93-113	-	123,093	Johns Hopkins University School of Medicine	2004638645; MOD 3	123,093	-
Environmental Health	93-113	-	37,719	University of Michigan	SUBK00012483; 3006268810	37,719	-
Environmental Health	93-113	-	40,410	University of Wisconsin-Milwaukee	213405510; MOD 1	40,410	-
Environmental Health	93-113	-	58,503	Mount Sinai School of Medicine	0255-C301-4609; MOD 4	58,503	-
Environmental Health	93-113	-	155,433	Philadelphia Regional Center Children's Environmental Health	P2CES033428	155,433	-
Environmental Health	93-113	-	10,215	Johns Hopkins University	2005768396	10,215	-
Environmental Health	93-113	-	59,203	University of California, Davis	A23-0842-S001	59,203	-
Environmental Health	93-113	-	12,639			12,639	-
	Total Assistance Listing 93.113	\$ 966,967	\$ 573,884			\$ 1,540,851	\$ 376,262
Oral Diseases and Disorders Research	93-121	\$ 67,999	\$ -	University of Connecticut Health Center	UCHC7-140298528-A2	\$ 67,999	\$ 17,499
Oral Diseases and Disorders Research	93-121	-	\$ 62,088	Children's Hospital of Philadelphia	PO: 20395658; GRT-00002376	62,088	-
Oral Diseases and Disorders Research	93-121	-	\$ 7,522	SINTX Technologies, Inc.	PO # 10110	7,522	-
Oral Diseases and Disorders Research	93-121	-	\$ 20,748			20,748	-
	Total Assistance Listing 93.121	\$ 67,999	\$ 90,358			\$ 158,357	\$ 17,499
Centers for Research and Demonstration for Health Promotion and Disease Prevention	93-135	\$ -	\$ 4,497	University of South Carolina	23-4988	\$ 4,497	\$ -
	Total Assistance Listing 93.135	\$ -	\$ 4,497			\$ 4,497	\$ -
Human Genome Research	93-172	\$ -	\$ 34,306	Children's Hospital of Philadelphia	3200860721 PO#20199014	\$ 34,306	\$ -
Human Genome Research	93-172	-	\$ 76,329	University of California, San Francisco	10993SC; MOD 04	76,329	-
Human Genome Research	93-172	-	\$ 69,956	Northeastern University	500777-78051; MOD 1	69,956	-
	Total Assistance Listing 93.172	\$ -	\$ 180,591			\$ 180,591	\$ -
Research Related to Deafness and Communication Disorders	93-173	\$ 685,376	\$ -			\$ 685,376	\$ 168,605
Research Related to Deafness and Communication Disorders	93-173	-	\$ 14,548	Georgetown University	412748_GR412673-DU ; 7772933	14,548	-
Research Related to Deafness and Communication Disorders	93-173	-	\$ 22,284	University of Pennsylvania	574758; MOD 3	22,284	-
	Total Assistance Listing 93.173	\$ 685,376	\$ 36,832			\$ 722,208	\$ 168,605
Research and Training in Complementary and Integrative Health	93-213	\$ 53,656	\$ -			\$ 53,656	\$ 5,118
	Total Assistance Listing 93.213	\$ 53,656	\$ -			\$ 53,656	\$ 5,118
Family Planning Services	93-217	\$ -	\$ 8,016	Access Matters	212501-1 MOD 2	\$ 8,016	\$ -
	Total Assistance Listing 93.217	\$ -	\$ 8,016			\$ 8,016	\$ -
Mental Health Research Grants	93-242	\$ 4,643,170	\$ -	Harvard T.H. Chan School of Public Health	114205-1338-5097549	\$ 4,643,170	\$ 865,158
Mental Health Research Grants	93-242	-	352	New York University School of Medicine	18-A1-00-007376 ; 111443	352	-
Mental Health Research Grants	93-242	-	(3,804)	Vulintus Inc.	R44MH119734-P2SUB1; MOD 2	(3,804)	-
Mental Health Research Grants	93-242	-	63,575	University of Pittsburgh Medical Center	AWD00003551 (135683-3) MOD 2	63,575	-
Mental Health Research Grants	93-242	-	58,996	Icahn School of Medicine at Mount Sinai	0255-E461-4609, MOD 2	58,996	30,937
Mental Health Research Grants	93-242	-	19,183	Temple University	263821-DREXEL PO#; P0692168.	19,183	-
Mental Health Research Grants	93-242	-	46,772	Temple University	263821	46,772	-
Mental Health Research Grants	93-242	-	226,771	Temple University	266291-DU	226,771	-
Mental Health Research Grants	93-242	-	462,837	Brigham and Women's Hospital	127906 ; MOD 1	462,837	-
Mental Health Research Grants	93-242	-	22,626	Diagnostic Driving, Inc.	3R43MH122035	22,626	-
Mental Health Research Grants	93-242	-	33,633			33,633	-
	Total Assistance Listing 93.242	\$ 4,643,170	\$ 930,941			\$ 5,574,111	\$ 896,096
CENTERS FOR DISEASE CONTROL AND PREVENTION							
Occupational Safety and Health Program	93-262	\$ 44,343	\$ -			\$ 44,343	\$ 7,466
	Total Assistance Listing 93.262	\$ 44,343	\$ -			\$ 44,343	\$ 7,466

The accompanying notes are an integral part of the schedule.

Drexel University and Subsidiaries

Schedule of Expenditures of Federal Awards

For the Year Ended June 30, 2023

Federal Grantor / Program or Cluster Title	Assistance Listing Number	Direct	Pass-Through	Pass-Through Entity	Pass-Through Entity Sponsor Number	Total Expenditures	Passed to Sub-Recipients
NATIONAL INSTITUTES OF HEALTH							
Alcohol Research Programs	93-273	\$ 421,323	\$ -	SUNY at Binghamton University Columbia University Trustees of Boston University	91395-DREXEL UNIV.; MOD 2 1(GG017204-01); MOD 1 4500004213 MD 1 XFP3XM9642N96	\$ 421,323	\$ -
Alcohol Research Programs	93-273	-	203,783			203,783	-
Alcohol Research Programs	93-273	-	40,408			40,408	-
Alcohol Research Programs	93-273	-	59,056			59,056	-
Total Assistance Listing 93-273		\$ 421,323	\$ 303,247			\$ 724,570	\$ -
Drug Abuse and Addiction Research Programs	93-279	\$ 4,199,169	\$ -	New York University Temple University Temple University Johns Hopkins University School of Medicine West Chester University of Pennsylvania Hager Biosciences, LLC University of California, San Diego	F1171-01; MOD 3 254958-04 DRXL 265498-DU; MOD 1 2004952819; MOD 2 2021-3R15DA050102-01A1S1-01 AWARD DATED 9/29/2022; MOD 1 705669	\$ 4,199,169	\$ 999,941
Drug Abuse and Addiction Research Programs	93-279	-	20,436			20,436	-
Drug Abuse and Addiction Research Programs	93-279	-	(7,914)			(7,914)	-
Drug Abuse and Addiction Research Programs	93-279	-	19,031			19,031	-
Drug Abuse and Addiction Research Programs	93-279	-	119,881			119,881	-
Drug Abuse and Addiction Research Programs	93-279	-	36,856			36,856	-
Drug Abuse and Addiction Research Programs	93-279	-	107,799			107,799	-
Drug Abuse and Addiction Research Programs	93-279	-	64,534			64,534	-
Total Assistance Listing 93-279		\$ 4,199,169	\$ 360,623			\$ 4,559,792	\$ 999,941
Discovery and Applied Research for Technological Innovations to Improve Human Health	93-286	\$ 218,810	\$ -	Thomas Jefferson University Thomas Jefferson University North Carolina State University Children's Research Institute	40115V2; 080-30000-7008-S30901 080-30000-S30901 ; MOD 03 2022-0216-02, MOD 2 30007496-02	\$ 218,810	\$ -
Discovery and Applied Research for Technological Innovations to Improve Human Health	93-286	-	(24,410)			(24,410)	-
Discovery and Applied Research for Technological Innovations to Improve Human Health	93-286	-	189,448			189,448	-
Discovery and Applied Research for Technological Innovations to Improve Human Health	93-286	-	251,325			251,325	-
Discovery and Applied Research for Technological Innovations to Improve Human Health	93-286	-	21,635			21,635	-
Total Assistance Listing 93-286		\$ 218,810	\$ 437,998			\$ 656,808	\$ -
Minority Health and Health Disparities Research	93-307	\$ 3,911,681	\$ -	Harvard University University of Pennsylvania Fox Chase Cancer Center Board of Trustees of the Leland Stanford Junior University	115001-5111233; MOD 4 57858; MOD 3 FCCC15126-05; MOD 06 63085548-25R25; MOD 1	\$ 3,911,681	\$ 1,838,085
Minority Health and Health Disparities Research	93-307	-	37,491			37,491	-
Minority Health and Health Disparities Research	93-307	-	22,727			22,727	-
Minority Health and Health Disparities Research	93-307	-	21,914			21,914	-
Minority Health and Health Disparities Research	93-307	-	69,920			69,920	-
Total Assistance Listing 93-307		\$ 3,911,681	\$ 152,052			\$ 4,063,733	\$ 1,838,085
Trans-NIH Research Support	93-310	\$ 5,538,746	\$ -	Duke University Duke University	SUB AWD: 203-7772;U2COD023375 SUBAWARD A03-2323	\$ 5,538,746	\$ 2,172,556
Trans-NIH Research Support	93-310	-	(1,132)			(1,132)	-
Trans-NIH Research Support	93-310	-	(681)			(681)	-
Total Assistance Listing 93-310		\$ 5,538,746	\$ (1,713)			\$ 5,537,033	\$ 2,172,556
National Center for Advancing Translational Sciences	93-350	\$ -	\$ 154,631	Tufts Medical Center, Inc	5017623-SERV; MOD 5	\$ 154,631	\$ -
National Center for Advancing Translational Sciences	93-350	-	50,296	Tufts Medical Center, Inc	5017623_SERV; MOD 6	50,296	-
Total Assistance Listing 93-350		\$ -	\$ 204,927			\$ 204,927	\$ -
Nursing Research	93-361	\$ 374,870	\$ -	Columbia University University of Pennsylvania Villanova University University of Pennsylvania	3(GG014705-01); MOD 2 579284 PENN 10072088; MOD 3 530079DREXEL; MOD 1 586183; MOD 1	\$ 374,870	\$ -
Nursing Research	93-361	-	4,772			4,772	-
Nursing Research	93-361	-	43,285			43,285	-
Nursing Research	93-361	-	5,285			5,285	-
Nursing Research	93-361	-	18,071			18,071	-
Total Assistance Listing 93-361		\$ 374,870	\$ 71,413			\$ 446,283	\$ -
Cancer Cause and Prevention Research	93-393	\$ 3,950	\$ -			\$ 3,950	\$ -
Total Assistance Listing 93-393		\$ 3,950	\$ -			\$ 3,950	\$ -
NATIONAL INSTITUTES OF HEALTH							
Cancer Detection and Diagnosis Research	93-394	\$ 102,458	\$ -			\$ 102,458	\$ 12,495
Cancer Detection and Diagnosis Research	93-394	-	-			-	-
Cancer Detection and Diagnosis Research	93-394	-	-			-	-
Total Assistance Listing 93-394		\$ 102,458	\$ -			\$ 102,458	\$ 12,495
Cancer Treatment Research	93-395	\$ 7,999	\$ -	Children's Hospital of Philadelphia Albert Einstein College of Medicine Public Health Institute	6/8/2016/9400660000 311392 ; P0752027; 797502 Clinical Trial U10CA180886	\$ 7,999	\$ -
Cancer Treatment Research	93-395	-	333			333	-
Cancer Treatment Research	93-395	-	4,141			4,141	-
Cancer Treatment Research	93-395	-	49,398			49,398	-
Total Assistance Listing 93-395		\$ 7,999	\$ 53,872			\$ 61,871	\$ -
Cancer Biology Research	93-396	\$ 909,590	\$ -			\$ 909,590	\$ 180,570
Total Assistance Listing 93-396		\$ 909,590	\$ -			\$ 909,590	\$ 180,570
Cancer Centers Support Grants	93-397	\$ -	\$ 20,946	Thomas Jefferson University	080-03500-PB0818; MOD 3	\$ 20,946	\$ -
Cancer Centers Support Grants	93-397	-	32,878	Thomas Jefferson University	080-03500-PB5018, MOD 1	32,878	-
Total Assistance Listing 93-397		\$ -	\$ 53,824			\$ 53,824	\$ -

The accompanying notes are an integral part of the schedule.

Drexel University and Subsidiaries

Schedule of Expenditures of Federal Awards

For the Year Ended June 30, 2023

Federal Grantor / Program or Cluster Title	Assistance Listing Number	Direct	Pass-Through	Pass-Through Entity	Pass-Through Entity Sponsor Number	Total Expenditures	Passed to Sub-Recipients
Cancer Control	93-399	\$ -	\$ 7,140	Thomas Jefferson University	080-27000-299001, MOD 1	\$ 7,140	\$ -
Cancer Control	93-399	-	2,881	Public Health Institute	CT WORK ORDER SIGNED 12-6-2021	2,881	-
Total Assistance Listing 93-399		\$ -	\$ 11,021			\$ 11,021	\$ -
CENTERS FOR DISEASE CONTROL AND PREVENTION							
Strengthening Public Health Systems and Services through National Partnerships to Improve and Protect the Nation's Health	93-421	\$ -	\$ 70,526	University of Vermont	AWD00000738SUB00000307	\$ 70,526	\$ -
Total Assistance Listing 93-421		\$ -	\$ 70,526			\$ 70,526	\$ -
SUBSTANCE ABUSE AND MENTAL HEALTH SERVICES ADMINISTRATION							
Emergency Grants to Address Mental and Substance Use Disorders During COVID-19	93-665	\$ -	\$ 139,851	Center for Community Resources	SUBCONTRACT DATED 02182021	\$ 139,851	\$ -
Total Assistance Listing 93-665		\$ -	\$ 139,851			\$ 139,851	\$ -
HEALTH RESOURCES AND SERVICES ADMINISTRATION							
Mental and Behavioral Health Education and Training Grants	93-732	\$ 461,736	\$ -			\$ 461,736	\$ 67,375
Mental and Behavioral Health Education and Training Grants	93-732	-	116,791	University of Akron	543153-DRXL; MOD 3	116,791	-
Total Assistance Listing 93-732		\$ 461,736	\$ 116,791			\$ 578,527	\$ 67,375
NATIONAL INSTITUTES OF HEALTH							
Cardiovascular Diseases Research	93-837	\$ 2,822,824	\$ -	New England Research Institute	PITCH-HF/ UO1HL105463	\$ 2,822,824	\$ 276,156
Cardiovascular Diseases Research	93-837	-	(157)	Massachusetts General Hospital	PS225713; A53324; A53335; MOD9	(157)	-
Cardiovascular Diseases Research	93-837	-	36,598	University of Michigan	3904944795; MOD 3	36,598	-
Cardiovascular Diseases Research	93-837	-	3,207	Yale University	GR104903(CON-80001551)	3,207	-
Cardiovascular Diseases Research	93-837	-	(3,808)	University at Buffalo	HL137558; R1187082; MOD 3	(3,808)	-
Cardiovascular Diseases Research	93-837	-	(1,028)	The Miriam Hospital	7107147197; MOD 4	(1,028)	-
Cardiovascular Diseases Research	93-837	-	20,766	San Francisco State University	S19-0003; MOD 3;204280001	20,766	-
Cardiovascular Diseases Research	93-837	-	93,277	Emory University	A589167; MOD 2	93,277	-
Cardiovascular Diseases Research	93-837	-	62,602	Massachusetts General Hospital	Fund # 242786	62,602	-
Cardiovascular Diseases Research	93-837	-	7,227			7,227	-
Total Assistance Listing 93-837		\$ 2,822,824	\$ 219,184			\$ 3,042,008	\$ 276,156
Lung Diseases Research	93-838	\$ 46,031	\$ -			\$ 46,031	\$ -
Total Assistance Listing 93-838		\$ 46,031	\$ -			\$ 46,031	\$ -
Translation and Implementation Science Research for Heart, Lung, Blood Diseases, and Sleep Disorders	93-840	\$ -	\$ 183,266	University of Pennsylvania	580490; 4753202; 4753203; MD2	\$ 183,266	\$ -
Total Assistance Listing 93-840		\$ -	\$ 183,266			\$ 183,266	\$ -
Arthritis, Musculoskeletal and Skin Diseases Research	93-846	\$ 344,182	\$ -			\$ 344,182	\$ 11,037
Arthritis, Musculoskeletal and Skin Diseases Research	93-846	-	303,839	University of Pennsylvania	576763; MOD 3	303,839	-
Arthritis, Musculoskeletal and Skin Diseases Research	93-846	-	17,110	University of Pennsylvania	578671; MOD 3	17,110	-
Arthritis, Musculoskeletal and Skin Diseases Research	93-846	-	112,281	Villanova University	530134DREXEL; MOD 1	112,281	-
Total Assistance Listing 93-846		\$ 344,182	\$ 433,230			\$ 777,412	\$ 11,037
Diabetes, Digestive, and Kidney Diseases Extramural Research	93-847	\$ 5,100,457	\$ -			\$ 5,100,457	\$ 809,201
Diabetes, Digestive, and Kidney Diseases Extramural Research	93-847	-	(2,148)	Washington University in St. Louis	WU-17-367-MOD-5; 2928731C	(2,148)	-
Diabetes, Digestive, and Kidney Diseases Extramural Research	93-847	-	43,723	University of Pennsylvania	DRC PILOT AWD DATD 4/6/21, Y2	43,723	-
Diabetes, Digestive, and Kidney Diseases Extramural Research	93-847	-	200,709	Thomas Jefferson University	080-27000-S43301, MOD 1	200,709	-
Diabetes, Digestive, and Kidney Diseases Extramural Research	93-847	-	1,528	University of California Los Angeles	1652 G YA114, MOD1	1,528	-
Diabetes, Digestive, and Kidney Diseases Extramural Research	93-847	-	995	University of Pennsylvania	582534 (5-U24-DK-060990-21)	995	-
Diabetes, Digestive, and Kidney Diseases Extramural Research	93-847	-	204,986	The Washington University	WU-22-0087-MOD-1	204,986	-
Diabetes, Digestive, and Kidney Diseases Extramural Research	93-847	-	21,936	University of Delaware	UDR0000076; MOD 1	21,936	-
Diabetes, Digestive, and Kidney Diseases Extramural Research	93-847	-	24,773	University of North Carolina at Chapel Hill	5123902; MOD 1	24,773	-
Diabetes, Digestive, and Kidney Diseases Extramural Research	93-847	-	28,424	Fred Hutchinson Cancer Research Center	1132188	28,424	-
Total Assistance Listing 93-847		\$ 5,100,457	\$ 524,926			\$ 5,625,383	\$ 809,201

The accompanying notes are an integral part of the schedule.

Drexel University and Subsidiaries

Schedule of Expenditures of Federal Awards

For the Year Ended June 30, 2023

Federal Grantor / Program or Cluster Title	Assistance Listing Number	Direct	Pass-Through	Pass-Through Entity	Pass-Through Entity Sponsor Number	Total Expenditures	Passed to Sub-Recipients
Extramural Research Programs in the Neurosciences and Neurological Disorders	93-833	\$ 11,396,261	\$ -			\$ 11,396,261	\$ 1,791,832
Extramural Research Programs in the Neurosciences and Neurological Disorders	93-833	-	(30,153)	University of California, Davis	A17-0078-S001-A04	(30,153)	-
Extramural Research Programs in the Neurosciences and Neurological Disorders	93-833	-	60,030	University of Miami	SPC-000881;OS00000282; MOD 4	60,030	-
Extramural Research Programs in the Neurosciences and Neurological Disorders	93-833	-	282,603	PolyCore Therapeutics LLC	R44NS117201 MOD 2	282,603	-
Extramural Research Programs in the Neurosciences and Neurological Disorders	93-833	-	74,165	University of South Carolina	2000054782/ 10010139; 21-4158	74,165	-
Extramural Research Programs in the Neurosciences and Neurological Disorders	93-833	-	44,206	University of Louisville	ULRF_20-0750-01 MOD 3	44,206	-
Extramural Research Programs in the Neurosciences and Neurological Disorders	93-833	-	5,041	PolyCore Therapeutics LLC	R44NS117201-01S1 MOD 01	5,041	-
Extramural Research Programs in the Neurosciences and Neurological Disorders	93-833	-	18,123	University of Pennsylvania	582292	18,123	-
Extramural Research Programs in the Neurosciences and Neurological Disorders	93-833	-	49,310	University of Alabama at Birmingham	000513792-SC004;0005252882-007	49,310	-
Total Assistance Listing 93-833		\$ 11,396,261	\$ 593,325			\$ 11,899,586	\$ 1,791,832
Allergy and Infectious Diseases Research	93-855	\$ 5,852,143	\$ -			\$ 5,852,143	\$ 1,688,106
Allergy and Infectious Diseases Research	93-855	-	(2,070)	University of Washington	UWSC8493/5R01AI120712-04	(2,070)	-
Allergy and Infectious Diseases Research	93-855	-	(2,505)	Case Western Reserve University	RES511177; MOD 5	(2,505)	-
Allergy and Infectious Diseases Research	93-855	-	133	Oregon Health and Science University	1004354_DREXEL MOD 6	133	-
Allergy and Infectious Diseases Research	93-855	-	3,898	Emory University	A537239	3,898	-
Allergy and Infectious Diseases Research	93-855	-	13,310	Children's Hospital of Philadelphia	GRT-00000134; PO 20163073-RSUB	13,310	-
Allergy and Infectious Diseases Research	93-855	-	12,001	Lenima Diagnostics, LLC	LFD-20200512	12,001	-
Allergy and Infectious Diseases Research	93-855	-	5,581	Oregon Health and Science University	1011753_DREXEL;MOD 6	5,581	-
Allergy and Infectious Diseases Research	93-855	-	78,460	University of Pennsylvania	580768 PO:PO 4956050	78,460	-
Allergy and Infectious Diseases Research	93-855	-	23,908	Temple University	268932-DU; PO# P0700717.	23,908	-
Allergy and Infectious Diseases Research	93-855	-	239,510	Temple University	268028-02-DU-WTGD AHL	239,510	-
Allergy and Infectious Diseases Research	93-855	-	159,568	Temple University	268028-DREXEL PO # P0710355	159,568	-
Allergy and Infectious Diseases Research	93-855	-	151,593	Oregon Health and Science University	1021312_DREXEL, MOD 2	151,593	-
Allergy and Infectious Diseases Research	93-855	-	8,909	University of Pennsylvania	586704	8,909	-
Total Assistance Listing 93-855		\$ 5,852,143	\$ 692,296			\$ 6,544,439	\$ 1,688,106
Biomedical Research and Research Training	93-859	\$ 2,236,419	\$ -			\$ 2,236,419	\$ 239,126
Biomedical Research and Research Training	93-859	-	9,167	University of Pennsylvania	575434; MOD 4	9,167	-
Biomedical Research and Research Training	93-859	-	131,950	SINTX Technologies, Inc.	IR41GM146268-01	131,950	-
Biomedical Research and Research Training	93-859	-	10,993	Children's Hospital of Philadelphia	GRT-00001456 / PO 20293787	10,993	-
Biomedical Research and Research Training	93-859	-	12,195	Johns Hopkins University	2003729070; MOD 1	12,195	-
Total Assistance Listing 93-859		\$ 2,236,419	\$ 164,305			\$ 2,400,724	\$ 239,126
Child Health and Human Development Extramural Research	93-865	\$ 2,562,464	\$ -			\$ 2,562,464	\$ 432,705
Child Health and Human Development Extramural Research	93-865	-	(427)	Widener University	# 1/#33445; MOD 2	(427)	-
Child Health and Human Development Extramural Research	93-865	-	(5,686)	Oregon Research Institute	SUBAWARD 091818; MOD1	(5,686)	-
Child Health and Human Development Extramural Research	93-865	-	167	Harvard School of Public Health	114205-1538-5097549; 860304;M5	167	-
Child Health and Human Development Extramural Research	93-865	-	93,239	The Board of Trustees of the University of Alabama	000511041-SC001; MOD7	93,239	-
Child Health and Human Development Extramural Research	93-865	-	14,424	Harvard School of Public Health	117267-0238-5119102; MOD 1	14,424	-
Child Health and Human Development Extramural Research	93-865	-	41,459	ICahn School of Medicine at Mount Sinai	0255-C431-4609 MOD 01	41,459	-
Child Health and Human Development Extramural Research	93-865	-	8,698	Albert Einstein Healthcare Network	618-B4436-SE4971; MOD 1	8,698	-
Child Health and Human Development Extramural Research	93-865	-	132,595	Northwestern University	60047828 DREX; A01	132,595	-
Child Health and Human Development Extramural Research	93-865	-	118,240	Harvard School of Public Health	117267-0338-5119102; MOD 1	118,240	-
Child Health and Human Development Extramural Research	93-865	-	67,359	Widener University	33376-1	67,359	-
Total Assistance Listing 93-865		\$ 2,562,464	\$ 470,078			\$ 3,032,542	\$ 432,705
Aging Research	93-866	\$ 3,149,096	\$ -			\$ 3,149,096	\$ 519,945
Aging Research	93-866	-	143,403	University of California Los Angeles	1558 G WA117; MOD 5	143,403	-
Aging Research	93-866	-	68,216	University of Pennsylvania	575447; 10067210; 35533/00	68,216	-
Aging Research	93-866	-	21,623	Columbia University	1(GG014709-01); MOD 2	21,623	-
Aging Research	93-866	-	135,709	Johns Hopkins University	2004525971; MOD 3	135,709	-
Aging Research	93-866	-	61,839	University of Pennsylvania	577439; MOD 1	61,839	-
Aging Research	93-866	-	6,795	University of Pennsylvania	580755 MOD 2	6,795	-
Aging Research	93-866	-	109,727	University of Texas Rio Grande Valley	DP1AG066870 (01), MOD 2	109,727	-
Aging Research	93-866	-	12,788	Gracefall Inc	AWARD DATED 12/16/21, MOD 1	12,788	-
Aging Research	93-866	-	137,799	Brown University	00001380; YEAR 4 ADVANCE	137,799	-
Aging Research	93-866	-	138,343	Brown University	1380	138,343	-
Aging Research	93-866	-	39,778	University of California, Davis	A23-0732-S001	39,778	-
Aging Research	93-866	-	11,414	Villanova University	530138; MOD 1	11,414	-
Total Assistance Listing 93-866		\$ 3,149,096	\$ 887,434			\$ 4,036,530	\$ 519,945
Vision Research	93-867	\$ -	\$ 2,486	Johns Hopkins University	2004814710; MOD 1	\$ 2,486	\$ -
Total Assistance Listing 93-867		\$ -	\$ 2,486			\$ 2,486	\$ -

The accompanying notes are an integral part of the schedule.

Drexel University and Subsidiaries

Schedule of Expenditures of Federal Awards

For the Year Ended June 30, 2023

Federal Grantor / Program or Cluster Title	Assistance Listing Number	Direct	Pass-Through	Pass-Through Entity	Pass-Through Entity Sponsor Number	Total Expenditures	Passed to Sub-Recipients
HEALTH RESOURCES AND SERVICES ADMINISTRATION							
Autism Collaboration, Accountability, Research, Education, and Support	93.877	\$ 320,039	\$ -			\$ 320,039	\$ 71,975
Autism Collaboration, Accountability, Research, Education, and Support	93.877	-	215,843	University of California Los Angeles	2000 G YC234; MOD 03	215,843	-
Total Assistance Listing 93.877		\$ 320,039	\$ 215,843			\$ 535,882	\$ 71,975
NATIONAL INSTITUTES OF HEALTH							
Medical Library Assistance	93.879	\$ -	\$ 89,542	Children's Research Institute	30005484-01; MOD 5	\$ 89,542	\$ -
Total Assistance Listing 93.879		\$ -	\$ 89,542			\$ 89,542	\$ -
CENTERS FOR DISEASE CONTROL AND PREVENTION							
HIV Prevention Activities Health Department Based	93.940	\$ -	\$ 7,997	Children's Hospital of Philadelphia	GRT-00000486; 20447584; MOD 4	\$ 7,997	\$ -
Total Assistance Listing 93.940		\$ -	\$ 7,997			\$ 7,997	\$ -
HEALTH RESOURCES AND SERVICES ADMINISTRATION							
Maternal and Child Health Services Block Grant to the States	93.994	\$ -	\$ 111,633	Commonwealth of Pennsylvania	4400024510	\$ 111,633	\$ -
Total Assistance Listing 93.994		\$ -	\$ 111,633			\$ 111,633	\$ -
NATIONAL INSTITUTES OF HEALTH							
International Research and Research Training	93.989	\$ 441,338	\$ -	Oregon Health and Science University	1004854_ANSP	\$ 441,338	\$ 131,660
International Research and Research Training	93.989	\$ -	\$ (11,060)			\$ (11,060)	\$ -
Total Assistance Listing 93.989		\$ 441,338	\$ (11,060)			\$ 430,278	\$ 131,660
Home Assessments for Patients and Families With Special Health Care Needs	93.RD	\$ 639,098	\$ -			\$ 639,098	\$ -
Biophysics of Increasing Fetal Hemoglobin	93.RD	-	2,113			2,113	-
Occupational Safety and Health Tech	93.RD	-	2,351			2,351	-
APAL2020SC: Pediatric Acute Leukemia Screening Trial	93.RD	-	2,780	Public Health Institute	AR14702	2,780	-
COVID-19 Understanding COVID-19 Among Critically Ill Children	93.RD	-	10,546	Boston Children's Hospital	GENFD0002021280	10,546	-
IPA 2110031 Spatial and Spatio-temp	93.RD	46,702	-			46,702	-
Monitoring Diversity in SARS-CoV-2 Genomes for Tracking Emerging Variants	93.RD	-	41,725	Children's Hospital of Philadelphia	GRT-00001190/ PO 20269754	41,725	-
Development Of Novel STING Pathway Agonists as Vaccine Adjuvants	93.RD	-	214,914	Oregon Health and Science University	1014432_DREXEL; MOD 4	214,914	-
Enhancing Effectiveness of a Dissonance-Based Obesity Prevention Program	93.RD	-	70,854	Stanford University	62362327-164181 ;5068131	70,854	-
Total Assistance Listing 93.RD		\$ 690,264	\$ 340,819			\$ 1,031,083	\$ -
Total Department of Health and Human Services		\$ 57,962,388	\$ 8,665,282			\$ 66,627,670	\$ 12,746,130
CORPORATION FOR NATIONAL AND COMMUNITY SERVICE							
Corporation for National and Community Service							
AmeriCorps National Service and Civic Engagement Research Competition	94.026	\$ 20,194	\$ -			\$ 20,194	\$ -
Total Assistance Listing 94.026		\$ 20,194	\$ -			\$ 20,194	\$ -
Total Corporation for National And Community Service		\$ 20,194	\$ -			\$ 20,194	\$ -
DEPARTMENT OF HOMELAND SECURITY							
FEDERAL EMERGENCY MANAGEMENT AGENCY							
Assistance to Firefighters Grant	97.044	\$ 127,741	\$ -	International Association of Fire Fighters	DREXEL ORI CONTRACT NO. T9814	\$ 127,741	\$ -
Assistance to Firefighters Grant	97.044	-	56,247	Fire Department Safety Officers Association	EMW-2020-FP-00980; MOD 1	56,247	-
Assistance to Firefighters Grant	97.044	-	432,824	International Association of Fire Fighters	EMW-2019-FP-00096 MOD 1	432,824	-
Assistance to Firefighters Grant	97.044	-	279,906			279,906	-
Total Assistance Listing 97.044		\$ 127,741	\$ 768,977			\$ 896,718	\$ -
Total Department of Homeland Security		\$ 127,741	\$ 768,977			\$ 896,718	\$ -
AGENCY FOR INTERNATIONAL DEVELOPMENT							
AGENCY FOR INTERNATIONAL DEVELOPMENT							
USAID Foreign Assistance for Programs Overseas	98.001	\$ -	\$ 49,329	Temple University	269647-DREXEL; MOD 1	\$ 49,329	\$ -
Total Assistance Listing 98.001		\$ -	\$ 49,329			\$ 49,329	\$ -
Total Agency for International Development		\$ -	\$ 49,329			\$ 49,329	\$ -
TOTAL RESEARCH AND DEVELOPMENT CLUSTER:		\$ 90,348,326	\$ 17,634,413			\$ 107,982,739	\$ 19,895,613

The accompanying notes are an integral part of the schedule.

Drexel University and Subsidiaries

Schedule of Expenditures of Federal Awards

For the Year Ended June 30, 2023

Federal Grantor / Program or Cluster Title	Assistance Listing Number	Direct	Pass-Through	Pass-Through Entity	Pass-Through Entity Sponsor Number	Total Expenditures	Passed to Sub-Recipients
SNAP CLUSTER							
DEPARTMENT OF AGRICULTURE							
FOOD AND NUTRITION SERVICE							
State Administrative Matching Grants for the Supplemental Nutrition Assistance Program	10.561	\$ -	\$ (2,612)	Penn State University	S001668-COP-DRX; MOD 1	\$ (2,612)	\$ -
State Administrative Matching Grants for the Supplemental Nutrition Assistance Program	10.561	-	452,377	Penn State University	S002471-COP-DRX; 41000855762	452,377	-
Total Assistance Listing 10.561		\$ -	\$ 449,765			\$ 449,765	\$ -
Total Department of Agriculture		\$ -	\$ 449,765			\$ 449,765	\$ -
TOTAL SUPPLEMENTAL NUTRITION ASSISTANCE PROGRAM CLUSTER		\$ -	\$ 449,765			\$ 449,765	\$ -
477 CLUSTER							
DEPARTMENT OF HEALTH AND HUMAN SERVICES							
ADMINISTRATION FOR CHILDREN AND FAMILIES							
Temporary Assistance for Needy Families	93.558	\$ -	\$ 7,058	South Central Workforce Investment Board	180-20800021D	\$ 7,058	\$ -
Temporary Assistance for Needy Families	93.558	-	259,495	South Central Workforce Investment Board	P22-80000-05-001	259,495	-
Temporary Assistance for Needy Families	93.558	-	184,818	Philadelphia Works	YT21-085 -01	184,818	-
Temporary Assistance for Needy Families	93.558	-	410,207	Philadelphia Works	YO23-031	410,207	-
Temporary Assistance for Needy Families	93.558	-	101	South Central Workforce Investment Board	180-18-3133-2D	101	-
Total Assistance Listing 93.558		\$ -	\$ 861,679			\$ 861,679	\$ -
Total Department of Health and Human Services		\$ -	\$ 861,679			\$ 861,679	\$ -
TOTAL TEMPORARY ASSISTANCE FOR NEEDY FAMILIES CLUSTER		\$ -	\$ 861,679			\$ 861,679	\$ -
ECONOMIC DEVELOPMENT CLUSTER							
DEPARTMENT OF COMMERCE							
ECONOMIC DEVELOPMENT ADMINISTRATION							
Economic Adjustment Assistance	11.307	\$ -	\$ 77,141	National League of Cities	AWARD DTD 3/1/2022, 002604817	\$ 77,141	\$ -
Economic Adjustment Assistance	11.307	-	43,001	National Council for Community Development, Inc.	Award Dated 3/7/2023	43,001	-
Total Assistance Listing 11.307		\$ -	\$ 120,142			\$ 120,142	\$ -
TOTAL ECONOMIC DEVELOPMENT CLUSTER		\$ -	\$ 120,142			\$ 120,142	\$ -
WIOA CLUSTER							
DEPARTMENT OF LABOR							
EMPLOYMENT AND TRAINING ADMINISTRATION							
WIOA Youth Activities	17.259	\$ -	\$ 991	Philadelphia Works	Y022-039/090-20-330-1	\$ 991	\$ -
Total Assistance Listing 17.259		\$ -	\$ 991			\$ 991	\$ -
TOTAL WIOA YOUTH ACTIVITIES CLUSTER		\$ -	\$ 991			\$ 991	\$ -
HIGHWAY PLANNING AND CONSTRUCTION CLUSTER							
DEPARTMENT OF TRANSPORTATION							
FEDERAL HIGHWAY ADMINISTRATION							
Highway Planning and Construction	20.205	\$ -	\$ 73,169	Pennsylvania Department of Transportation	SAP 4400024510 PO43000736224	\$ 73,169	\$ -
Total Assistance Listing 20.205		\$ -	\$ 73,169			\$ 73,169	\$ -
TOTAL HIGHWAY PLANNING AND CONSTRUCTION CLUSTER		\$ -	\$ 73,169			\$ 73,169	\$ -
CCDF CLUSTER							
DEPARTMENT OF HEALTH AND HUMAN SERVICES							
ADMINISTRATION FOR CHILDREN AND FAMILIES							
Child Care and Development Block Grant	93.575	\$ -	\$ 80,263	Public Health Management Corporation	8690062320; MOD 1	\$ 80,263	\$ -
Total Assistance Listing 93.575		\$ -	\$ 80,263			\$ 80,263	\$ -
TOTAL CCDF CLUSTER		\$ -	\$ 80,263			\$ 80,263	\$ -

The accompanying notes are an integral part of the schedule.

Drexel University and Subsidiaries

Schedule of Expenditures of Federal Awards

For the Year Ended June 30, 2023

Federal Grantor / Program or Cluster Title	Assistance Listing Number	Direct	Pass-Through	Pass-Through Entity	Pass-Through Entity Sponsor Number	Total Expenditures	Passed to Sub-Recipients
OTHER SPONSORED PROJECTS							
DEPARTMENT OF COMMERCE							
ECONOMIC DEVELOPMENT ADMINISTRATION							
Economic Development Technical Assistance	11.303	\$ -	\$ 24,886	Blueprint Local LLC	26048170000	\$ 24,886	\$ -
Total Assistance Listing 12.800		\$ -	\$ 24,886			\$ 24,886	\$ -
Total Department of Commerce		\$ -	\$ 24,886			\$ 24,886	\$ -
DEPARTMENT OF DEFENSE							
DEPT OF THE AIR FORCE							
Air Force Defense Research Sciences Program	12.800	\$ 15,000	\$ -			\$ 15,000	\$ -
Total Assistance Listing 12.800		\$ 15,000	\$ -			\$ 15,000	\$ -
2012 Anacostia Consulting	12.U02	\$ -	\$ 2,015	CH2M Hill	PO#948061	\$ 2,015	\$ -
Total Assistance Listing 12.U02		\$ -	\$ 2,015			\$ 2,015	\$ -
Total Department of Defense		\$ 15,000	\$ 2,015			\$ 17,015	\$ -
DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT							
COVID-19 PHA Cares COVID-19 Action Response and Education							
	14.U03	\$ -	\$ 150,129	Temple University	267222- DREXEL; 635005; MOD 2	\$ 150,129	\$ -
Total Assistance Listing 14.U03		\$ -	\$ 150,129			\$ 150,129	\$ -
Total Department of Housing and Urban Development		\$ -	\$ 150,129			\$ 150,129	\$ -
DEPARTMENT OF THE INTERIOR							
NATIONAL PARK SERVICE							
Cooperative Research and Training Programs – Resources of the National Park System	15.945	\$ 65,682	\$ -			\$ 65,682	\$ -
Total Assistance Listing 15.945		\$ 65,682	\$ -			\$ 65,682	\$ -
Total Department of the Interior		\$ 65,682	\$ -			\$ 65,682	\$ -
DEPARTMENT OF JUSTICE							
OFFICE OF JUSTICE PROGRAMS							
Crime Victim Assistance	16.575	\$ -	\$ 100,629	Pennsylvania Commission on Crime and Delinquency	2019/2020-VF-05-33170	\$ 100,629	\$ -
Total Assistance Listing 16.575		\$ -	\$ 100,629			\$ 100,629	\$ -
Total Department of Justice		\$ -	\$ 100,629			\$ 100,629	\$ -
DEPARTMENT OF STATE							
BUREAU OF EDUCATIONAL AND CULTURAL							
Academic Exchange Programs - Undergraduate Programs	19.009	\$ -	\$ 27,766	International Research & Exchanges Board	FY19/20-YALI-CL-DRX-03/04 MOD2	\$ 27,766	\$ -
Total Assistance Listing 19.009		\$ -	\$ 27,766			\$ 27,766	\$ -
Academic Exchange Programs - Graduate Students	19.400	\$ -	\$ 46,246	Institute of International Education	3000252072	\$ 46,246	\$ -
Academic Exchange Programs - Graduate Students	19.400	-	209,979	Institute of International Education	S-ECAGD-22-CA-0017/3000243784	\$ 209,979	\$ -
Academic Exchange Programs - Graduate Students	19.400	-	14,991	Institute of International Education	3000287509	\$ 14,991	\$ -
Academic Exchange Programs - Graduate Students	19.400	-	149	Institute of International Education	3000286040	\$ 149	\$ -
Total Assistance Listing 19.400		\$ -	\$ 271,365			\$ 271,365	\$ -
Total Department of State		\$ -	\$ 299,131			\$ 299,131	\$ -
NATIONAL AERONAUTICS AND SPACE ADMINISTRATION							
NATIONAL AERONAUTICS AND SPACE ADMINISTRATION							
Science	43.001	\$ -	\$ 1,420	National Space Grant Foundation	NEBP-106	\$ 1,420	\$ -
		\$ -	\$ 1,420			\$ 1,420	\$ -
Total National Aeronautics and Space Administration		\$ -	\$ 1,420			\$ 1,420	\$ -
INSTITUTE OF MUSEUM AND LIBRARY SERVICES							
THE INSTITUTE OF MUSEUM AND LIBRARY SERVICES							
Museums for America	45.301	\$ 9,584	\$ -			\$ 9,584	\$ -
Total Assistance Listing 21.019		\$ 9,584	\$ -			\$ 9,584	\$ -
Total Institute of Museum and Library Services		\$ 9,584	\$ -			\$ 9,584	\$ -

The accompanying notes are an integral part of the schedule.

Drexel University and Subsidiaries

Schedule of Expenditures of Federal Awards

For the Year Ended June 30, 2023

Federal Grantor / Program or Cluster Title	Assistance Listing Number	Direct	Pass-Through	Pass-Through Entity	Pass-Through Entity Sponsor Number	Total Expenditures	Passed to Sub-Recipients
DEPARTMENT OF VETERAN AFFAIRS							
Center for Health Equality Research and Promotion	64.U01	\$ 31,174	\$ -			\$ 31,174	\$ -
Effect of Cyclical Intermittent Hypoxia on Lung Cancer Progression	64.U01	\$ 16,597				\$ 16,597	
Strengthening Suicide Prevention Efforts for Women Veterans	64.U01	\$ 15,687				\$ 15,687	
Total Assistance Listing 64.U01		\$ 63,358	\$ -			\$ 63,358	\$ -
TOTAL DEPARTMENT OF VETERAN AFFAIRS		\$ 63,358	\$ -			\$ 63,358	\$ -
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	\$ -	\$ 4,417	University of Pennsylvania	585571	\$ 4,417	\$ -
Total Assistance Listing 84.015		\$ -	\$ 4,417			\$ 4,417	\$ -
OFFICE OF ELEMENTARY AND SECONDARY EDUCATION							
Innovative Approaches to Literacy; Promise Neighborhoods; Full-Service Community Schools; and Congressionally Directed Spending for Elementary and Secondary Education Community Projects	84.215	\$ 3,471,519	\$ -			\$ 3,471,519	\$ 1,972,579
Total Assistance Listing 84.215		\$ 3,471,519	\$ -			\$ 3,471,519	\$ 1,972,579
OFFICE OF POSTSECONDARY EDUCATION							
Gaining Early Awareness and Readiness for Undergraduate Programs	84.334	\$ -	\$ 1,074	The College Crusade of Rhode Island	F334S110008	\$ 1,074	\$ -
Total Assistance Listing 84.334		\$ -	\$ 1,074			\$ 1,074	\$ -
OFFICE OF ELEMENTARY AND SECONDARY EDUCATION							
COVID-19-Higher Education Emergency Relief Fund-American Rescue Plan-ARF-ESSER	84.425U	\$ -	\$ 129,111	Philadelphia School District	3180	\$ 129,111	\$ -
Total Assistance Listing 84.425U		\$ -	\$ 129,111			\$ 129,111	\$ -
DEPARTMENT OF EDUCATION							
COVID-19-Higher Education Emergency Relief Fund-Student Aid Portion	84.425E	\$ 32,375	\$ -			\$ 32,375	\$ -
Total Assistance Listing 84.425E		\$ 32,375	\$ -			\$ 32,375	\$ -
OFFICE OF ELEMENTARY AND SECONDARY EDUCATION							
Supporting Effective Instruction State Grants (formerly Improving Teacher Quality State Grants)	84.367	\$ -	\$ (1,890)	PA Department of Education	4100084641; K18719572311	\$ (1,890)	
Supporting Effective Instruction State Grants (formerly Improving Teacher Quality State Grants)	84.367	\$ -	\$ 106,540	School District Of Philadelphia	SC: 586154 RFQ: 180; FY21-22	\$ 106,540	\$ -
Total Assistance Listing 84.367		\$ -	\$ 104,650			\$ 104,650	\$ -
Arts in Education	84.351	\$ -	\$ 11,926	Creative Engagement Lab, LLC	U351D210002	\$ 11,926	\$ -
Total Assistance Listing 84.351		\$ -	\$ 11,926			\$ 11,926	\$ -
Total Department of Education		\$ 3,503,894	\$ 251,178			\$ 3,755,072	\$ 1,972,579
DEPARTMENT OF HEALTH AND HUMAN SERVICES							
HEALTH RESOURCES AND SERVICES ADMINISTRATION							
Maternal and Child Health Federal Consolidated Programs	93.110	\$ 107,140	\$ -			\$ 107,140	\$ -
Maternal and Child Health Federal Consolidated Programs	93.110	\$ -	\$ (433)	University of California Los Angeles	2000G T1481 ;4-441589-Z1-29857	\$ (433)	
Maternal and Child Health Federal Consolidated Programs	93.110	\$ -	\$ 2,731	Children's Hospital of Philadelphia	GRT-00002064/ PO# 20369476	\$ 2,731	
Maternal and Child Health Federal Consolidated Programs	93.110	\$ -	\$ 7,334	Lehigh Valley Health Network	HRSA_22_23_012	\$ 7,334	
Total Assistance Listing 93.110		\$ 107,140	\$ 9,632			\$ 116,772	\$ -
Coordinated Services and Access to Research for Women, Infants, Children, and Youth	93.153	\$ 430,683				\$ 430,683	\$ -
COVID-19 Coordinated Services and Access to Research for Women, Infants, Children and Youth	93.153	\$ -	\$ -			\$ -	\$ -
Total Assistance Listing 93.153		\$ 430,683	\$ -			\$ 430,683	\$ -
COVID-19 Provider Relief Fund and American Rescue Plan (ARP) Rural Distribution	93.498	\$ 68,440	\$ -			\$ 68,440	\$ -
Total Assistance Listing 93.498		\$ 68,440	\$ -			\$ 68,440	\$ -
SUBSTANCE ABUSE AND MENTAL HEALTH SERVICES ADMINISTRATION							
Substance Abuse and Mental Health Services Projects of Regional and National Significance	93.243	\$ 2,326,719	\$ -			\$ 2,326,719	\$ 189,749
Substance Abuse and Mental Health Services Projects of Regional and National Significance	93.243	\$ -	\$ 102,398	Pennsylvania Department of Human Services	239630 GRANT# H79SMo82107	\$ 102,398	\$ -

The accompanying notes are an integral part of the schedule.

Drexel University and Subsidiaries

Schedule of Expenditures of Federal Awards

For the Year Ended June 30, 2023

Federal Grantor / Program or Cluster Title	Assistance Listing Number	Direct	Pass-Through	Pass-Through Entity	Pass-Through Entity Sponsor Number	Total Expenditures	Passed to Sub-Recipients
Substance Abuse and Mental Health Services Projects of Regional and National Significance	93-243		\$ 58,613	Pennsylvania Department of Human Services	1H79SMo83371-02	58,613	-
Substance Abuse and Mental Health Services Projects of Regional and National Significance	93-243		\$ 20,000	Access Matters	SAM2102 & SAM2202	20,000	-
Substance Abuse and Mental Health Services Projects of Regional and National Significance	93-243		\$ 748	Thomas Jefferson University	Award Dated 6/15/22	748	-
Total Assistance Listing 93.243		\$ 2,326,719	\$ 181,799			\$ 2,508,478	\$ 189,749
CENTERS FOR DISEASE CONTROL AND PREVENTION							
Centers for Disease Control and Prevention Investigations and Technical Assistance	93-283	\$ 28,983	\$ -			\$ 28,983	\$ -
Total Assistance Listing 93.283		\$ 28,983	\$ -			\$ 28,983	\$ -
NATIONAL INSTITUTES OF HEALTH							
Discovery and Applied Research for Technological Innovations to Improve Human Health	93-286	\$ 600	\$ -			\$ 600	\$ -
Total Assistance Listing 93.286		\$ 600	\$ -			\$ 600	\$ -
HEALTH RESOURCES AND SERVICES ADMINISTRATION							
Public Health Training Centers Program	93-516	\$ -	\$ 180	University of Pittsburgh	CNVA00061461 136060-3 MOD3	\$ 180	\$ -
Public Health Training Centers Program	93-516		\$ 93,800	University of Pittsburgh	AWD00005917	\$ 93,800	\$ -
Total Assistance Listing 93.516		\$ -	\$ 93,980			\$ 93,980	\$ -
Ending the HIV Epidemic: A Plan for America – Ryan White HIV/AIDS Program Parts A and B	93-686	\$ -	\$ 25,000	City of Philadelphia - Aids Activities Coordinating Office	CONTRACT 2320567 EH2030	\$ 25,000	\$ -
Total Assistance Listing 93.686		\$ -	\$ 25,000			\$ 25,000	\$ -
Autism Collaboration, Accountability, Research, Education, and Support	93-877	\$ -	\$ 372,760	University of California Los Angeles	1557 G YA668; 441356-AK-31636	\$ 372,760	\$ -
Total Assistance Listing 93.877		\$ -	\$ 372,760			\$ 372,760	\$ -
CENTERS FOR DISEASE CONTROL AND PREVENTION							
Cancer Prevention and Control Programs for State, Territorial and Tribal Organizations	93-898	\$ -	\$ 1,965	Access Matters	CONTRACT# 190203; 509/4000	\$ 1,965	\$ -
Total Assistance Listing 93.898		\$ -	\$ 1,965			\$ 1,965	\$ -
HEALTH RESOURCES AND SERVICES ADMINISTRATION							
HIV Emergency Relief Project Grants	93-914	\$ -	\$ 1,694	City of Philadelphia - Aids Activities Coordinating Office	RM1811:1820528-03	\$ 1,694	\$ -
HIV Emergency Relief Project Grants	93-914		\$ 156,390	City of Philadelphia - Aids Activities Coordinating Office	2220592; RM2811	\$ 156,390	\$ -
HIV Emergency Relief Project Grants	93-914		\$ 83,512	City of Philadelphia - Aids Activities Coordinating Office	2220592; RM2812	\$ 83,512	\$ -
HIV Emergency Relief Project Grants	93-914		\$ 21,500	City of Philadelphia - Aids Activities Coordinating Office	2220592; RM2220	\$ 21,500	\$ -
HIV Emergency Relief Project Grants	93-914		\$ 43,314	City of Philadelphia - Aids Activities Coordinating Office	2220591 RS2875	\$ 43,314	\$ -
HIV Emergency Relief Project Grants	93-914		\$ 214,116	City of Philadelphia - Aids Activities Coordinating Office	CONTRACT 2220591 RW2213	\$ 214,116	\$ -
HIV Emergency Relief Project Grants	93-914		\$ 351,771	City of Philadelphia - Aids Activities Coordinating Office	2220591 RW2212	\$ 351,771	\$ -
HIV Emergency Relief Project Grants	93-914		\$ 364,133	City of Philadelphia - Aids Activities Coordinating Office	2320087-01	\$ 364,133	\$ -
HIV Emergency Relief Project Grants	93-914		\$ 93,152	City of Philadelphia - Aids Activities Coordinating Office	2220592 RM3812 RM3811 RM3220	\$ 93,152	\$ -
Total Assistance Listing 93.914		\$ -	\$ 1,329,582			\$ 1,329,582	\$ -
Grants to Provide Outpatient Early Intervention Services with Respect to HIV Disease	93-918	\$ 1,139,354	\$ -			\$ 1,139,354	\$ 44,415
Total Assistance Listing 93.918		\$ 1,139,354	\$ -			\$ 1,139,354	\$ 44,415
CENTERS FOR DISEASE CONTROL AND PREVENTION							
HIV Prevention Activities Health Department Based	93-940	\$ -	\$ 28,710	City of Philadelphia - Aids Activities Coordinating Office	CONTRACT 22 20533 CP2015	\$ 28,710	\$ -
Total Assistance Listing 93.940		\$ -	\$ 28,710			\$ 28,710	\$ -
SUBSTANCE ABUSE AND MENTAL HEALTH SERVICES ADMINISTRATION							
Block Grants for Prevention and Treatment of Substance Abuse	93-959	\$ -	\$ 83,405	Pennsylvania Department of Drug and Alcohol Programs	4300744451;4400024510	\$ 83,405	\$ -
Total Assistance Listing 93.959		\$ -	\$ 83,405			\$ 83,405	\$ -
Mental Health Disaster Assistance and Emergency Mental Health	93-982	\$ -	\$ (4,610)	Kansas Department for Aging and Disability Services	H79FG000624 MOD 1	\$ (4,610)	\$ -
Total Assistance Listing 93.982		\$ -	\$ (4,610)			\$ (4,610)	\$ -
Total Department of Health and Human Services		\$ 4,101,010	\$ 2,122,183			\$ 6,224,102	\$ 234,164
CORPORATION FOR NATIONAL AND COMMUNITY SERVICES							
Corporation for National and Community Service							
AmeriCorps State and National 94.006	94.006	\$ -	\$ 14,172	Commonwealth of PA-AmeriCorps State Prog	117558 ; 4100090709	\$ 14,172	\$ -
AmeriCorps State and National 94.006	94.006		\$ 164,141	PA Dept of Labor and Industry	4100093439	\$ 164,141	\$ -
Total Assistance Listing 94.006		\$ -	\$ 178,313			\$ 178,313	\$ -
AmeriCorps National Service and Civic Engagement Research Competition	94.026	\$ 139,096	\$ -			\$ 139,096	\$ -
Total Assistance Listing 94.026		\$ 139,096	\$ -			\$ 139,096	\$ -
Total Corporation for National and Community Service		\$ 139,096	\$ 178,313			\$ 317,409	\$ -

The accompanying notes are an integral part of the schedule.

Drexel University and Subsidiaries

Schedule of Expenditures of Federal Awards

For the Year Ended June 30, 2023

Federal Grantor / Program or Cluster Title	Assistance Listing Number	Direct	Pass-Through	Pass-Through Entity	Pass-Through Entity Sponsor Number	Total Expenditures	Passed to Sub-Recipients
AGENCY FOR INTERNATIONAL DEVELOPMENT							
AGENCY FOR INTERNATIONAL DEVELOPMENT							
USAID Foreign Assistance for Programs Overseas	98.001	\$ -	\$ 38,538	21st Century Partnership for STEM Education	21PSTEM 72026318C0003-009	\$ 38,538	\$ -
Total Assistance Listing 98.001		\$ -	\$ 38,538			\$ 38,538	\$ -
Total Agency for International Development		\$ -	\$ 38,538			\$ 38,538	\$ -
TOTAL OTHER SPONSORED PROJECTS		\$ 7,898,533	\$ 3,168,422			\$ 11,066,955	\$ 2,206,743
STUDENT FINANCIAL AID CLUSTER							
DEPARTMENT OF THE TREASURY							
Federal Work-Study Program							
	84.033	\$ 5,023,752	\$ -			\$ 5,023,752	\$ -
Total Assistance Listing 84.033		\$ 5,023,752	\$ -			\$ 5,023,752	\$ -
Federal Perkins Loan Program							
Outstanding loans as of July 1, 2022	84.038	\$ 9,381,504	\$ -			\$ 9,381,504	\$ -
Total Assistance Listing 84.038		\$ 9,381,504	\$ -			\$ 9,381,504	\$ -
Federal Pell Grant Program							
	84.063	\$ 18,632,187	\$ -			\$ 18,632,187	\$ -
Total Assistance Listing 84.063		\$ 18,632,187	\$ -			\$ 18,632,187	\$ -
Federal Direct Student Loans							
	84.268	\$ 255,152,522	\$ -			\$ 255,152,522	\$ -
Total Assistance Listing 84.268		\$ 255,152,522	\$ -			\$ 255,152,522	\$ -
Total Department of Education		\$ 288,189,965	\$ -			\$ 288,189,965	\$ -
DEPARTMENT OF HEALTH AND HUMAN SERVICES							
Health Resources and Services Administration							
Primary Care Loans							
Outstanding loans as of July 1, 2022	93.342	\$ -	\$ -			\$ -	\$ -
New loans issued during 2022	93.342	\$ -	\$ -			\$ -	\$ -
Total Assistance Listing 93.342		\$ -	\$ -			\$ -	\$ -
Total Department of Health and Human Services		\$ -	\$ -			\$ -	\$ -
TOTAL STUDENT FINANCIAL AID CLUSTER		\$ 288,189,965	\$ -			\$ 288,189,965	\$ -
TOTAL FEDERAL AWARD EXPENDITURES		\$ 386,436,873	\$ 22,388,844			\$ 408,825,716	\$ 22,102,257

The accompanying notes are an integral part of the schedule.

Drexel University and Subsidiaries

Notes to the Schedule of Expenditures of Federal Awards

For the Year Ended June 30, 2023

1. Basis of Presentation

The accompanying Schedule of Expenditures of Federal Awards (the "Schedule") summarizes the expenditures of Drexel University and its subsidiaries (the "University") under programs of the federal government for the year ended June 30, 2023. 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 Schedule is presented using the accrual basis of accounting. Negative items on the Schedule represent adjustments from the prior year.

2. Basis of Accounting

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.

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, 2023
Other student loan programs:		
Federal Perkins Loan Program	84.038	\$ 7,163,349
Primary Care Loans	93.342	-
Loans for Disadvantaged Students	93.342	-
Nursing Student Loan	93.364	-
		<u>\$ 7,163,349</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, 2023. The amount of Perkins loan principal cancelled during the year was \$69,178 (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 of 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, 2023, and the related consolidated statements of activities and cash flows for the year then ended, including the related notes (collectively referred to as the "consolidated financial statements"), and have issued our report thereon dated October 27, 2023.

Report on Internal Control Over Financial Reporting

In planning and performing our audit of the consolidated financial statements, we considered the University's internal control over financial reporting (internal control) as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinion⁵ on the consolidated financial statements, but not for the purpose of expressing an opinion on the effectiveness of the University's internal control. Accordingly, we do not express an opinion on the effectiveness of the University's internal control.

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

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

Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether the University's consolidated financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements, noncompliance with which could have a direct and material effect on the financial statements. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion.

The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

Purpose of this Report

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

A handwritten signature in dark ink that reads "PricewaterhouseCoopers LLP". The signature is written in a cursive, flowing style.

Philadelphia, PA
October 27, 2023



Report of Independent Auditors on Compliance for Each Major Program and on Internal Control Over Compliance Required by Uniform Guidance

To the Board of Trustees of Drexel University

Report on Compliance for Each Major Federal Program

Opinion on Each Major Federal Program

We have audited Drexel University and its subsidiaries (the “University”) compliance with the types of compliance requirements identified as subject to audit in the OMB *Compliance Supplement* that could have a direct and material effect on each of the University’s major federal programs for the year ended June 30, 2023. 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.

In our opinion, the University complied, in all material respects, with the compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended June 30, 2023.

Basis for Opinion on Each Major Federal Program

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America (US GAAS); the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States; and the audit requirements of Title 2 U.S. *Code of Federal Regulations Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Our responsibilities under those standards and the Uniform Guidance are further described in the Auditors’ Responsibilities for the Audit of Compliance section of our report.

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

Responsibilities of Management for Compliance

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

Auditors’ Responsibilities for the Audit of Compliance

Our objectives are to obtain reasonable assurance about whether material noncompliance with the compliance requirements referred to above occurred, whether due to fraud or error, and express an

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

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

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material noncompliance, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the University's compliance with the compliance requirements referred to above and performing such other procedures as we considered necessary in the circumstances.
- Obtain an understanding of the University's internal control over compliance relevant to the audit in order to design audit procedures that are appropriate in the circumstances and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of the University's internal control over compliance. Accordingly, no such opinion is expressed.

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

Other Matter

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 12 "Gramm-Leach-Bliley Act-Student Information Security." This section includes two suggested audit procedures with respect to verification that the institution (1) designated a Qualified Individual responsible for implementing and monitoring the institution's information security program, and (2) has a written information security program that addresses the remaining six required minimum elements that are detailed in the OMB Compliance Supplement, Part Five, Student Financial Assistance Cluster, Special Tests and Provisions, item 12, Gramm-Leach-Bliley Act – Student Information Security. Our procedures in relation to these two items were limited to inquiry of and obtaining written representation from management and obtaining and reading management's documentation related to these two items. Our procedures did not include an analysis of the adequacy or completeness of the minimum required elements of the institution's information security program.

Report on 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 Auditors' Responsibilities for the Audit of Compliance section above and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies in internal control over compliance. Given these limitations, during our audit we did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses, as defined above. However, material weaknesses or significant deficiencies in internal control over compliance may exist that were not identified.

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

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, PA
March 27, 2024

III. Schedule of Findings and Questioned Costs

Drexel University and Subsidiaries

Schedule of Audit Findings and Questioned Costs

For the Year Ended June 30, 2023

Section I - Summary of Auditor's Results

Consolidated Financial Statements

- | | |
|---|---|
| (i) Type of auditor's report issued | <u>Unmodified Opinion</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 Opinion</u> |
| (vi) Any audit findings disclosed that are required to be reported in accordance with 2 CFR200.516(a)? | _____ yes <input checked="" type="checkbox"/> no |
| (vii) Identification of major programs: | |

Assistance Listing Number(s)

Various

93.243

Name of Federal Program or Cluster

Student Financial Aid Cluster

Substance Abuse and Mental Health Services
Projects of Regional and National Significance

- | | |
|---|---|
| (viii) 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

Section III - Federal Awards Findings and Questioned Costs

None noted

Drexel University and Subsidiaries
Summary Schedule of Prior Audit Findings
For the Year Ended June 30,2023

Section III: Federal Award Findings and Questioned Costs
No prior year findings to report.