

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, 2024

EIN # 23-1352630

Drexel University and Subsidiaries
Index
For the Years Ended June 30, 2024 and 2023

	Page(s)
I. Financial Statements	
Report of Independent Auditors	1-3
Consolidated Financial Statements	4-7
Notes to Consolidated Financial Statements	8-56
Schedule of Expenditures of Federal Awards.....	57-70
Notes to Schedule of Expenditures of Federal Awards	71
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 <i>Government Auditing Standards</i>	72-73
Report of Independent Auditors on Compliance for Each Major Program and on Internal Control over Compliance Required by Uniform Guidance	74-76
III. Schedule of Findings and Questioned Costs	
Schedule of Audit Findings and Questioned Costs	77-79
Summary Schedule of Prior Audit Findings and Status	80
Management's Views and Corrective Action Plan.....	81

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 statement of financial position as of June 30, 2024 and 2023, 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, 2024 and 2023, 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, 2024 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 28, 2024, 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, 2024. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing and not to provide an opinion on the effectiveness of internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the University's internal control over financial reporting and compliance.

PricewaterhouseCoopers LLP

Philadelphia, Pennsylvania
October 28, 2024

Drexel University and Subsidiaries
Consolidated Statements of Financial Position
June 30, 2024 and 2023 (in thousands)

	2024	2023
Assets:		
Cash, cash equivalents, and restricted cash		
Operating	\$ 20,394	\$ 58,351
Restricted	15,133	13,784
Accounts receivable	173,770	164,819
Contributions receivable, net	63,677	82,767
Loans receivable	14,605	7,606
Prepaid expenses and other assets	100,708	91,782
Malpractice insurance trust	7,780	13,398
Beneficial interests in trusts	45,414	42,473
Investments	1,023,279	934,265
Land, buildings and equipment, net	1,086,564	1,058,765
Finance lease right-of-use (ROU) asset	12,894	13,402
Operating lease right-of-use (ROU) asset	472,111	491,221
Total assets	\$ 3,036,329	\$ 2,972,633
Liabilities:		
Accounts payable	\$ 44,008	\$ 54,537
Accrued liabilities	95,072	127,696
Deposits and deferred revenue	185,134	171,592
Finance lease liability	8,840	9,555
Operating lease liability	587,360	602,779
Government advances for student loans	17,688	9,898
Accrued retirement obligations	25,164	21,592
Bonds and notes payable	555,120	534,772
Liabilities held for sale	516	966
Total liabilities	1,518,902	1,533,387
Net Assets:		
Without donor restrictions	629,272	595,769
With donor restrictions	888,155	843,477
Total net assets	1,517,427	1,439,246
Total liabilities and net assets	\$ 3,036,329	\$ 2,972,633

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, 2024 (in thousands)

	Without Donor Restrictions	With Donor Restrictions	Total
Operating			
Revenues and releases:			
Tuition and fees, room and board	\$ 674,574	\$ -	\$ 674,574
Grants and contracts	136,702	23,377	160,079
Physician services	24,008		24,008
Auxilliary enterprises	18,850		18,850
Commonwealth appropriations	2,017		2,017
Contributions	3,481	11,985	15,466
Allocation of endowment spending from financial capital	22,832	30,477	53,309
Investment income, net	12,286	1,873	14,159
Other income	50,179	555	50,734
Total revenues	944,929	68,267	1,013,196
Net assets released from restrictions	75,338	(75,338)	-
Total revenues and releases	1,020,267	(7,071)	1,013,196
Expenses:			
Salaries and wages	481,277		481,277
Employee benefits	136,583		136,583
Depreciation and amortization	55,265		55,265
Interest	19,556		19,556
Other operating expenses	383,949		383,949
Total expenses	1,076,630	-	1,076,630
Decrease in net assets from operating activities	(56,363)	(7,071)	(63,434)
Non-operating			
Contributions - Endowment and other gifts	1,973	20,805	22,778
Realized / unrealized net (loss) / gain on investments, net of endowment payout and expenses	(2,476)	17,875	15,399
Net assets acquired from Salus University	91,070	13,069	104,139
Change in funding status of post-retirement and defined benefit plans	175		175
Other decreases	(876)		(876)
Increase in net assets from non-operating activities	89,866	51,749	141,615
Total increase in net assets	33,503	44,678	78,181
Net assets, beginning of year	595,769	843,477	1,439,246
Net assets, end of year	\$ 629,272	\$ 888,155	\$ 1,517,427

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 Statements of Cash Flows

For the Years Ended June 30, 2024 and 2023 (in thousands)

	2024	2023
Operating activities:		
Increase in net assets	\$ 78,181	\$ 45,032
Adjustments to reconcile change in net assets to net cash (used in) / provided by operating activities:		
Depreciation and amortization	52,945	53,385
(Gain) / Loss on disposal of assets	(10,381)	2,904
Net assets acquired from Salus University	(104,139)	-
Change in market value in beneficial interests in trusts	(2,941)	(2,560)
Contributions restricted for long-term investment	(12,084)	(4,948)
Non-cash contributions received	(3,000)	(5,575)
Proceeds from the sale of donated securities	2,843	5,168
Actuarial change on annuity liabilities	286	(1,170)
Realized/unrealized gain on investments	(71,270)	(71,418)
Changes in assets and liabilities that provide / (use) cash:		
Accounts receivable	(5,281)	(15,726)
Contributions receivable	14,428	2,194
Prepaid expenses and other assets	(6,661)	(4,656)
Accounts payable and accrued liabilities	(46,226)	(24,063)
Accrued retirement obligations	(2,332)	(5,860)
Deposits and deferred revenue	6,705	(6,767)
Right-of-use assets and liabilities	3,690	3,036
Other, net	(450)	(115)
Net cash used in operating activities	(105,687)	(31,139)
Investing activities:		
Purchase of investments	(84,123)	(86,212)
Proceeds from sales and maturities of investments	130,796	153,755
Change in malpractice insurance trust	5,618	(2,262)
Student loans repaid	2,134	2,517
Student loans issued	-	(33)
Purchases of land, buildings and equipment	(30,195)	(53,406)
Sales of land, buildings and equipment	16,268	-
Cash acquired from Salus University	6,337	-
Net cash provided by investment activities	46,835	14,359
Financing activities:		
Proceeds from restricted contributions	12,084	4,948
Proceeds from sale of contributed securities restricted for endowment	4,704	1,449
Payments on annuity obligations	(358)	(331)
Repayments of federal student loan funds	(2,927)	(2,247)
Proceeds from short-term debt	20,000	-
Payments on finance lease liability	(1,324)	(1,309)
Repayments of long-term debt	(9,935)	(9,555)
Net cash provided by / (used in) financing activities	22,244	(7,045)
Net decrease in cash and cash equivalents, and restricted cash	(36,608)	(23,825)
Cash and cash equivalents, and restricted cash, beginning of year	72,135	95,960
Cash and cash equivalents, and restricted cash, end of year	\$ 35,527	\$ 72,135
Supplemental Information		
Gifts-in-kind	153	-
Cash paid for interest	19,929	20,384
Amounts accrued for purchase of land, buildings and equipment	9,273	10,809
Donated securities	7,573	7,176
Net assets acquired from Salus University:		
Cash acquired	6,337	-
Fair value of assets acquired (excluding cash)	136,839	-
Liabilities assumed	(39,037)	-
	<u>104,139</u>	<u>-</u>

Drexel University and Subsidiaries

Notes to Consolidated Financial Statements

June 30, 2024 and 2023

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 supports 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, 2024 and 2023

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 (“Powel/SLA-MS”). 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, 2024 and 2023

of the Internal Revenue Code of 1986, as amended. 1200 Chestnut GP follows a calendar based fiscal year.

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 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.

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, 2024 and 2023

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, 2024 and 2023

Liquidity and Availability

The University's financial assets available within one year of the balance sheet date for general expenditure as of June 30, 2024 and 2023 are as follows:

<i>(in thousands)</i>	2024	2023
Total assets at year-end	\$ 3,036,329	\$ 2,972,633
Less: non-financial and financial assets not available within one year		
Restricted cash	(15,133)	(13,784)
Tuition receivable due in more than one year	(5,566)	(4,769)
Contributions receivable with donor restrictions	(63,677)	(82,767)
Loans receivable due in more than one year	(11,059)	(2,783)
Prepaid expenses and other assets	(100,708)	(91,782)
Malpractice insurance trust	(7,780)	(13,398)
Beneficial Interests in trusts	(45,414)	(42,473)
Investments	(1,023,279)	(934,265)
Land, buildings and equipment, net	(1,086,564)	(1,058,765)
Finance lease right-of-use (ROU) asset	(12,894)	(13,402)
Operating lease right-of-use (ROU) asset	(472,111)	(491,221)
Financial assets available at year-end for current use	\$ 192,144	\$ 223,224

As of June 30, 2024, the University has \$192,144,000 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 2024 and 2023, the Board of Trustees approved the spending of endowment resources to 7.00% of the average fair value of the pooled endowment portfolio for the prior seven fiscal years, for both the University and the ANS. Under the approved spending rules, the University received an allocation of \$53,309,000 and \$50,383,000 in fiscal years 2024 and 2023, 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 \$170,000,000, of which the University drew down \$20,000,000 as of June 30, 2024. Additionally, the University has a board-designated endowment of \$367,370,000 as of June 30, 2024. 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, 2024 and 2023

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, 2024, and 2023, 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

Notes to Consolidated Financial Statements

June 30, 2024 and 2023

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, merger and restructuring costs.

Drexel University and Subsidiaries

Notes to Consolidated Financial Statements

June 30, 2024 and 2023

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 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 has adopted the standard effective July 1, 2023. The adoption of this guidance did not have a material impact on the consolidated financial statements.

Drexel University and Subsidiaries

Notes to Consolidated Financial Statements

June 30, 2024 and 2023

Recently Issued Accounting Pronouncements

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.

In March 2023, the FASB issued ASU No. 2023-01, *Leases (Topic 842): Common Control Arrangements*. The ASU addresses two distinct issues (1) terms and conditions to be considered in common control arrangements and (2) accounting for leasehold improvements in common control arrangements. ASU 2023-01 is effective for fiscal years beginning after December 15, 2023, including interim periods within those fiscal years. Early adoption is permitted. The University is currently evaluating the standard to determine the impact it will have on its consolidated financial statements.

In March 2023, the FASB issued ASU No. 2023-02, *Investments – Equity Method and Joint Ventures (Topic 323): Accounting for Investments in Tax Credit Structures Using the Proportional Amortization Method (a Consensus of the Emerging Issues Task Force)*. The ASU expands use of the proportional amortization method of accounting to equity investments in tax credit programs beyond those in low-income-housing tax credit (LIHTC) programs. ASU 2023-02 is effective for fiscal years beginning after December 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.

In December 2023, the FASB issued ASU No. 2023-08, *Intangibles—Goodwill and Other—Crypto Assets (Subtopic 350-60): Accounting for and Disclosure of Crypto Assets*. The ASU addresses the accounting and disclosure requirements for certain crypto assets. The new guidance requires entities to subsequently measure certain crypto assets at fair value, with changes in fair value recorded in net income in each reporting period. In addition, entities are required to provide additional disclosures about the holdings of certain crypto assets. ASU 2023-08 is effective for fiscal years beginning after December 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.

Drexel University and Subsidiaries
Notes to Consolidated Financial Statements
June 30, 2024 and 2023

Accounts receivable as of June 30, 2024, and 2023 were as follows:

<i>(in thousands)</i>	2024	2023
Tuition	\$ 74,188	\$ 64,299
Grants, contracts, and other	110,064	110,987
Patient, net of contractual allowance	1,516	812
Accounts receivable, gross	185,768	176,098
Allowance for doubtful accounts:		
Tuition	(5,378)	(4,842)
Grants, contracts, and other	(6,553)	(6,195)
Patient	(67)	(242)
Accounts receivable	\$ 173,770	\$ 164,819

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 \$17,696,000 and \$9,902,000 at June 30, 2024 and 2023, 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
Notes to Consolidated Financial Statements
June 30, 2024 and 2023

At June 30, 2024 and 2023, student loans consisted of the following:

<i>(in thousands)</i>	2024	2023
Federal government loan programs:		
Perkins loan program	\$ 4,279	\$ 7,163
Health professions student loans and loans for disadvantaged students	8,742	-
National direct student loans	979	-
Federal government loan programs	14,000	7,163
Institutional loan programs	4,022	4,357
Student loans receivable, gross	18,022	11,520
Less: Allowance for doubtful accounts	(3,417)	(3,914)
Student loans receivable	\$ 14,605	\$ 7,606

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, 2024 and June 30, 2023 that range between 4.33% to 4.71% and 3.81% to 4.87%, 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>	2024	2023
Amounts due in		
Less than one year	\$ 19,625	\$ 17,662
One to five years	31,573	33,085
Greater than five years	26,172	56,242
Contributions receivable, gross	77,370	106,989
Less:		
Allowance for uncollectibles	(1,845)	(1,523)
Discounts to present value	(11,848)	(22,699)
Contributions receivable, net	\$ 63,677	\$ 82,767

Drexel University and Subsidiaries
Notes to Consolidated Financial Statements
June 30, 2024 and 2023

As of June 30, 2024 and June 30, 2023, the University has outstanding unrecorded conditional promises to give, including non-legally binding bequests, of \$155,927,000 and \$148,670,000, 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, 2024 and 2023, the fair value of the malpractice insurance trust and investments included the following:

<i>(in thousands)</i>	Fair value	
	2024	2023
Money market funds	\$ 36,309	\$ 32,107
U.S. equity	184,280	175,561
Global equity	225,028	152,416
Fixed income securities and bond funds	111,282	82,066
Real estate and real assets funds	93,537	111,446
Hedge funds	44,715	49,063
Private equity	210,219	201,713
Directly-held real estate	103,365	105,804
Total endowment investments	1,008,735	910,176
Self-insurance escrow funds	31,169	40,050
Interest in a partnership	(35,250)	(28,111)
Other investments	18,625	12,150
Total investments	1,023,279	934,265
Malpractice insurance trust	7,780	13,398
Total investments and malpractice insurance trust	\$ 1,031,059	\$ 947,663

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
Notes to Consolidated Financial Statements
June 30, 2024 and 2023

The following summarizes the University's total investment return and its classification in the financial statements for the years ended June 30, 2024 and 2023:

<i>(in thousands)</i>	2024		
	Without Donor Restrictions	With Donor Restrictions	Total
Investment income, net of expenses	\$ 3,623	\$ 9,159	\$ 12,782
Realized/unrealized gain	16,733	39,193	55,926
Endowment payout under spending formula	(22,832)	(30,477)	(53,309)
Realized/unrealized (loss) / gain on investments, net of endowment payout and expenses	(2,476)	17,875	15,399
Operating investment income, net	12,286	1,873	14,159
Total return on investments	\$ 9,810	\$ 19,748	\$ 29,558

<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

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.

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.

Drexel University and Subsidiaries

Notes to Consolidated Financial Statements

June 30, 2024 and 2023

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.

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

Notes to Consolidated Financial Statements

June 30, 2024 and 2023

As of June 30, 2024, and 2023, assets and liabilities at fair value were as follows:

2024					
<i>(in thousands)</i>	Level 1	Level 2	Level 3	Investments at NAV	Total
Assets					
Beneficial interest in trusts	\$ -	\$ -	\$ 45,255	\$ -	\$ 45,255
Malpractice insurance trust	7,780	-	-	-	7,780
Investments					
Money market funds	36,309	-	-	-	36,309
U.S. Equity	184,280	-	-	-	184,280
Global Equity	144,745	-	-	80,283	225,028
Fixed Income securities and bond funds	68,551	1,400	-	41,331	111,282
Real estate and real assets funds	-	-	5,250	88,287	93,537
Hedge funds	2,956	-	-	41,759	44,715
Private Equity	-	-	-	210,219	210,219
Directly-held real estate	-	-	103,365	-	103,365
Investments held in endowment	436,841	1,400	108,615	461,879	1,008,735
Self-insurance escrow funds	31,169	-	-	-	31,169
Other investments	15,379	-	-	3,246	18,625
Total investments	483,389	1,400	108,615	465,125	1,058,529
Total assets measured at fair value	\$ 491,169	\$ 1,400	\$ 153,870	\$ 465,125	\$ 1,111,564
Liabilities					
Split-interest agreements	-	-	1,661	-	1,661
Annuities	-	-	5,265	-	5,265
Total liabilities measured at fair value	\$ -	\$ -	\$ 6,926	\$ -	\$ 6,926

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

Drexel University and Subsidiaries
Notes to Consolidated Financial Statements
June 30, 2024 and 2023

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	2024	
			Redemption Terms (If Currently Eligible)	Redemption Notice Period (If Applicable)
Hedge funds:				
Multi-Strategy Hedge Funds (a)	\$ 16,008	\$ -		
Distressed Debt Hedge Funds (b)	18,546	-		
Real Estate Hedge Funds (c)	<u>7,205</u>	<u>-</u>	Quarterly	60 days
Subtotal Hedge funds	41,759	-		
Private Equity:				
Private Capital Funds-Secondaries (d)	3,561	2,858		
Private Capital Funds-Venture Capital (e)	1,039	198		
Private Capital Funds-Buy-out (f)	113,249	46,251		
Private Capital Funds-Debt (g)	15,577	8,973		
Private Capital Funds-Real Asset Funds (h)	60,267	50,395		
Private Capital Funds-Real Estate Funds (i)	16,522	11,313		
Private Capital Funds-Hedge Fund Seeder (j)	<u>4</u>	<u>222</u>		
Subtotal Private Equity	210,219	120,210	Close-ended funds not available for redemption	
Global Equity (k)	80,283	-		
Fixed Income Securities and Bond Funds (k)	41,331	-		
Real Estate and Real Assets Funds (k)	88,287	-		
Other investments (k)	<u>3,246</u>	<u>-</u>		
	\$ 465,125	\$ 120,210		

- a. This category invests in hedge funds that pursue multiple strategies to diversify risks and reduce volatility. As of June 30, 2024, the composite portfolio includes 98% in a multi-strategy hedge fund that invests a significant portion of its assets in certain less liquid special situations opportunities, and 2% 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.

Drexel University and Subsidiaries

Notes to Consolidated Financial Statements

June 30, 2024 and 2023

- b. This category includes investments in hedge funds that invest in debt of companies in or facing bankruptcy. As of June 30, 2024, the composite portfolio includes 90% in an opportunistic credit strategy that invests in liquid and special situation credits, and 10% 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, 2024, 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, 2023, 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, 2024, 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, 2023, 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, 2024, it is estimated that the underlying assets of the fund would be liquidated over the following periods: 58% over 1 to 4 years; 36% in 5 to 7 years; and 6% in 8 to 10 years. As of June 30, 2023, the liquidation periods were expected to be: 58% over 1 to 4 years and 42% in 5 to 7 years. The fair value has been estimated using the reported net asset value per share of the private capital fund.

Drexel University and Subsidiaries

Notes to Consolidated Financial Statements

June 30, 2024 and 2023

- 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, 2024, it is estimated that the fund's underlying assets would be liquidated over the following time frames: 36% in 1 to 4 years; 39% in 5 to 7 years; and 25% in 8 to 10 years. As of June 30, 2023, the liquidation periods were expected to be: 70% in 1 to 4 years; and 30% 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, 2024, it is estimated that the underlying assets of the fund would be liquidated over the following periods: 49% in 1 to 4 years; 44% in 5 to 7 years; and 7% in 8 to 10 years. As of June 30, 2023, the liquidation periods were expected to be: 34% in 1 to 4 years; 46% in 5 to 7 years; and 20% 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, 2024, it is estimated that the fund's underlying assets would be liquidated over the following time frames: 46% in 1 to 4 years; 21% in 5 to 7 years; and 33% in 8 to 10 years. As of June 30, 2023, the liquidation periods were expected to be: 49% in 1 to 4 years; 15% in 5 to 7 years; and 36% 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, 2024, 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.

Drexel University and Subsidiaries

Notes to Consolidated Financial Statements

June 30, 2024 and 2023

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 \$5,250,000. 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, 2024, and 2023, the University had an endowment spending rule that limited the spending of endowment resources to 7.00% of the average fair value of the pooled endowment portfolio for the prior seven fiscal years, except for ANS. For the fiscal year ended June 30, 2024, and 2023, 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 5.00%).

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.

Drexel University and Subsidiaries
Notes to Consolidated Financial Statements
June 30, 2024 and 2023

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 \$1,221,000 and \$1,123,000 as of June 30, 2024 and 2023, respectively. The original gift amount and the fair value of underwater endowment funds in the aggregate were \$41,763,000 and \$40,542,000 as of June 30, 2024 and \$22,531,000 and \$21,424,000 as of June 30, 2023, respectively.

The net asset balances for the endowment composition by fund as of June 30, 2024, and 2023 were as follows:

<i>(in thousands)</i>	2024		
	Without Donor Restrictions	With Donor Restrictions	Total
Donor-restricted endowment funds	\$ -	\$ 698,779	\$ 698,779
Board-designated endowment funds	367,370	-	367,370
Total assets	\$ 367,370	\$ 698,779	\$ 1,066,149

<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

Drexel University and Subsidiaries
Notes to Consolidated Financial Statements
June 30, 2024 and 2023

Changes in the University's endowment assets (excluding annuities and trusts) and for the years ended June 30, 2024 and 2023 were as follows:

<i>(in thousands)</i>	2024		
	Without Donor Restrictions	With Donor Restrictions	Total
Endowment, at beginning of year	\$ 308,565	\$ 653,626	\$ 962,191
Endowment return:			
Investment income, net of fees	3,623	9,159	12,782
Net realized/unrealized gain	16,614	43,976	60,590
Total endowment return	20,237	53,135	73,372
Contributions	2,010	20,077	22,087
Endowments acquired from Salus University	51,175	10,868	62,043
Use of endowment assets:			
Endowment payout used in operations	(14,617)	(38,693)	(53,310)
Other	-	(234)	(234)
Total uses of endowment assets	(14,617)	(38,927)	(53,544)
Endowment, at end of year	\$ 367,370	\$ 698,779	\$ 1,066,149

<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)

Drexel University and Subsidiaries

Notes to Consolidated Financial Statements

June 30, 2024 and 2023

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, 2024 and 2023, the University borrowed \$40,000,000 and \$31,000,000 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 \$3,960,000 at June 30, 2024 and \$1,275,000 and \$3,895,000 at June 30, 2023, 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.

On June 28, 2024, the University sold the Stiles Residence Hall, located at 325 North 15th Street, an approximately 186,330 sq. ft. building on the University's Center City campus. The net proceeds received from the sale of the property, related taxes and fees, was \$16,268,000 resulting in a gain of \$11,540,000 included in other income in the Consolidated Statements of Activities.

Drexel University and Subsidiaries
Notes to Consolidated Financial Statements
June 30, 2024 and 2023

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

<i>(in thousands)</i>	2024	2023
Works of art	\$ 10,859	\$ 10,859
Land and improvements	154,443	145,657
Buildings and improvements	1,420,659	1,329,473
Equipment, software and library books	221,449	214,440
Construction in progress	28,255	80,668
Land, buildings, and equipment, gross	1,835,665	1,781,097
Less: Accumulated depreciation	(749,101)	(722,332)
Land, buildings, and equipment, net	\$ 1,086,564	\$ 1,058,765

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.

Drexel University and Subsidiaries
Notes to Consolidated Financial Statements
June 30, 2024 and 2023

The components of lease expense for the fiscal year ended June 30, 2024, and 2023 are as follows:

<i>(in thousands)</i>	2024	2023
Lease Expense:		
Finance lease expense		
Amortization of ROU assets	1,117	1,224
Interest on lease liabilities	69	100
Operating lease expense	45,089	43,822
Short-term lease expense	1,029	930
Variable lease expense	24,136	24,001
Total	71,440	70,077
Other Information		
Cash paid for amounts included in the measurement of lease liabilities for finance leases		
Finance - Financing cash flows	1,324	1,309
Finance - Operating cash flows	69	100
Operating - Operating cash flows	41,399	40,594
ROU assets obtained in the exchange for lease liabilities		
Finance leases	609	2,845
Operating leases	4,944	405,603
Weighted-average remaining lease terms (in years)		
Finance leases	36.48	35.36
Operating leases	24.7	25.25
Weighted-average discount rate		
Finance leases	0.88%	1.01%
Operating leases	3.70%	3.66%

Minimum lease payments as of June 30, 2024 were as follows:

	Finance	Operating
07/01/2024 - 06/30/2025	1,200	40,633
07/01/2025 - 06/30/2026	839	39,180
07/01/2026 - 06/30/2027	839	37,658
07/01/2027 - 06/30/2028	241	30,425
07/01/2028 - 06/30/2029	201	29,016
Thereafter	5,612	784,155
Total	8,932	961,067
Less: Present value discount	(92)	(373,707)
Lease liability	8,840	587,360

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.

Drexel University and Subsidiaries

Notes to Consolidated Financial Statements

June 30, 2024 and 2023

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 \$6,229,000 and \$6,352,000 at June 30, 2024 and 2023, respectively. These costs have been capitalized and a comparable capital lease liability recorded. In June 2018, the University entered into a sublease agreement for the Drill Hall portion of the Armory, the term of which is coterminous with the Armory lease. The sublease is for the benefit of the U.S. Squash Racquet Association. Rent under the sublease agreement is nominal for the entire lease term.

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

On August 30, 2013, the University entered into a land purchase agreement with 3175 JFK Associates, LP and L-A 31, LP, both affiliates of ACC, whereby ACC contributed land, air rights and a subsurface parcel it owned contiguous to Drexel’s campus (i.e. 3175 JFK Boulevard) to the University as a gift, without any purchase consideration, but retained the ownership of the “University Crossings” building and improvements erected on this land. The University Crossings property consists of 1.15 acres of land and a 17-story, 452,483 square foot building with 261 units and a total bed capacity of 1,016. As a condition of the land purchase agreement, Drexel and ACC also entered into a ground lease agreement whereby Drexel leased the land back to ACC for no consideration other than reimbursement of property tax that Drexel would be required to pay as the landowner. The term of the lease is forty years with an option to renew for three consecutive ten-year terms. Payments to the University from ACC are recorded as a cost recovery of property taxes. Within five years from the effective date, ACC is required to complete no less than \$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, 2024, and 2023 of \$8,750,000 and \$9,050,000, respectively. The University recognized

Drexel University and Subsidiaries

Notes to Consolidated Financial Statements

June 30, 2024 and 2023

\$300,000 of ground lease income related to this agreement during fiscal years 2024 and 2023.

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 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

Drexel University and Subsidiaries

Notes to Consolidated Financial Statements

June 30, 2024 and 2023

of the University. The University recognized \$154,000 of ground lease income related to this agreement during fiscal years 2024 and 2023.

On October 2, 2015, the University entered into a ground lease agreement with RPG 32 Race, LP (“RPG”) for the 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 2024 and 2023.

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.

Drexel University and Subsidiaries

Notes to Consolidated Financial Statements

June 30, 2024 and 2023

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 5,000,000 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. 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.

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.

Drexel University and Subsidiaries

Notes to Consolidated Financial Statements

June 30, 2024 and 2023

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.

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 \$18,199,000 and \$15,555,000 as of June 30, 2024, and 2023.

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 \$43,041,000 and \$40,106,000 in 2024 and 2023, respectively.

As part of Salus University’s acquisition, the Salus 403(b) plan was frozen for all contributions as of June 30, 2024, the merger date. Effective July 1, 2024, all Salus eligible employees became Drexel employees and were invited to participate in the Plan. Salus employees will be eligible to receive the same employer contributions based on the same criteria as Drexel employees.

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

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

Drexel University and Subsidiaries
Notes to Consolidated Financial Statements
June 30, 2024 and 2023

<i>(in thousands)</i>	2024	2023
Weighted average assumptions as of June 30		
Discount rate	5.60 %	5.60 %
Expected return on plan assets	6.00 %	6.50 %
Accumulated benefit obligation		
Accumulated benefit obligation at June 30	\$ 15,256	\$ 15,786
Change projected in benefit obligation		
Net benefit obligation at June 30	\$ 15,786	\$ 17,385
Service costs	290	280
Interest costs	848	822
Actuarial gain	(145)	(1,014)
Gross benefits paid	(1,523)	(1,687)
Net benefit obligation at June 30	\$ 15,256	\$ 15,786

<i>(in thousands)</i>	2024	2023
Change in plan assets		
Fair value of plan assets, at beginning of year	\$ 15,489	\$ 13,379
Actual return on plan assets	1,272	1,069
Employer contributions	778	2,728
Gross benefits paid	(1,523)	(1,687)
Fair value of plan assets, at June 30	\$ 16,016	\$ 15,489
Fair value of plan assets, at June 30	\$ 16,016	\$ 15,489
Benefit obligation	15,256	15,786
Net amount recognized, at June 30*	\$ 760	\$ (297)

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

Drexel University and Subsidiaries
Notes to Consolidated Financial Statements
June 30, 2024 and 2023

The components of net periodic benefit cost are noted below:

<i>(in thousands)</i>	2024	2023
Weighted average assumptions used to determine net periodic benefit costs		
Discount rate	5.60 %	4.90 %
Expected return on plan assets	6.50 %	6.00 %
Components of net periodic benefit costs		
Service costs	\$ 290	\$ 280
Interest costs	848	822
Expected return on assets	(996)	(826)
Amortization of actuarial gain	(422)	(1,257)
Net periodic benefit cost	\$ (280)	\$ (981)

As of June 30, 2024, and 2023, 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 \$15,256,000 and \$15,786,000 at June 30, 2024 and 2023, respectively. The fair value of the plan assets was \$16,016,000 and \$15,489,000 as of June 30, 2024, and 2023, respectively.

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

Expected benefit payments	
<i>(in thousands)</i>	
June 30,	
2025	1,335
2026	1,357
2027	1,345
2028	1,324
2029	1,298
2030-2034	5,876

Plan Assets

The ANS pension plan weighted-average asset allocations at June 30, 2024 and 2023 by asset category are as follows:

Drexel University and Subsidiaries
Notes to Consolidated Financial Statements
June 30, 2024 and 2023

	2024	2023
Asset category		
Equity securities	27.4 %	45.1 %
Fixed income securities	0.00 %	39.2 %
Hedge fund and alternative investments	70.3 %	6.7 %
Cash	2.3 %	9.0 %
	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 plan assets is characterized as a 22%, 5%, 3%, and 70% allocation between equity, alternative investments, cash, and a liability matching strategy. The asset portfolio currently utilizes indexed and actively managed equity funds, fixed income funds (for the liability matching strategy), and one alternative investment vehicle, currently allocated to real estate. The change in the asset portfolio's target allocations was due to the increase in funded status of the plan (near 100% funded). The liability matching strategy refers to a fixed income allocation managed towards achieving a target duration close or equal to the pension plan liabilities. As the funded status has improved, there is now a higher degree of focus on risk management versus return generation. The remaining investments allow the ANS to invest in a diversified manner with a mix of assets that are set not to be highly correlated. The expected rate of return on assets was based on the current interest rate environment and historical market premiums of equity and other asset classes relative to fixed income rates.

Drexel University and Subsidiaries
Notes to Consolidated Financial Statements
June 30, 2024 and 2023

The following tables present the plan assets at fair value as of June 30, 2024, and 2023 according to the valuation hierarchy (Note 6):

<i>(in thousands)</i>	2024			Investments at NAV	Total
	Level 1	Level 2	Level 3		
Assets, at fair value					
Cash equivalents	\$ 366	\$ -	\$ -	\$ -	\$ 366
Mutual funds	4,394	-	-	-	4,394
Alternative investments	-	-	-	11,256	11,256
	\$ 4,760	\$ -	\$ -	\$ 11,256	\$ 16,016

<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
	\$ 14,458	\$ -	\$ -	\$ 1,031	\$ 15,489

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

Drexel University and Subsidiaries
Notes to Consolidated Financial Statements
June 30, 2024 and 2023

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 \$554,000 and \$500,000 respectively, for the years ended 2024 and 2023 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>	2024	2023
Change in benefit obligation		
Benefit obligation, beginning of year	\$ 21,295	\$ 23,445
Service cost	32	32
Interest cost	1,030	1,060
Actuarial gain	(636)	(576)
Plan participant contributions	570	641
Actual benefits paid	(3,031)	(3,307)
Benefit obligation, end of year	19,260	21,295
Change in plan assets		
Fair value of plan assets, beginning of year	-	-
Employer contributions	2,461	2,666
Plan participant contributions	570	641
Actual benefits paid	(3,031)	(3,307)
Fair value of plan assets, end of year	-	-
Unfunded status of the plan*	\$ 19,260	\$ 21,295

* 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	5.48%	5.27%
Discount rate - benefit cost	5.27%	4.79%
Ultimate retiree health care cost trend	4.50%	4.50%
Year ultimate trend rate is achieved	2034	2034

Drexel University and Subsidiaries
Notes to Consolidated Financial Statements
June 30, 2024 and 2023

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>	2024		2023	
Components of net periodic benefit cost				
Service cost	\$	32	\$	32
Interest cost		1,030		1,060
Amortization of:				
Prior service credit		(1,536)		(1,536)
Net loss		346		460
Net periodic benefit cost	\$	(128)	\$	16
Other changes recognized in net assets without restrictions				
Net actuarial gain	\$	(636)	\$	(576)
Amortization of:				
Prior service cost		1,536		1,536
Net loss		(346)		(460)
Total recognized in net assets without restrictions	\$	554	\$	500
Amounts not yet reflected in net periodic benefit cost and included in net assets without restrictions				
Prior service credit	\$	(10,568)	\$	(12,104)
Actuarial loss		6,103		7,085
Amounts in unrestricted net assets, end of year	\$	(4,465)	\$	(5,019)
Amounts in net assets without restrictions expected to be recognized in net periodic benefit cost				
Prior service credit	\$	(1,536)		
Actuarial loss	\$	333		

For the fiscal years ended June 30, 2024, and 2023, the effect of a 1% change in the health care cost trend rate is as follows:

<i>(in thousands)</i>	2024		2023	
	1% Increase	1% Decrease	1% Increase	1% Decrease
Effect on net periodic benefit cost	\$ 10	\$ (10)	\$ 7	\$ (6)
Effect on postretirement benefit obligation	116	(128)	59	(58)

Drexel University and Subsidiaries
Notes to Consolidated Financial Statements
June 30, 2024 and 2023

Contributions

Expected contributions for the 2024 fiscal year are \$2,180,000.

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,	
2025	2,180
2026	2,149
2027	2,118
2028	2,067
2029	1,963
Thereafter	8,094

Salus University provided full-time employees hired before October 23, 2003 with post-retirement benefits other than pension, primarily medical and life insurance coverage. As of June 30, 2024, Salus had \$5,904,000 in the benefit obligation based on actuarially determined costs recognized.

Drexel University and Subsidiaries
Notes to Consolidated Financial Statements
June 30, 2024 and 2023

12. Bonds and Notes Payable

Bonds and notes payable at June 30, 2024 and 2023 are as follows:

<i>(in thousands)</i>	Project	Final Maturity	Effective Interest Rate at June 30, 2024	2024	2023
Fixed rate debt obligations					
Drexel University					
Pennsylvania Higher Education Facilities Authority (PHEFA)					
Series of 2016	Refunding	2022-2037	3.00-5.00%	113,835	116,400
Series of 2017	Refunding	2018-2041	4.00-5.00%	90,690	95,575
Series of 2020A	Refunding and capital improvements	2021-2050	4.00-5.00%	127,830	129,760
Series of 2020B (Federally Taxable)	Refunding	2021-2041	1.68-3.27%	15,715	16,270
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
North Penn Health Revenue Bonds					
Series of 2020	Refunding and capital improvements	2025-2031	1.80%	12,686	-
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				493,006	490,255
Line of Credit				20,000	-
Unamortized original issue premiums/discounts and cost of issuance, net				42,114	44,517
Total bonds and notes payable				\$ 555,120	\$ 534,772

Drexel University and Subsidiaries
Notes to Consolidated Financial Statements
June 30, 2024 and 2023

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, 2024 and 2023.

The North Penn Health, Hospital and Education Authority Fixed Rate Revenue Bonds require that the University maintain certain financial covenants. The University was in compliance with these financial covenants at June 30, 2024 and 2023.

Debt maturities for the fiscal years ending are as follows:

<i>(in thousands)</i>	Total Debt
2025	10,796
2026	11,303
2027	13,937
2028	14,904
2029	15,378
Thereafter	426,688
	<u>\$ 493,006</u>
Cost of issuance	(8,514)
Unamortized premiums	50,628
	<u>535,120</u>

Drexel University and Subsidiaries
Notes to Consolidated Financial Statements
June 30, 2024 and 2023

Lines of Credit

The University has 50% Secured Revolving Credit Facilities (“Facilities”) of \$85,000,000 and \$15,000,000 that matures on June 26, 2026. 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, 2024 and 2023, the outstanding amount was \$20,000,000 and \$0, respectively.

The University renewed a \$35,000,000 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, 2024 and 2023, there were no amounts outstanding.

The University renewed another \$35,000,000 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 plus 0.10 percent. At June 30, 2024 and 2023, there were no amounts outstanding.

13. Net Assets

Net assets included the following:

<i>(in thousands)</i>	2024	2023
Without donor restrictions:		
Operating	\$ (525,057)	\$ (460,868)
Physical plant	786,959	748,072
Quasi-endowment funds	367,370	308,565
Total net assets without donor restrictions	629,272	595,769
With donor restrictions:		
<i>Temporarily Restricted</i>		
Funds for programs and capital expenditures	129,022	134,022
Funds for endowments	242,943	231,301
Life income annuities	2,553	2,075
Beneficial interests in trusts	5,506	5,908
<i>Permanently Restricted</i>		
Funds for endowments	455,836	422,325
Life income annuities	4,590	3,268
Beneficial interests in trusts	38,737	36,002
Student loans and others	8,968	8,576
Total net assets with donor restrictions	888,155	843,477
Total net assets	\$ 1,517,427	\$ 1,439,246

Drexel University and Subsidiaries
Notes to Consolidated Financial Statements
June 30, 2024 and 2023

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.

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, 2024, and 2023:

(in thousands)

	2024			
	Tuition and Fees	Room and Board	Institutional Financial Aid	Total
Undergraduate	\$ 703,149	\$ 48,560	\$ (324,636)	\$ 427,073
Graduate	285,710	1,094	(39,303)	247,501
Tuition and fees, room and board	\$ 988,859	\$ 49,654	\$ (363,939)	\$ 674,574

(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

Drexel University and Subsidiaries
Notes to Consolidated Financial Statements
June 30, 2024 and 2023

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, 2024 and 2023 respectively:

<i>(in thousands)</i>	2024	2023
Medicine	\$ 17,976	\$ 16,051
Nursing and Other	5,496	5,868
Psychiatry	536	539
Total physician services	\$ 24,008	\$ 22,458

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, 2024, and 2023:

<i>(in thousands)</i>	2024		
	Without donor restrictions	With donor restrictions	Total
Government grants and contracts:			
Federal	125,699	2,810	128,509
State	3,130	1,567	4,697
Local	1,108	97	1,205
Private grants and contracts	6,765	18,903	25,668
Total grants and contracts	136,702	23,377	160,079

Drexel University and Subsidiaries
Notes to Consolidated Financial Statements
June 30, 2024 and 2023

(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

As of June 30, 2024, and 2023, the University has outstanding unrecorded conditional grants receivable of \$149,920,000 and \$142,254,000, 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.

Expenses by functional classification for the year ended June 30, 2024 consist of the following:

(in thousands)

	2024			
	Program Services	Management and General	Fundraising	Total
Salaries and wages	\$ 400,025	\$ 69,702	\$ 11,550	\$ 481,277
Employee benefits	113,754	19,866	3,306	136,926
Depreciation and amortization	51,381	3,870	14	55,265
Interest	18,083	1,473	-	19,556
Other operating expenses	311,248	69,003	3,698	383,949
Total expenses	\$ 894,491	\$ 163,914	\$ 18,568	\$ 1,076,973

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

Drexel University and Subsidiaries

Notes to Consolidated Financial Statements

June 30, 2024 and 2023

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 any events incurred after July 1, 2020, Drexel changed the excess malpractice insurance with the closure of the Physician Practice Plan. Dragon Risk was replaced with commercial insurance of \$15,000,000 excess coverage which attaches at \$1,000,000 above the self-insurance layer.

For self-insured retention amounts for both reported claims and claims incurred but not reported at June 30, 2024 and 2023, the University and its subsidiaries recorded gross combined reserves of \$12,297,000 and \$45,896,000, respectively and related recoveries from third party insurers of \$4,608,000 and \$23,190,000, respectively. For fiscal years 2024 and 2023, 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 2024 and 2023 Consolidated Statements of Financial Position. Under the self-insurance program, the University is required by the Commonwealth of Pennsylvania to maintain a malpractice trust fund. At June 30, 2024 and 2023, self-insurance escrow funds and malpractice insurance trust consisting of mutual funds and fixed income securities amounted to \$38,949,000 and \$53,443,000 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.

Drexel University and Subsidiaries

Notes to Consolidated Financial Statements

June 30, 2024 and 2023

Litigation

There was a litigation between Capital Health System and the University in relation to Global Neurosciences Institute, which settled in August 2022. The litigation between United Educators' Insurance and the University for breach of contract in relation to the general liability coverage for medical professionals was settled in June 2024. There was also litigation between various patients of a former employee and the University in relation to sexual assault and medical malpractice, which was settled in May 2024. As of June 30, 2024, the University has accrued for all 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 two letters of credit totaling \$1,200,000 associated with workers' compensation insurance. The agreements are renewable annually. There were no amounts outstanding as of June 30, 2024 and 2023.

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, 2025, and is automatically renewed annually unless notified by the University of an election not to renew. There were no amounts outstanding as of June 30, 2024 and 2023.

Business Income Taxes

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

Drexel University and Subsidiaries

Notes to Consolidated Financial Statements

June 30, 2024 and 2023

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, 2024 and 2023, the University recorded \$412,000 and \$348,000 as income tax expenses and assigned a functional expense category of institutional support for these expenditures.

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.

Drexel University and Subsidiaries

Notes to Consolidated Financial Statements

June 30, 2024 and 2023

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, 2024, and 2023, the University has recorded the value of its interest in a partnership for St. Christopher's Hospital of (\$35.3 million) and (\$28.1 million), respectively, within investments (Note 5). Drexel's share of the operating losses of (\$7.2 million) and operating gains of \$0.5 million have been reflected within realized and unrealized gains/(losses) on investments as of June 30, 2024 and 2023, 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, 2024, and 2023, 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.

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.

Drexel University and Subsidiaries

Notes to Consolidated Financial Statements

June 30, 2024 and 2023

As of June 30, 2024 and 2023, the University, acting as an agent for St. Christopher's Hospital, has outstanding conditional pass-through pledges of \$10.0 million and \$5.0 million, respectively. As of June 30, 2024 and 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.

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.

Drexel University and Subsidiaries
Notes to Consolidated Financial Statements
June 30, 2024 and 2023

19. Salus University Acquisition

On June 30, 2024, the University acquired the Salus University (“Salus”), where no monetary consideration was exchanged in the transaction. 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 requires approval from the United States Department of Education (ED) approval, which is expected within a year.

The University assumed responsibility for the fiscal condition of Salus and the management of its financial resources. Salus endowment funds will continue to be used for the benefit of Salus and to support its operations, programs and activities and all restrictions on such funds will continue to be honored.

The merger agreement with Salus was accounted for using the acquisition method of accounting as set forth in ASC topic 958-805, Not-for-Profit Business Combinations, and therefore assets acquired, and liabilities assumed were recorded at estimated fair value. Accordingly, an independent appraisal of Salus land, buildings, and equipment was obtained and adjustments were recorded to increase these assets to fair value of \$55,722,000. The finance lease right-of-use asset and the finance lease liabilities were revalued at \$507,000. The operating lease right-of-use and the operating lease liability were revalued at \$925,000.

The following table summarizes the estimated fair value of the assets acquired and liabilities assumed as of the acquisition date:

Drexel University and Subsidiaries
Notes to Consolidated Financial Statements
June 30, 2024 and 2023

Salus University
Statement of Financial Position
June 30, 2024 (in thousands)

	2024
Assets:	
Cash, cash equivalents, and restricted cash	
Operating	\$ 2,985
Restricted	3,352
Accounts receivable	3,670
Contributions receivable, net	217
Loans receivable	9,133
Prepaid expenses and other assets	2,274
Investments	64,391
Land, buildings and equipment, net	55,722
Finance lease right-of-use (ROU) asset	507
Operating lease right-of-use (ROU) asset	925
Total assets	\$ 143,176
Liabilities:	
Accounts payable	\$ (3)
Accrued liabilities	1,547
Deposits and deferred revenue	6,837
Finance lease liability	507
Operating lease liability	925
Government advances for student loans	10,717
Accrued retirement obligations	5,904
Bonds and notes payable	12,603
Total liabilities	39,037
Net Assets:	
Without donor restrictions	91,070
With donor restrictions	13,069
Total net assets	104,139
Total liabilities and net assets	\$ 143,176

The University has recognized the excess of net assets acquired over consideration transferred as a non-operating gain in its Consolidated Statement of Activities.

20. Subsequent Events

The University evaluated events subsequent from June 30, 2024 through October 28, 2024, the date at which financial statements were issued.

As part of the Salus acquisition, the U.S. Department of Education required a Letter of Credit equal to fifty percent of the Department of Education student financial aid provided to the institution being acquired as a condition of their review requirements. On July 1, 2024 the University obtained a \$22.8 million letter of credit for that purpose. The Department of Education will release the letter upon completion of the review.

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, 2024

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							
ANIMAL AND PLANT HEALTH INSPECTION SERVICE							
Plant and Animal Disease, Pest Control, and Animal Care	10.025	\$ 4,294	\$ -			\$ 4,294	\$ -
Total Assistance Listing 10.025		4,294	-			4,294	-
NATIONAL INSTITUTE OF FOOD AND AGRICULTURE							
Agriculture and Food Research Initiative (AFRI)	10.310	142,754	-	University of Pennsylvania	583992 (2022-68014-36664)	142,754	-
Agriculture and Food Research Initiative (AFRI)	10.310	-	12,188			12,188	-
Total Assistance Listing 10.310		142,754	12,188			154,942	-
Immunopathology analysis of patient tissue samples from cardiovascular and/or orthopedic device implants	10.RD	108,862	-			108,862	28,345
Total Assistance Listing 10.RD		108,862	-			108,862	28,345
Total Department of Agriculture		255,010	12,188			268,098	28,345
DEPARTMENT OF COMMERCE							
Climate and Atmospheric Research	11.431	154,947	-	Columbia University	1(GG016650-01).MOD 3	154,947	22,285
Climate and Atmospheric Research	11.431	-	82,817			82,817	-
Climate and Atmospheric Research	11.431	-	(2,444)	Rand Corp	SCON-0000505	(2,444)	-
Climate and Atmospheric Research	11.431	-	5,880	Worcester Polytechnic Institute	11515-GR; MOD 1	5,880	-
Total Assistance Listing 11.431		154,947	86,253			241,200	22,285
NATIONAL INSTITUTE OF STANDARDS AND TECHNOLOGY							
Measurement and Engineering Research and Standards	11.609	103,234	-			103,234	-
Total Assistance Listing 11.021		103,234	-			103,234	-
Total Department of Commerce		258,181	86,253			344,434	22,285
DEPARTMENT OF DEFENSE							
DE NAVY							
Basic and Applied Scientific Research	12.300	817,918	-	George Washington University	21-808 MOD 6	817,918	165,333
Basic and Applied Scientific Research	12.300	-	220,987			220,987	-
Total Assistance Listing 12.300		817,918	220,987			1,038,905	165,333
DEPT OF THE ARMY							
Military Medical Research and Development	12.420	1,656,440	-	University of Pennsylvania	579797; PR191513; 0011449536	1,656,440	271,027
Military Medical Research and Development	12.420	-	12,690			12,690	-
Military Medical Research and Development	12.420	-	38,866	Texas A&M University	W81XWH2110171 (M2102452)	38,866	-
Military Medical Research and Development	12.420	-	18,169	Texas A&M University	M2203514	18,169	-
Military Medical Research and Development	12.420	-	26,418	Trustees of Boston University	4500004375	26,418	-
Military Medical Research and Development	12.420	-	104,199	Thomas Jefferson University	080-27000-X19201 PO#2000157877	104,199	-
Military Medical Research and Development	12.420	-	20,458	Rowan University	61020-1; MOD 1	20,458	-
Military Medical Research and Development	12.420	-	29,661	Fox Chase Cancer Center	FCOC NO 2406200 YEAR_01	29,661	-
Total Assistance Listing 12.420		1,656,440	250,461			1,906,901	271,027
Basic Scientific Research	12.431	4,192,597	-	PPG Industries, Inc University of Delaware epoXtal LLC	W911NF-17-2-0227 UDR0000272; MOD 2 W911NF23C0055-22119	4,192,597	2,540,312
Basic Scientific Research	12.431	-	698,115			698,115	-
Basic Scientific Research	12.431	-	43,253			43,253	-
Basic Scientific Research	12.431	-	38,691			38,691	-
Total Assistance Listing 12.431		4,192,597	780,059			4,972,656	2,540,312
Office of the Secretary of Defense							
Basic, Applied, and Advanced Research in Science and Engineering	12.630	328,124	-	Advanced Functional Fabrics of America, Inc. Advanced Robotics for Manufacturing Trustees of the University of Pennsylvania	EXHIBIT 1-J; PO 774; MOD 1 ARM-TEC-22-DC-F02 586938/ 10063671/ 70384/01 ;M3	328,124	270,428
Basic, Applied, and Advanced Research in Science and Engineering	12.630	-	(1,789)			(1,789)	(1,789)
Basic, Applied, and Advanced Research in Science and Engineering	12.630	-	(185,789)			(185,789)	(177,190)
Basic, Applied, and Advanced Research in Science and Engineering	12.630	-	62,857			62,857	-
Total Assistance Listing 12.630		328,124	(124,721)			203,403	91,449
DEPT OF THE AIR FORCE							
Air Force Defense Research Sciences Program	12.800	20,000	-	PAR Government Systems Corporation	PGSC-SC-111371-02; PO# P194669	20,000	-
Total Assistance Listing 12.800		20,000	-				
Research and Technology Development	12.910	-	395,553	University of Colorado at Boulder	1563539; MOD 3	395,553	-
Research and Technology Development	12.910	-	802,089			802,089	-
Research and Technology Development	12.910	-	226,573	Parallax Advanced Research Corporation	PO # 11255-001; MOD 2; T10223	226,573	-
Total Assistance Listing 12.910		-	1,424,215			1,424,215	-
Uptake and Bioaccumulation of Surface Derived PFAS	12.RD	184,058	-	Johns Hopkins University	CONTRACT # 172569	184,058	125,535
Uptake and Bioaccumulation of Surface Derived PFAS	12.RD	21,424	-			21,424	-
SPARTACUS-X Sparse Coding and Extraction of Ultrasound	12.RD	63,558	-	Carnegie Mellon University	1043212-442766; MOD 1	63,558	983
Application of Non Thermal Plasma Technology	12.RD	677,393	-			677,393	212,543
JHU Switchable Filter Development RFP-816110	12.RD	-	7,293	Johns Hopkins University	1043212-442766; MOD 1	7,293	-
TRIEBUCHET Homomorphic Encryption Using SPIRAL	12.RD	-	73,667	Shared Spectrum Company	3021-05; MOD 1	73,667	-
Multiband Control Channel Architecture	12.RD	-	25,000			25,000	-
Soft ExoSkin Interface and Scale Up	12.RD	-	930,720	Advanced Functional Fabrics of America, Inc.	SOW # 3; PO 977; HQ00342190016	930,720	221,850

The accompanying notes are an integral part of the Schedule of Expenditures of Federal Awards.

Drexel University and Subsidiaries

Schedule of Expenditures of Federal Awards

For the Year Ended June 30, 2024

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
DEVCOM Soldier Center CAD/CAM Support	12.RD	-	166,118	Booz Allen Hamilton	A31547-1; P122219-2	166,118	-
Thermal Shock Tolerant Tantalum Carbide Forming MAX Phase Materials	12.RD	-	3,289	Materials Research & Design, Inc	MD21-DREX1; MOD 1	3,289	-
FHE & Textile Sensors for Multi-Domain Platoon Operations Phase II	12.RD	-	867,119	FlexTech Alliance, Inc., dba NextFlex	AWARD DATED 10/25/2022 T9441	867,119	-
Data Fusion and AI to Optimize Severe Brain Injury Management in Prolonged Care	12.RD	-	118,686	Moberg Research, Inc.	SRA DATED 04/01/2022; MOD 1	118,686	-
Prototype Project 3-Textile Garment Sublayer	12.RD	-	335,798	Advanced Functional Fabrics of America, Inc.	SOW # 2; PO 977; HQ00342190016	335,798	-
Demonstration of Building Decarbonization through Thermal Microgrids - Phase I Feasibility Study	12.RD	-	27,441	Texas A&M University	M2401782; MOD 1	27,441	-
Multi-Domain Operations (MDO) Phase II	12.RD	-	448,295	FlexTech Alliance, Inc., dba NextFlex	716213	448,295	-
STTR Phase II MXene-based Coatings for Aerospace Applications	12.RD	-	198,005	Ballydel Technologies	Ballydel_Drexel_2023_001	198,005	-
Fabric Backplane System	12.RD	-	415,983	Advanced Functional Fabrics of America, Inc.	SOW #1; PO 977; HQ00342190016	415,983	175,000
Total Assistance Listing 12.RD		<u>946,433</u>	<u>3,617,414</u>			<u>4,563,847</u>	<u>735,911</u>
Total Department of Defense		<u>7,961,512</u>	<u>6,168,415</u>			<u>14,129,927</u>	<u>3,804,032</u>
DEPARTMENT OF THE INTERIOR							
U.S. FISH AND WILDLIFE SERVICE							
Adaptive Science	15.670	-	44,684	National Fish and Wildlife Foundation	0403.21.072303	44,684	34,155
Adaptive Science	15.670	-	11,756	National Fish and Wildlife Foundation	68902; 0403.20.068902	11,756	-
Adaptive Science	15.670	-	5,325	National Fish and Wildlife Foundation	0403.23.079334	5,325	-
Total Assistance Listing 15.670		<u>-</u>	<u>61,765</u>			<u>61,765</u>	<u>34,155</u>
MMSD 2022 (USGS)	15.RD	3,644	-			3,644	-
Total Assistance Listing 15.RD		<u>3,644</u>	<u>-</u>			<u>3,644</u>	<u>-</u>
Total Department of the Interior		<u>3,644</u>	<u>61,765</u>			<u>65,409</u>	<u>34,155</u>
DEPARTMENT OF JUSTICE							
OFFICE OF JUSTICE PROGRAMS							
National Institute of Justice Research, Evaluation, and Development Project Grants	16.560	162,405	-	Rutgers University	PO# 568091 SUB NO. 0060	162,405	69,361
National Institute of Justice Research, Evaluation, and Development Project Grants	16.560	-	895			895	-
Total Assistance Listing 16.560		<u>162,405</u>	<u>895</u>			<u>163,300</u>	<u>69,361</u>
OFFICE OF JUSTICE PROGRAMS							
National Institute of Justice W.E.B. DuBois Fellowship Program	16.566	7,120	-			7,120	-
Total Assistance Listing 16.566		<u>7,120</u>	<u>-</u>			<u>7,120</u>	<u>-</u>
COMMUNITY ORIENTED POLICING SERVICE							
Public Safety Partnership and Community Policing Grants	16.710	-	83,070	Philadelphia School District	2470/P20 ; 956-590368;3HSX-G34	83,070	-
Total Assistance Listing 16.710		<u>-</u>	<u>83,070</u>			<u>83,070</u>	<u>-</u>
OFFICE OF JUSTICE PROGRAMS							
Byrne Criminal Justice Innovation Program	16.817	-	(138)	Mount Vernon Manor	15PBJA-21-66-0411-BCJI	(138)	-
Total Assistance Listing 16.817		<u>-</u>	<u>(138)</u>			<u>(138)</u>	<u>-</u>
National Sexual Assault Kit Initiative	16.833	-	605,667	Pennsylvania Commission on Crime and Delinquency	AWARD DATED 9/19/2023	605,667	-
Total Assistance Listing 16.833		<u>-</u>	<u>605,667</u>			<u>605,667</u>	<u>-</u>
Comprehensive Opioid, Stimulant, and other Substances Use Program	16.838	-	187,283	Southeastern Pennsylvania Transportation Authority	N0076	187,283	-
Total Assistance Listing 16.838		<u>-</u>	<u>187,283</u>			<u>187,283</u>	<u>-</u>
STOP School Violence	16.839	202,869	-			202,869	99,788
Total Assistance Listing 16.839		<u>202,869</u>	<u>-</u>			<u>202,869</u>	<u>99,788</u>
Total Department of Justice		<u>372,394</u>	<u>876,777</u>			<u>1,249,171</u>	<u>169,149</u>
BUREAU OF EDUCATIONAL AND CULTURAL							
Academic Exchange Programs - Undergraduate Programs	19.009	-	48,853	International Research & Exchanges Board	FY23-YALI-AEI-DRX-01	48,853	-
Total Assistance Listing 19.009		<u>-</u>	<u>48,853</u>			<u>48,853</u>	<u>-</u>
OFFICE OF THE UNDER SECRETARY FOR PUBLIC DIPLOMACY AND PUBLIC AFFAIRS							
Public Diplomacy Programs	19.040	24,930	-			24,930	-
Total Assistance Listing 19.040		<u>24,930</u>	<u>-</u>			<u>24,930</u>	<u>-</u>
Total Department of State		<u>24,930</u>	<u>48,853</u>			<u>73,783</u>	<u>-</u>
DEPARTMENT OF TRANSPORTATION							
FEDERAL AVIATION ADMINISTRATION							
Aviation Research Grants	20.108	142,807	-			142,807	-
Total Assistance Listing 20.108		<u>142,807</u>	<u>-</u>			<u>142,807</u>	<u>-</u>
Air Transportation Centers of Excellence	20.109	701,132	-			701,132	-
Total Assistance Listing 20.109		<u>701,132</u>	<u>-</u>			<u>701,132</u>	<u>-</u>
FEDERAL HIGHWAY ADMINISTRATION							
Highway Research and Development Program	20.200	67,211	-			67,211	25,061
Total Assistance Listing 20.200		<u>67,211</u>	<u>-</u>			<u>67,211</u>	<u>25,061</u>
Evaluation of Retroreflective Sign Sheeting Materials by Accelerated Laboratory Weathering	20.RD	-	51,131	University of North Florida	024-001	51,131	-
Total Assistance Listing 20.RD		<u>-</u>	<u>51,131</u>			<u>51,131</u>	<u>-</u>
Total Department of Transportation		<u>911,150</u>	<u>51,131</u>			<u>962,281</u>	<u>25,061</u>

The accompanying notes are an integral part of the Schedule of Expenditures of Federal Awards.

Drexel University and Subsidiaries

Schedule of Expenditures of Federal Awards

For the Year Ended June 30, 2024

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 TREASURY							
DEPARTMENTAL OFFICES							
Resources and Ecosystems Sustainability, Tourist Opportunities, and Revived Economies of the Gulf Coast States	21.015	-	4,265	University of Southern Mississippi	8007257-01.01ANSD	4,265	-
Total Department of Treasury	Total Assistance Listing 21.015	-	4,265			4,265	-
NATIONAL AERONAUTICS AND SPACE ADMINISTRATION							
NATIONAL AERONAUTICS AND SPACE ADMINISTRATION							
Science	43.001	465,206	-	Jet Propulsion Laboratory (NASA)	1674020; MOD 1	465,206	154,016
Science	43.001	-	12,557	The University of Texas at Dallas	22010677; MOD 1	12,557	-
Science	43.001	-	63,359	Space Telescope Science Institute	HST-GO-17217.004-A; MOD 1	63,359	-
Science	43.001	-	1,344			1,344	-
Total National Aeronautics and Space Administration	Total Assistance Listing 43.001	465,206	77,260			542,466	154,016
Office of Stem Engagement (OSTEM)	43.008	-	19,835	Penn State University	S000756-NASA; MOD 6	19,835	-
Total National Aeronautics and Space Administration	Total Assistance Listing 43.008	-	19,835			19,835	-
		465,206	97,095			562,301	154,016
NATIONAL ENDOWMENT FOR THE ARTS							
NATIONAL ENDOWMENT FOR THE ARTS							
Promotion of the Arts Grants to Organizations and Individuals	45.024	90,916	-	Henry M. Jackson Foundation for Advancement of Military Medicine	6079; 66974; PO 105779	90,916	-
Promotion of the Arts Grants to Organizations and Individuals	45.024	-	61,771	Henry M. Jackson Foundation for Advancement of Military Medicine	6078; 66974; PO 1057987	61,771	-
Promotion of the Arts Grants to Organizations and Individuals	45.024	-	25,183			25,183	-
Total National Endowment for the Arts	Total Assistance Listing 45.024	90,916	86,954			177,870	-
NATIONAL ENDOWMENT FOR THE HUMANITIES							
NATIONAL ENDOWMENT FOR THE HUMANITIES							
Promotion of the Humanities Division of Preservation and Access	45.149	98,861	-			98,861	-
Total National Endowment for the Humanities	Total Assistance Listing 45.149	98,861	-			98,861	-
THE INSTITUTE OF MUSEUM AND LIBRARY SERVICES							
THE INSTITUTE OF MUSEUM AND LIBRARY SERVICES							
Museums for America	45.301	219,086	-			219,086	60,000
Total Institute of Museum and Library Services	Total Assistance Listing 45.301	219,086	-			219,086	60,000
National Leadership Grants	45.312	58,806	-			58,806	11,200
Total National Leadership Grants	Total Assistance Listing 45.312	58,806	-			58,806	11,200
Laura Bush 21st Century Librarian Program	45.313	288,769	-			288,769	54,282
Total National Endowment for the Arts	Total Assistance Listing 45.313	288,769	-			288,769	54,282
		756,438	86,954			843,392	125,482
NATIONAL SCIENCE FOUNDATION							
NATIONAL SCIENCE FOUNDATION							
Engineering	47.041	3,080,082	-	University of Maryland	85694-Z3513201; MOD A	3,080,082	363,450
Engineering	47.041	-	18,179	Widener University	#2/#33444; MOD 3	18,179	-
Engineering	47.041	-	(44,419)	University of Pennsylvania	582936; MOD 1	(44,419)	-
Engineering	47.041	-	64,319	Rowan University	50750-1	64,319	-
Engineering	47.041	-	22,034	Princeton University	SU8000669; MOD 1	22,034	-
Engineering	47.041	-	160,935	University of Cincinnati	014923-00002	160,935	-
Engineering	47.041	-	118,737	Temple University	272215-DU/PO# P0767668	118,737	-
Engineering	47.041	-	59,085			59,085	-
Total National Science Foundation	Total Assistance Listing 47.041	3,080,082	398,870			3,478,952	363,450
Mathematical and Physical Sciences	47.049	2,738,907	-	University of Pennsylvania	SUB # 583087 PO # 4722006	2,738,907	205,777
Mathematical and Physical Sciences	47.049	-	91,114	Tulane University	TUL-SCC-560246-22/23; MOD 2	91,114	-
Mathematical and Physical Sciences	47.049	-	1,520	Texas A&M University	M2201239	1,520	-
Mathematical and Physical Sciences	47.049	-	33,212	University of Chicago	AWD104291 (SU80000968)	33,212	-
Mathematical and Physical Sciences	47.049	-	52,287			52,287	-
Total National Science Foundation	Total Assistance Listing 47.049	2,738,907	178,133			2,917,040	205,777
Geosciences	47.050	141,502	-			141,502	-
Total National Science Foundation	Total Assistance Listing 47.050	141,502	-			141,502	-
Computer and Information Science and Engineering	47.070	3,326,297	-	Colorado School of Mines	402052_5801-05	3,326,297	20,794
Computer and Information Science and Engineering	47.070	-	98,317	University of Texas at El Paso	226101089A; MOD 1	98,317	-
Computer and Information Science and Engineering	47.070	-	886	Lehigh University	544709-78001	886	-
Computer and Information Science and Engineering	47.070	-	56,130			56,130	-
Total National Science Foundation	Total Assistance Listing 47.070	3,326,297	155,333			3,481,630	20,794

The accompanying notes are an integral part of the Schedule of Expenditures of Federal Awards.

Drexel University and Subsidiaries

Schedule of Expenditures of Federal Awards

For the Year Ended June 30, 2024

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
Biological Sciences	47.074	1,276,507	-			1,276,507	(8,003)
Biological Sciences	47.074	-	4,433	The New York Botanical Garden	2001354-01-PHAS	4,433	-
Biological Sciences	47.074	-	11,354	University of Kansas Center for Research	FY2023-025 ; MOD 2	11,354	-
Total Assistance Listing 47.074		<u>1,276,507</u>	<u>15,787</u>			<u>1,292,294</u>	<u>(8,003)</u>
Social, Behavioral, and Economic Sciences	47.075	134,186	-			134,186	31,243
Total Assistance Listing 47.075		<u>134,186</u>	<u>-</u>			<u>134,186</u>	<u>31,243</u>
STEM Education (formerly Education and Human Resources)	47.076	4,016,269	-			4,016,269	524,882
STEM Education (formerly Education and Human Resources)	47.076	-	(169)	Cheyney University	1912011-DREXEL; MOD 2	(169)	-
STEM Education (formerly Education and Human Resources)	47.076	-	38,582	Northeastern University	502996-78052; MOD 2	38,582	-
STEM Education (formerly Education and Human Resources)	47.076	-	35,406	Education Development Center	2021-0129 ; 12607; MOD 2	35,406	-
STEM Education (formerly Education and Human Resources)	47.076	-	9,090	Rochester Institute of Technology	32704-04	9,090	-
STEM Education (formerly Education and Human Resources)	47.076	-	62,852	University of Tennessee	A23-0132-S002 ; MOD 1	62,852	-
STEM Education (formerly Education and Human Resources)	47.076	-	4,200	Science Museum of Minnesota	Award Dated 3/6/2023	4,200	-
STEM Education (formerly Education and Human Resources)	47.076	-	13,727	University of Pittsburgh	Drexel ORI Contract No. T9961	13,727	-
Total Assistance Listing 47.076		<u>4,016,269</u>	<u>163,688</u>			<u>4,179,957</u>	<u>524,882</u>
Polar Programs	47.078	-	115,143	University of Wisconsin-Madison	0000002386; MOD 1	115,143	-
Total Assistance Listing 47.078		<u>-</u>	<u>115,143</u>			<u>115,143</u>	<u>-</u>
Office of International Science and Engineering	47.079	44,132	-			44,132	-
Office of International Science and Engineering	47.079	-	97,711	Texas A&M University	M2301288	97,711	-
Total Assistance Listing 47.079		<u>44,132</u>	<u>97,711</u>			<u>141,843</u>	<u>-</u>
NSF Technology, Innovation, and Partnerships	47.084	41,052	-			41,052	-
Total Assistance Listing 47.084		<u>41,052</u>	<u>-</u>			<u>41,052</u>	<u>-</u>
Total National Science Foundation		<u>14,798,934</u>	<u>1,124,665</u>			<u>15,923,599</u>	<u>1,138,142</u>
DEPARTMENT OF VETERANS AFFAIRS							
VA HEALTH ADMINISTRATION CENTER							
Research and Development	64.054	-	78,852	Worcester Polytechnic Institute	11065-GR, 11350-GR, 11564-GR	78,852	-
Research and Development	64.054	-	3,095	Worcester Polytechnic Institute	11361-GR ; 11065-GR; MOD 6	3,095	-
Total Department of Veterans Affairs		<u>-</u>	<u>81,947</u>			<u>81,947</u>	<u>-</u>
UNITED STATES ENVIRONMENTAL PROTECTION AGENCY							
ENVIRONMENTAL PROTECTION AGENCY							
Surveys, Studies, Investigations, Demonstrations, and Training Grants and Cooperative Agreements - Section 104(b)(3) of the Clean Water Act	66.436	55,430	-			55,430	-
Total Assistance Listing 66.460		<u>55,430</u>	<u>-</u>			<u>55,430</u>	<u>-</u>
National Estuary Program	66.456	-	9,910	Partnership for the Delaware Estuary	517-01	9,910	-
Total Assistance Listing 66.461		<u>-</u>	<u>9,910</u>			<u>9,910</u>	<u>-</u>
Regional Wetland Program Development Grants	66.461	-	14,468	New Jersey Sea Grant Consortium	4904- 0048	14,468	-
Total Assistance Listing 66.461		<u>-</u>	<u>14,468</u>			<u>14,468</u>	<u>-</u>
Geographic Programs - Chesapeake Bay Program	66.466	-	33,895	Chesapeake Conservancy Inc.	CB-963630-01-0; YEAR 6	33,895	-
Total Assistance Listing 66.466		<u>-</u>	<u>33,895</u>			<u>33,895</u>	<u>-</u>
Science To Achieve Results (STAR) Research Program	66.509	554,388	-			554,388	147,929
Science To Achieve Results (STAR) Research Program	66.509	-	37,085	University of Michigan	SUBK00014866; 3006732844	37,085	-
Total Assistance Listing 66.509		<u>554,388</u>	<u>37,085</u>			<u>591,473</u>	<u>147,929</u>
Office of Research and Development Consolidated Research/Training/Fellowships	66.511	-	4,628	Michigan State University	RC115533DU	4,628	-
Total Assistance Listing 66.517		<u>-</u>	<u>4,628</u>			<u>4,628</u>	<u>-</u>
Environmental Education Grants Program	66.551	-	5,982	Overbrook Environmental Education Center	Award Dated 8/18/2023	5,982	-
Total Assistance Listing 66.517		<u>-</u>	<u>5,982</u>			<u>5,982</u>	<u>-</u>
DRBC - ANS 2024 Algal Speciation	66.RD	-	332	Delaware River Basin Commission	GRANT # 508-01 : CFDA 66.465	332	-
Total Assistance Listing 66.RD		<u>-</u>	<u>332</u>			<u>332</u>	<u>-</u>
Total United States Environmental Protection Agency		<u>609,818</u>	<u>106,300</u>			<u>716,118</u>	<u>147,929</u>
DEPARTMENT OF ENERGY							
ENERGY							
Office of Science Financial Assistance Program	81.049	1,449,449	-			1,449,449	-
Office of Science Financial Assistance Program	81.049	-	83,361	Giner, Inc	407361	83,361	-
Total Assistance Listing 81.049		<u>1,449,449</u>	<u>83,361</u>			<u>1,532,810</u>	<u>-</u>

The accompanying notes are an integral part of the Schedule of Expenditures of Federal Awards.

Drexel University and Subsidiaries

Schedule of Expenditures of Federal Awards

For the Year Ended June 30, 2024

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
Conservation Research and Development	81.086	346,420	-			346,420	117,047
Conservation Research and Development	81.086	-	28,291	Texas A&M University	M2001971; MOD 2	28,291	-
Conservation Research and Development	81.086	-	27,704	Giner, Inc	406599; YEAR 2	27,704	-
Total Assistance Listing 81.086		<u>346,420</u>	<u>55,995</u>			<u>402,415</u>	<u>117,047</u>
Renewable Energy Research and Development	81.087	(8,808)	-			(8,808)	-
Renewable Energy Research and Development	81.087	-	110,465	University of Delaware	59300; MOD 3	110,465	-
Total Assistance Listing 81.087		<u>(8,808)</u>	<u>110,465</u>			<u>101,657</u>	-
Advanced Research Projects Agency - Energy	81.135	138,819	-			138,819	-
Total Assistance Listing 81.135		<u>138,819</u>	-			<u>138,819</u>	-
Environmental Monitoring/Cleanup, Cultural and Resource Mgmt., Emergency Response Research, Outreach, Technical Analysis	81.214	-	253,953	Battelle Savannah River Alliance, LLC	602157 CHANGE NOTICE 4	253,953	-
Total Assistance Listing 81.214		-	<u>253,953</u>			<u>253,953</u>	-
High-Voltage Direct Current Prize	81.RD	30,516	-			30,516	-
Collaborative Research: Using Sparse/Efficient Coding and Predictive Processing to Model Optical Recordings from Mouse V1 Simple Cells	81.RD	-	25,967	DOE-Pacific Northwest National Laboratory	605843;DE-AC05-76RL01830	25,967	-
Superconducting Materials and Devices for Quantum Sensing	81.RD	-	76,228	Argonne National Laboratory	2F-60198; M0002	76,228	-
Gradient-Free Learning From Blackbox Sources	81.RD	-	8,262	Lawrence Livermore National Laboratory	B662481	8,262	-
Security Through Obfuscation of Critical Analog Circuit Properties	81.RD	-	(1,482)	Honeywell Federal Manufacturing and Technologies LLC	N000382806	(1,482)	-
Advanced PILBCP Ionomer Composites for Durable Heavy Duty PEMFCs	81.RD	-	58,257	University of California Lawrence Berkeley National Labs	7626956; MOD 1	58,257	-
Security Analysis of Field Programmable Gate Arrays	81.RD	-	14,327	Battelle Energy Alliance, LLC	295851; NO CFDA	14,327	-
Total Assistance Listing 81.RD		<u>30,516</u>	<u>181,559</u>			<u>212,075</u>	-
Total Department of Energy		<u>1,956,396</u>	<u>685,333</u>			<u>2,641,729</u>	<u>117,047</u>
DEPARTMENT OF EDUCATION							
OFFICE OF ELEMENTARY AND SECONDARY 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	-	5,217	University of Pennsylvania	575256; MOD 5	5,217	-
Total Assistance Listing 84.015		-	<u>5,217</u>			<u>5,217</u>	-
Minority Science and Engineering Improvement	84.120	-	(1,964)	University of Texas at El Paso	226150855A; MOD 03	(1,964)	-
Minority Science and Engineering Improvement	84.120	-	91,108	University of Texas at El Paso	226150936A; MOD 1	91,108	-
Total Assistance Listing 84.120		-	<u>89,144</u>			<u>89,144</u>	-
Graduate Assistance in Areas of National Need	84.200	668,599	-			668,599	-
Total Assistance Listing 84.200		<u>668,599</u>	-			<u>668,599</u>	-
Arts in Education	84.351	-	117,108	Directed Vapor Technologies International	Award Dated 9/27/2022	117,108	-
Total Assistance Listing 84.351		-	<u>117,108</u>			<u>117,108</u>	-
Total Department of Education		<u>668,599</u>	<u>211,460</u>			<u>880,068</u>	-
DEPARTMENT OF HEALTH AND HUMAN SERVICES							
CENTERS FOR DISEASE CONTROL AND PREVENTION							
Blood Disorder Program: Prevention, Surveillance, and Research	93.080	-	8,761	Lehigh Valley Health Network	ATHN_22_23_005	8,761	-
Blood Disorder Program: Prevention, Surveillance, and Research	93.080	-	15,414	Lehigh Valley Health Network	ATHN_23_24_005	15,414	-
Total Assistance Listing 93.080		-	<u>24,175</u>			<u>24,175</u>	-
Prevention of Disease, Disability, and Death by Infectious Diseases	93.084	-	237,085	Temple University	271752-DU	237,085	-
Total Assistance Listing 93.084		-	<u>237,085</u>			<u>237,085</u>	-
Chronic Diseases: Research, Control, and Prevention	93.068	52,652	-			52,652	-
Total Assistance Listing 93.068		<u>52,652</u>	-			<u>52,652</u>	-
NATIONAL INSTITUTES OF HEALTH							
Family Smoking Prevention and Tobacco Control Act Regulatory Research	93.077	63,142	-			63,142	-
Total Assistance Listing 93.077		<u>63,142</u>	-			<u>63,142</u>	-
CENTERS FOR DISEASE CONTROL AND PREVENTION							
Collaboration With the World Health Organization and its Regional Offices for Global Health Security and the International Health Regulations (IHR 2005)	93.099	-	1,644	University of Mississippi Medical Center	6611340819-02 ; MOD 03;YR 4	1,644	-
Total Assistance Listing 93.099		-	<u>1,644</u>			<u>1,644</u>	-
FOOD AND DRUG ADMINISTRATION							
Food and Drug Administration Research	93.103	80,603	-			80,603	-
Total Assistance Listing 93.103		<u>80,603</u>	-			<u>80,603</u>	-

The accompanying notes are an integral part of the Schedule of Expenditures of Federal Awards.

Drexel University and Subsidiaries

Schedule of Expenditures of Federal Awards

For the Year Ended June 30, 2024

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							
Environmental Health	93.113	869,789	-			869,789	326,840
Environmental Health	93.113	-	991	University of California, Davis	2015000641-02/A18-0173-S001-A2	991	-
Environmental Health	93.113	-	215,839	Johns Hopkins University School of Medicine	2004628645; MOD 4	215,839	-
Environmental Health	93.113	-	82,045	Johns Hopkins University School of Medicine	2004638646; MOD 4	82,045	-
Environmental Health	93.113	-	21,503	University of Michigan	SUBK00012483; 3066268810	21,503	-
Environmental Health	93.113	-	45,945	University of Wisconsin-Milwaukee	213495510; MOD 3	45,945	-
Environmental Health	93.113	-	135,243	Mount Sinai School of Medicine	0255-C301-4609; MOD 5	135,243	-
Environmental Health	93.113	-	14,785	Philadelphia Regional Center Children's Environmental Health	P2CE8033428	14,785	-
Environmental Health	93.113	-	73,513	Johns Hopkins University	2005768396; MOD 2	73,513	-
Environmental Health	93.113	-	61,586	University of California, Davis	A23-0842-S001; MOD 1	61,586	-
	Total Assistance Listing 93.113	869,789	651,450			1,521,239	326,840
Oral Diseases and Disorders Research	93.121	15,546	-			15,546	-
Oral Diseases and Disorders Research	93.121	-	60,596	University of Connecticut Health Center	UCHC7-140298528-A3	60,596	-
Oral Diseases and Disorders Research	93.121	-	20,986	Children's Hospital of Philadelphia	PO: 20395658; GRT-00002376	20,986	-
Oral Diseases and Disorders Research	93.121	-	2,944	SINTX Technologies, Inc.	PO # 10110	2,944	-
	Total Assistance Listing 93.121	15,546	84,526			100,072	-
CENTERS FOR DISEASE CONTROL AND PREVENTION							
Centers for Research and Demonstration for Health Promotion and Disease Prevention	93.135	-	540	University of South Carolina	23-4988	540	-
Centers for Research and Demonstration for Health Promotion and Disease Prevention	93.135	-	5,360	University of South Carolina	24-5530 / PO 2000072313	5,360	-
	Total Assistance Listing 93.135	-	5,900			5,900	-
NATIONAL INSTITUTES OF HEALTH							
Human Genome Research	93.172	41,955	-			41,955	-
Human Genome Research	93.172	-	191,249	University of California, San Francisco	10993SC ; MOD 06	191,249	-
Human Genome Research	93.172	-	529	Northeastern University	500777-78051; MOD 1	529	-
	Total Assistance Listing 93.172	41,955	191,778			233,733	-
Research Related to Deafness and Communication Disorders	93.173	347,654	-			347,654	52,952
Research Related to Deafness and Communication Disorders	93.173	-	19,544	University of Pennsylvania	574758; MOD 3	19,544	-
	Total Assistance Listing 93.173	347,654	19,544			367,198	52,952
Research and Training in Complementary and Integrative Health	93.213	187,998	-			187,998	45,765
	Total Assistance Listing 93.213	187,998	-			187,998	45,765
AGENCY FOR HEALTHCARE RESEARCH AND QUALITY							
Research on Healthcare Costs, Quality and Outcomes	93.226	24,030	-			24,030	8,572
	Total Assistance Listing 93.217	24,030	-			24,030	8,572
NATIONAL INSTITUTES OF HEALTH							
Mental Health Research Grants	93.242	3,689,286	-			3,689,286	322,745
Mental Health Research Grants	93.242	-	(39,387)	Harvard T.H. Chan School of Public Health	114205-1338-5097549	(39,387)	-
Mental Health Research Grants	93.242	-	(687)	Florida State University	R02061 ; MOD 1	(687)	-
Mental Health Research Grants	93.242	-	(6,129)	Florida State University	R02178; MOD 1	(6,129)	-
Mental Health Research Grants	93.242	-	68,217	University of Pittsburgh Medical Center	AWD00003551 (135683-3) MOD3	68,217	31,864
Mental Health Research Grants	93.242	-	4,988	Icahn School of Medicine at Mount Sinai	0255-E461-4609; MOD 2	4,988	-
Mental Health Research Grants	93.242	-	(10,090)	Temple University	263821	(10,090)	-
Mental Health Research Grants	93.242	-	416,690	Temple University	269291-DU; FY24& FY25	416,690	-
Mental Health Research Grants	93.242	-	16,820	Brigham and Women's Hospital	127906 ; MOD 2	16,820	-
Mental Health Research Grants	93.242	-	177,301	Temple University	263821-DREXEL MOD 4 REVISED	177,301	-
Mental Health Research Grants	93.242	-	40,000	Temple University	269291-DU	40,000	-
Mental Health Research Grants	93.242	-	4,181	New York University School of Medicine	24-A0-00-1011506 ; 271418	4,181	-
Mental Health Research Grants	93.242	-	33,884	University of North Carolina at Chapel Hill	5131801	33,884	-
	Total Assistance Listing 93.242	3,689,286	705,788			4,395,074	354,610
SUBSTANCE ABUSE AND MENTAL HEALTH SERVICES ADMINISTRATION							
Substance Abuse and Mental Health Services Projects of Regional and National Significance	93.243	-	24,441	Jefferson Health System	080-36000-M07901	24,441	-
	Total Assistance Listing 93.243	-	24,441			24,441	-
CENTERS FOR DISEASE CONTROL AND PREVENTION							
Occupational Safety and Health Program	93.262	152	-			152	-
	Total Assistance Listing 93.262	152	-			152	-
NATIONAL INSTITUTES OF HEALTH							
Alcohol Research Programs	93.273	527,804	-			527,804	-
Alcohol Research Programs	93.273	-	218,742	SUNY at Binghamton University	91395-DREXEL UNIV. ; MOD 2	218,742	-
Alcohol Research Programs	93.273	-	6,503	Columbia University	1(GG017204-01); G15742;G17239	6,503	-
Alcohol Research Programs	93.273	-	54,596	Trustees of Boston University	4500004213 MD 3 F33XM9642N96	54,596	-
	Total Assistance Listing 93.273	527,804	279,841			807,645	-

The accompanying notes are an integral part of the Schedule of Expenditures of Federal Awards.

Drexel University and Subsidiaries

Schedule of Expenditures of Federal Awards

For the Year Ended June 30, 2024

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
Drug Abuse and Addiction Research Programs	93-279	5,230,531	-			5,230,531	790,070
Drug Abuse and Addiction Research Programs	93-279	-	417	New York University	F1171-01; MOD 3	417	-
Drug Abuse and Addiction Research Programs	93-279	-	23,610	Temple University	265498-DU, MOD 3	23,610	-
Drug Abuse and Addiction Research Programs	93-279	-	34,305	Johns Hopkins University School of Medicine	2004952819; MOD 2	34,305	-
Drug Abuse and Addiction Research Programs	93-279	-	296,048	Hager Biosciences, LLC	AWARD DATED 9/29/2022; MOD 2	296,048	-
Drug Abuse and Addiction Research Programs	93-279	-	237,930	University of California, San Diego	705669; MOD 1	237,930	-
Drug Abuse and Addiction Research Programs	93-279	-	25,476	University of Pennsylvania	588642/76287/00/10092690	25,476	-
Drug Abuse and Addiction Research Programs	93-279	-	5,169	Partnership to End Addiction	FX3XM9642N96	5,169	-
Drug Abuse and Addiction Research Programs	93-279	-	12,294	Thomas Jefferson University	080-31050-S50501	12,294	-
Total Assistance Listing 93-279		5,230,531	635,249			5,865,780	790,070
Discovery and Applied Research for Technological Innovations to Improve Human Health	93-286	343,702	-			343,702	25,517
Discovery and Applied Research for Technological Innovations to Improve Human Health	93-286	-	252	Thomas Jefferson University	080-30000-S30901 ; MOD 03	252	-
Discovery and Applied Research for Technological Innovations to Improve Human Health	93-286	-	183,971	North Carolina State University	PAM P22-000216-SA02, MOD 3	183,971	-
Discovery and Applied Research for Technological Innovations to Improve Human Health	93-286	-	97,600	Children's Research Institute	30007496-02; MOD 1	97,600	-
Discovery and Applied Research for Technological Innovations to Improve Human Health	93-286	-	7,951	Children's Research Institute	30008240-01	7,951	-
Total Assistance Listing 93-286		343,702	289,774			633,476	25,517
Minority Health and Health Disparities Research	93-307	4,177,442	-			4,177,442	1,366,579
Minority Health and Health Disparities Research	93-307	-	28,818	Harvard University	115001-5111233; MOD 4	28,818	-
Minority Health and Health Disparities Research	93-307	-	11,848	Fox Chase Cancer Center	FCOC15126-05; MOD 09	11,848	-
Minority Health and Health Disparities Research	93-307	-	61,752	Board of Trustees of the Leland Stanford Junior University	63085348-25825; MOD 2	61,752	-
Minority Health and Health Disparities Research	93-307	-	31,247	Fox Chase Cancer Center	1519300, YR 2 MOD 1	31,247	-
Minority Health and Health Disparities Research	93-307	-	34,310	Bentley Technologies	NIMHD-DU-092022	34,310	-
Minority Health and Health Disparities Research	93-307	-	75,330	Fox Chase Cancer Center	1522000 YEAR_02; MOD 2	75,330	-
Total Assistance Listing 93-307		4,177,442	243,305			4,420,747	1,366,579
Trans-NIH Research Support	93-310	4,985,959	-			4,985,959	1,059,150
Total Assistance Listing 93-310		4,985,959	-			4,985,959	1,059,150
National Center for Advancing Translational Sciences	93-350	-	300,821	Oregon State University	P0500F-C, MOD 1	300,821	-
Total Assistance Listing 93-350		-	300,821			300,821	-
21st Century Cures Act - Beau Biden Cancer Moonshot	93-353	-	43,500	Thomas Jefferson University	FE 10162023 VSA - Chewe	43,500	-
Total Assistance Listing 93-353		-	43,500			43,500	-
Cancer Treatment Research	93-395	-	679	The Children's Oncology Group	9600090518 ; No PO-RSub	679	-
Cancer Treatment Research	93-395	-	53,457	Public Health Institute	Clinical Trial U01CA180886	53,457	-
Total Assistance Listing 93-395		-	54,136			54,136	-
Nursing Research	93-361	1,561,267	-			1,561,267	625,693
Nursing Research	93-361	-	311	Columbia University	3(GG014705-01); MOD 2	311	-
Nursing Research	93-361	-	27,389	University of Pennsylvania	579284; 10072088; MOD 4	27,389	-
Nursing Research	93-361	-	23,550	University of Pennsylvania	586183; MOD 2	23,550	-
Total Assistance Listing 93-361		1,561,267	50,890			1,612,157	625,693
Cancer Cause and Prevention Research	93-393	48,372	-			48,372	-
Total Assistance Listing 93-393		48,372	-			48,372	-
Cancer Detection and Diagnosis Research	93-394	48,308	-			48,308	4,398
Total Assistance Listing 93-394		48,308	-			48,308	4,398
Cancer Biology Research	93-396	1,263,788	-			1,263,788	314,902
Total Assistance Listing 93-396		1,263,788	-			1,263,788	314,902
Cancer Centers Support Grants	93-397	-	48,205	Thomas Jefferson University	080-03500-PB0818; MOD 5	48,205	-
Cancer Centers Support Grants	93-397	-	35,792	Thomas Jefferson University	080-03500-PB5018, MOD 1	35,792	-
Total Assistance Listing 93-397		-	83,997			83,997	-
Cancer Control	93-399	-	641	Thomas Jefferson University	080-27000-Z99001, MOD 1	641	-
Total Assistance Listing 93-399		-	641			641	-
ADMINISTRATION FOR COMMUNITY LIVING (ACL)							
ACL National Institute on Disability, Independent Living, and Rehabilitation Research	93-433	109,483	-			109,483	-
Total Assistance Listing 93-433		109,483	-			109,483	-
ADMINISTRATION FOR COMMUNITY LIVING (ACL)							
Developmental Disabilities Basic Support and Advocacy Grants	93-630	-	5,000	Pennsylvania Developmental Disabilities Council	Drexel Contract# T01099	5,000	-
Total Assistance Listing 93-630		-	5,000			5,000	-

The accompanying notes are an integral part of the Schedule of Expenditures of Federal Awards.

Drexel University and Subsidiaries

Schedule of Expenditures of Federal Awards

For the Year Ended June 30, 2024

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							
Mental and Behavioral Health Education and Training Grants	93.732	382,814	-			382,814	42,000
Mental and Behavioral Health Education and Training Grants	93.732	-	121,723	University of Akron	543153-DRXL; MOD 3	121,723	-
Total Assistance Listing 93.732		382,814	121,723			504,537	42,000
NATIONAL INSTITUTES OF HEALTH							
Cardiovascular Diseases Research	93.837	2,803,002	-			2,803,002	337,195
Cardiovascular Diseases Research	93.837	-	26,547	San Francisco State University	S19-0003; MOD 5;204280001	26,547	-
Cardiovascular Diseases Research	93.837	-	37,561	Emory University	A589167; MOD 3	37,561	-
Cardiovascular Diseases Research	93.837	-	42,546	University of Mississippi Medical Center	SP14541-SB0 2	42,546	-
Cardiovascular Diseases Research	93.837	-	(52,544)	Massachusetts General Hospital	PS225713; A5332; A5333S; MOD9	(52,544)	-
Cardiovascular Diseases Research	93.837	-	32,513	Massachusetts General Hospital	Fund # 242786	32,513	-
Cardiovascular Diseases Research	93.837	-	50,231	The Miriam Hospital	7107147197; MOD 6	50,231	-
Cardiovascular Diseases Research	93.837	-	186,813	Wayne State University	WSU23107	186,813	-
Cardiovascular Diseases Research	93.837	-	26,178	University of Mississippi Medical Center	SP14836-SB2	26,178	-
Cardiovascular Diseases Research	93.837	-	42,108	Clemson University	2549-209-2016195; MOD 1	42,108	-
Total Assistance Listing 93.837		2,803,002	391,953			3,194,955	337,195
Lung Diseases Research	93.838	-	43,257			43,257	-
Total Assistance Listing 93.838			43,257			43,257	-
Translation and Implementation Science Research for Heart, Lung, Blood Diseases, and Sleep Disorders	93.840	-	103,042	University of Pennsylvania	580490; 50194/03; MD3	103,042	-
Total Assistance Listing 93.840			103,042			103,042	-
Arthritis, Musculoskeletal and Skin Diseases Research	93.846	595,783	-			595,783	56,617
Arthritis, Musculoskeletal and Skin Diseases Research	93.846	-	93,805	University of Pennsylvania	575763; MOD 4	93,805	-
Arthritis, Musculoskeletal and Skin Diseases Research	93.846	-	15,829	University of Pennsylvania	578671; MOD 3	15,829	-
Arthritis, Musculoskeletal and Skin Diseases Research	93.846	-	79,097	Villanova University	530134DREXEL; MOD 1	79,097	-
Arthritis, Musculoskeletal and Skin Diseases Research	93.846	-	97,174	SINTX Technologies, Inc.	PO 10205	97,174	-
Total Assistance Listing 93.846		595,783	285,905			881,688	56,617
Diabetes, Digestive, and Kidney Diseases Extramural Research	93.847	5,444,945	-			5,444,945	1,162,018
Diabetes, Digestive, and Kidney Diseases Extramural Research	93.847	-	(235)	University of Pennsylvania	DRC PILOT AWD DATD 4/6/21, Y2	(235)	-
Diabetes, Digestive, and Kidney Diseases Extramural Research	93.847	-	196,196	Thomas Jefferson University	080-27000-843301; MOD 4	196,196	-
Diabetes, Digestive, and Kidney Diseases Extramural Research	93.847	-	152,498	The Washington University	WU-22-0087-MOD-3	152,498	59,666
Diabetes, Digestive, and Kidney Diseases Extramural Research	93.847	-	92,614	University of Delaware	UDR0000076; MOD 2	92,614	-
Diabetes, Digestive, and Kidney Diseases Extramural Research	93.847	-	(6,376)	Fred Hutchinson Cancer Research Center	1078520	(6,376)	-
Diabetes, Digestive, and Kidney Diseases Extramural Research	93.847	-	14,182	University of North Carolina at Chapel Hill	5123902; MOD 2	14,182	-
Diabetes, Digestive, and Kidney Diseases Extramural Research	93.847	-	6,376	Fred Hutchinson Cancer Research Center	1110192	6,376	-
Diabetes, Digestive, and Kidney Diseases Extramural Research	93.847	-	34,704	Fred Hutchinson Cancer Research Center	1154372	34,704	-
Total Assistance Listing 93.847		5,444,945	489,959			5,934,904	1,221,685
Extramural Research Programs in the Neurosciences and Neurological Disorders	93.853	10,859,290	-			10,859,290	1,512,439
Extramural Research Programs in the Neurosciences and Neurological Disorders	93.853	-	1,109	PolyCore Therapeutics LLC	R44NS117201 MOD 2	1,109	-
Extramural Research Programs in the Neurosciences and Neurological Disorders	93.853	-	96,611	University of South Carolina	2000054782 / 10010139; 21-4158	96,611	-
Extramural Research Programs in the Neurosciences and Neurological Disorders	93.853	-	11,000	Lehigh Valley Health Network	HRSA_23_24_012; HTC 150	11,000	-
Extramural Research Programs in the Neurosciences and Neurological Disorders	93.853	-	332,929	University of Louisville	ULRF_20-0750-01; MOD 3	332,929	-
Extramural Research Programs in the Neurosciences and Neurological Disorders	93.853	-	268,535	University of Pennsylvania	582292; MOD 1	268,535	-
Extramural Research Programs in the Neurosciences and Neurological Disorders	93.853	-	271,935	University of Pennsylvania	582292; 59145/02	271,935	-
Extramural Research Programs in the Neurosciences and Neurological Disorders	93.853	-	128,531	The University of Rhode Island	0010302/020624	128,531	-
Extramural Research Programs in the Neurosciences and Neurological Disorders	93.853	-	19,250	Trustees of the University of Pennsylvania	588422; 77612/00	19,250	-
Total Assistance Listing 93.853		10,859,290	1,129,900			11,989,190	1,512,439
Allergy and Infectious Diseases Research	93.855	4,973,649	-			4,973,649	656,409
Allergy and Infectious Diseases Research	93.855	-	461	Lenima Diagnostics, LLC	LFD-20200512	461	-
Allergy and Infectious Diseases Research	93.855	-	69,491	University of Pennsylvania	580768; PO 4956050; MOD 3	69,491	-
Allergy and Infectious Diseases Research	93.855	-	21,765	Temple University	268932-DU; PO # P0700717	21,765	-
Allergy and Infectious Diseases Research	93.855	-	(271)	Temple University	268028-02-DU-WIGDAHL	(271)	-
Allergy and Infectious Diseases Research	93.855	-	260,416	Oregon Health and Science University	1021312; DREXEL; MOD 3	260,416	-
Allergy and Infectious Diseases Research	93.855	-	24,718	University of Pennsylvania	586704; MOD 1	24,718	-
Allergy and Infectious Diseases Research	93.855	-	43,329	University of Pennsylvania	587703 (RIS: 73424/00); MOD 1	43,329	-
Allergy and Infectious Diseases Research	93.855	-	159,578	Temple University	268028-DREXEL-NONNEMACHER MD 3	159,578	-
Allergy and Infectious Diseases Research	93.855	-	319,044	Temple University	268028-04-DREXEL-WIGDAHL	319,044	-
Allergy and Infectious Diseases Research	93.855	-	19,986	University of California, San Francisco	147368c	19,986	-
Allergy and Infectious Diseases Research	93.855	-	21,962	The Rector and Visitors of the University of Virginia	GR102641.SUB00000882	21,962	-
Allergy and Infectious Diseases Research	93.855	-	36,001	Institut Pasteur du Cambodge	NIH003	36,001	-
Total Assistance Listing 93.855		4,973,649	976,480			5,950,129	656,409
Biomedical Research and Research Training	93.859	2,356,715	-			2,356,715	154,175
Biomedical Research and Research Training	93.859	-	11,330	University of Pennsylvania	575434; MOD 4	11,330	-
Biomedical Research and Research Training	93.859	-	13,433	Children's Hospital of Philadelphia	GRT-00001456 / PO 20293787	13,433	-
Biomedical Research and Research Training	93.859	-	105,709	Johns Hopkins University	2005729070; MOD 1	105,709	-
Total Assistance Listing 93.859		2,356,715	130,472			2,487,187	154,175

The accompanying notes are an integral part of the Schedule of Expenditures of Federal Awards.

Drexel University and Subsidiaries

Schedule of Expenditures of Federal Awards

For the Year Ended June 30, 2024

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
Child Health and Human Development Extramural Research	93.865	4,253,224	-			4,253,224	554,464
Child Health and Human Development Extramural Research	93.865	-	(56,618)	Harvard School of Public Health	114205-1138-5097549	(56,618)	-
Child Health and Human Development Extramural Research	93.865	-	(318)	Georgia State University	SP00011626-01, MOD 4	(318)	-
Child Health and Human Development Extramural Research	93.865	-	(18,653)	Harvard School of Public Health	114074.1038.5041141	(18,653)	-
Child Health and Human Development Extramural Research	93.865	-	(34,455)	Harvard T.H. Chan School of Public Health	114205-1238-5077549	(34,455)	-
Child Health and Human Development Extramural Research	93.865	-	(15,440)	Harvard T.H. Chan School of Public Health	114205-1238-5097549	(15,440)	-
Child Health and Human Development Extramural Research	93.865	-	(29,202)	Harvard School of Public Health	114074.1038.5041141	(29,202)	-
Child Health and Human Development Extramural Research	93.865	-	(173)	Harvard School of Public Health	114205-1338-5097549; MOD 1	(173)	-
Child Health and Human Development Extramural Research	93.865	-	(6,677)	Harvard School of Public Health	114205-1438-5097549 ; MOD 02	(6,677)	-
Child Health and Human Development Extramural Research	93.865	-	(18,057)	Harvard School of Public Health	117267-0138-5119102	(18,057)	-
Child Health and Human Development Extramural Research	93.865	-	(14,137)	Harvard School of Public Health	117267-0238-5119102; MOD 1	(14,137)	-
Child Health and Human Development Extramural Research	93.865	-	(2,105)	Harvard School of Public Health	117267-0338-5119102; MOD 1	(2,105)	-
Child Health and Human Development Extramural Research	93.865	-	104,905	Harvard School of Public Health	117267-0138-5119102; MOD 1	104,905	-
Child Health and Human Development Extramural Research	93.865	-	(14,244)	Harvard School of Public Health	114205-1338-5097549;	(14,244)	-
Child Health and Human Development Extramural Research	93.865	-	(148)	Children's Hospital of Philadelphia	3200710000; 962661-RSUB ; MOD4	(148)	-
Child Health and Human Development Extramural Research	93.865	-	(43,333)	Harvard School of Public Health	114205-1538-5097549; 860304;M5	(43,333)	-
Child Health and Human Development Extramural Research	93.865	-	(2,423)	Harvard School of Public Health	114205-1538-5097549; 860326	(2,423)	-
Child Health and Human Development Extramural Research	93.865	-	26,641	Albert Einstein Healthcare Network	618-B4436-SE4971; MOD 1	26,641	-
Child Health and Human Development Extramural Research	93.865	-	(10,020)	Widener University	33376-1	(10,020)	-
Child Health and Human Development Extramural Research	93.865	-	27,018	Icahn School of Medicine at Mount Sinai	0255-C431-4609 MOD 2	27,018	-
Child Health and Human Development Extramural Research	93.865	-	97,633	Temple University	272093-Drexel	97,633	-
Total Assistance Listing 93.865		4,253,224	(9,806)			4,243,418	554,464
Aging Research	93.866	4,350,117	-			4,350,117	953,271
Aging Research	93.866	-	135,911	University of California Los Angeles	1558 G WA117 ; MOD 6	135,911	-
Aging Research	93.866	-	33,251	University of Pennsylvania	575447 ; 10067210 ; 35633/00	33,251	-
Aging Research	93.866	-	(958)	Johns Hopkins University School of Medicine	2004256161 ; MOD 03	(958)	-
Aging Research	93.866	-	128,738	Johns Hopkins University	2004525971; MOD 5	128,738	-
Aging Research	93.866	-	5,249	University of Pennsylvania	580755 MOD 3	5,249	-
Aging Research	93.866	-	79,297	University of Texas Rio Grande Valley	DP-AC0608970 (01), MOD 3	79,297	-
Aging Research	93.866	-	6,474	Gracefall Inc	114205-1538-5097549; 860304;M5	6,474	-
Aging Research	93.866	-	14,238	Villanova University	AWARD DATED 12/16/21, MOD 1	14,238	-
Aging Research	93.866	-	67,637	University of Pennsylvania	530138; MOD 1	67,637	-
Aging Research	93.866	-	24,677	University of Minnesota	577439; MOD 4	24,677	-
Aging Research	93.866	-	43,202	Johns Hopkins University	98556/P010008953; MOD 1	43,202	-
Aging Research	93.866	-	114,490	Brown University	2006084980	114,490	-
Aging Research	93.866	-	40,331	Rush River Research Corporation	00001380; MOD 5	40,331	-
Aging Research	93.866	-	37,417	Plans4Care	RRR23-NIA-Drexel-Chair Award Dated 12/21/2023	37,417	-
Total Assistance Listing 93.866		4,350,117	729,954			5,080,071	953,271
Vision Research	93.867	-	10,000	Wills Eye Hospital	WEH-013178-001	10,000	-
Total Assistance Listing 93.867		-	10,000			10,000	-
HEALTH RESOURCES AND SERVICES ADMINISTRATION							
Autism Collaboration, Accountability, Research, Education, and Support (CARES) Act of 2014	93.877	591,565	-			591,565	206,181
Autism Collaboration, Accountability, Research, Education, and Support (CARES) Act of 2014	93.877	-	238,970	University of California Los Angeles	2000 G YC234; MOD 05	238,970	-
Autism Collaboration, Accountability, Research, Education, and Support (CARES) Act of 2014	93.877	-	490,931	University of California Los Angeles	1557 G YA668; 441356-AK-31656	490,931	-
Autism Collaboration, Accountability, Research, Education, and Support (CARES) Act of 2014	93.877	-	73,531	The Regents of the University of California	1557 G L4490	73,531	-
Total Assistance Listing 93.877		591,565	803,432			1,394,997	206,181
NATIONAL INSTITUTES OF HEALTH							
Medical Library Assistance	93.879	-	84,083	Children's Research Institute	PROJECT ID 30005484-06	84,083	-
Total Assistance Listing 93.879		-	84,083			84,083	-
HEALTH RESOURCES AND SERVICES ADMINISTRATION							
Rural Health Care Services Outreach, Rural Health Network Development and Small Health Care Provider Quality Improvement	93.912	-	(39,189)	Harvard School of Public Health	114205-1438-5097549	(39,189)	-
Total Assistance Listing 93.912		-	(39,189)			(39,189)	-
CENTERS FOR DISEASE CONTROL AND PREVENTION							
HIV Prevention Activities Health Department Based	93.940	-	16,997	Children's Hospital of Philadelphia	GRT-00000486; 20447584, MOD 7	16,997	-
Total Assistance Listing 93.940		-	16,997			16,997	-
HEALTH RESOURCES AND SERVICES ADMINISTRATION							
Maternal and Child Health Services Block Grant to the States	93.994	-	31,076	Pennsylvania Department of Health	4400024510	31,076	-
Total Assistance Listing 93.994		-	31,076			31,076	-

The accompanying notes are an integral part of the Schedule of Expenditures of Federal Awards.

Drexel University and Subsidiaries

Schedule of Expenditures of Federal Awards

For the Year Ended June 30, 2024

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							
International Research and Research Training	93.989	485,933	-			485,933	155,209
Total Assistance Listing 93.989		<u>485,933</u>	<u>-</u>			<u>485,933</u>	<u>155,209</u>
CENTERS FOR DISEASE CONTROL AND PREVENTION							
Autism and Other Developmental Disabilities, Surveillance, Research, and Prevention	93.998	-	203,630	Department of Public Welfare, Bureau of Autism Services	4400024510 ; T10450 : Y1&2	203,630	-
Total Assistance Listing 93.998		<u>-</u>	<u>203,630</u>			<u>203,630</u>	<u>-</u>
Home Assessments for Patients and Families With Special Health Care Needs	93.RD	153	-			153	-
Biophysics of Increasing Fetal Hemoglobin	93.RD	5,454	-			5,454	-
Machine-learning based heterogeneous treatment effect models for prioritizing PSG development	93.RD	84,367	-			84,367	-
Effects Of Cobalt Alloy TJA Implants On Local Tissue And Distant Organs	93.RD	105,270	-			105,270	-
Respiratory Virus Surveillance and COVID-19 Vaccine Effectiveness (VE) in preventing Severe COVID-19, Multisystem Inflammatory Syndrome (MIS-C), and related Complications in US Children.	93.RD	-	8,500	Boston Children's Hospital	GENFD0002272616	8,500	-
Managed Problem Solving for ART Adherence and HIV Care Retention Delivered by Community Health Workers: A Stepped Wedge Hybrid Type II Effectiveness Implementation Trial.	93.RD	-	28,474	University of Pennsylvania	10078044 ; 580811; 71851/01	28,474	-
Monitoring Diversity in SARS-CoV-2 Genomes for Tracking Emerging Variants	93.RD	-	34,031	Children's Hospital of Philadelphia	GRT-00001190/ PO 20269754	34,031	-
Development Of Novel STING Pathway Agonists as Vaccine Adjuvants	93.RD	-	364,397	Oregon Health and Science University	1014432_DREXEL; MOD 7	364,397	-
Total Assistance Listing 93.RD		<u>195,244</u>	<u>435,402</u>			<u>630,646</u>	<u>-</u>
Total Department of Health and Human Services		<u>61,005,001</u>	<u>9,828,498</u>			<u>70,833,499</u>	<u>10,824,692</u>
CORPORATION FOR NATIONAL AND COMMUNITY SERVICE							
Corporation for National and Community Service							
AmeriCorps National Service and Civic Engagement Research Competition 94.026	94.026	3,493	-			3,493	-
Total Assistance Listing 94.026		<u>3,493</u>	<u>-</u>			<u>3,493</u>	<u>-</u>
Total Corporation for National And Community Service		<u>3,493</u>	<u>-</u>			<u>3,493</u>	<u>-</u>
DEPARTMENT OF HOMELAND SECURITY							
FEDERAL EMERGENCY MANAGEMENT AGENCY							
Assistance to Firefighters Grant	97.044	404,237	-			404,237	-
Assistance to Firefighters Grant	97.044	-	496,634	Fire Department Safety Officers Association	EMW-2020-FP-00980; MOD 2	496,634	-
Assistance to Firefighters Grant	97.044	-	11,907	International Association of Fire Fighters	EMW-2019-FP-00096 MOD 1	11,907	-
Total Assistance Listing 97.044		<u>404,237</u>	<u>508,541</u>			<u>912,778</u>	<u>-</u>
Total Department of Homeland Security		<u>404,237</u>	<u>508,541</u>			<u>912,778</u>	<u>-</u>
AGENCY FOR INTERNATIONAL DEVELOPMENT							
AGENCY FOR INTERNATIONAL DEVELOPMENT							
USAID Foreign Assistance for Programs Overseas	98.001	-	85,011	Temple University	269647-DREXEL; MOD 2	85,011	-
Total Assistance Listing 98.001		<u>-</u>	<u>85,011</u>			<u>85,011</u>	<u>-</u>
Total Agency for International Development		<u>-</u>	<u>85,011</u>			<u>85,011</u>	<u>-</u>
TOTAL RESEARCH AND DEVELOPMENT CLUSTER: SNAP CLUSTER		<u>90,455,843</u>	<u>20,125,460</u>			<u>110,581,303</u>	<u>16,590,337</u>
DEPARTMENT OF AGRICULTURE							
FOOD AND NUTRITION SERVICE							
State Administrative Matching Grants for the Supplemental Nutrition Assistance Program	10.561	-	(9,765)	Penn State University	S001658-COP-DRX; MOD 1	(9,765)	-
State Administrative Matching Grants for the Supplemental Nutrition Assistance Program	10.561	-	1,571,212	Penn State University	S003645-COP DRX, MOD 1	1,571,212	-
State Administrative Matching Grants for the Supplemental Nutrition Assistance Program	10.561	-	1,249,689	Penn State University	S004956-COP-DRX	1,249,689	-
Total Assistance Listing 10.561		<u>-</u>	<u>2,811,136</u>			<u>2,811,136</u>	<u>-</u>
Total Department of Agriculture		<u>-</u>	<u>2,811,136</u>			<u>2,811,136</u>	<u>-</u>
TOTAL SUPPLEMENTAL NUTRITION ASSISTANCE PROGRAM CLUSTER		<u>-</u>	<u>2,811,136</u>			<u>2,811,136</u>	<u>-</u>
477 CLUSTER							
DEPARTMENT OF HEALTH AND HUMAN SERVICES							
ADMINISTRATION FOR CHILDREN AND FAMILIES							
Temporary Assistance for Needy Families	93.558	-	278,188	South Central Workforce Investment Board	PY2380003	278,188	-
Temporary Assistance for Needy Families	93.558	-	(3,483)	Philadelphia Works	YO23-031	(3,483)	-
Total Assistance Listing 93.558		<u>-</u>	<u>274,705</u>			<u>274,705</u>	<u>-</u>

The accompanying notes are an integral part of the Schedule of Expenditures of Federal Awards.

Drexel University and Subsidiaries

Schedule of Expenditures of Federal Awards

For the Year Ended June 30, 2024

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
Community Services Block Grant	93.569	-	44,527	City of Philadelphia	2320816	44,527	-
Total Department of Health and Human Services	Total Assistance Listing 93.569	-	44,527			44,527	-
TOTAL TEMPORARY ASSISTANCE FOR NEEDY FAMILIES CLUSTER		-	319,232			319,232	-
ECONOMIC DEVELOPMENT CLUSTER							
DEPARTMENT OF COMMERCE							
ECONOMIC DEVELOPMENT ADMINISTRATION							
Economic Adjustment Assistance	11.307	-	33,711	National League of Cities	AWARD DTD 3/1/2022, 002604817	33,711	-
Economic Adjustment Assistance	11.307	-	32,535	National Council for Community Development, Inc.	Award Dated 3/7/2023	32,535	-
Total Assistance Listing 11.307		-	66,246			66,246	-
TOTAL ECONOMIC DEVELOPMENT CLUSTER		-	66,246			66,246	-
WIOA CLUSTER							
DEPARTMENT OF LABOR							
EMPLOYMENT AND TRAINING ADMINISTRATION							
WIOA Youth Activities	17.259	-	492,371	Philadelphia Works	YO24-017	492,371	-
Total Assistance Listing 17.259		-	492,371			492,371	-
TOTAL WIOA YOUTH ACTIVITIES CLUSTER		-	492,371			492,371	-
HIGHWAY PLANNING AND CONSTRUCTION CLUSTER							
DEPARTMENT OF TRANSPORTATION							
FEDERAL HIGHWAY ADMINISTRATION							
Highway Planning and Construction	20.205	-	73,519	Pennsylvania Department of Transportation	SAP 4400024510 PO43000736224	73,519	-
Total Assistance Listing 20.205		-	73,519			73,519	-
TOTAL HIGHWAY PLANNING AND CONSTRUCTION CLUSTER		-	73,519			73,519	-
DEPARTMENT OF HEALTH AND HUMAN SERVICES							
ADMINISTRATION FOR CHILDREN AND FAMILIES							
Child Care and Development Block Grant	93.575	-	56,137	Public Health Management Corporation	8690062320; MOD 1	56,137	-
Child Care and Development Block Grant	93.575	-	149,700	Public Health Management Corporation	8690062419	149,700	-
Total Assistance Listing 93.575		-	205,837			205,837	-
TOTAL CCDF CLUSTER		-	205,837			205,837	-
OTHER SPONSORED PROJECTS							
DEPARTMENT OF COMMERCE							
NATIONAL OCEANIC AND ATMOSPHERIC ADMINISTRATION							
NOAA Mission-Related Education Awards	11.008	8,516	-			8,516	-
Total Assistance Listing 11.008		8,516	-			8,516	-
Total Department of Commerce		8,516	-			8,516	-
DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT							
COVID-19 PHA Cares COVID-19 Action Response and Educational Services	14.U03	-	78,008	Temple University	267222- DREXEL; 635006; MOD 2	78,008	-
Total Assistance Listing 14.U03		-	78,008			78,008	-
Total Department of Housing and Urban Development		-	78,008			78,008	-
DEPARTMENT OF THE INTERIOR							
NATIONAL PARK SERVICE							
Cooperative Research and Training Programs – Resources of the National Park System	15.945	53,835	-			53,835	-
Total Assistance Listing 15.945		53,835	-			53,835	-
Total Department of the Interior		53,835	-			53,835	-
DEPARTMENT OF JUSTICE							
OFFICE OF JUSTICE PROGRAMS							
Crime Victim Assistance	16.575	-	38,182	Pennsylvania Commission on Crime and Delinquency	2019/2020-VF-05-33170	38,182	-
Crime Victim Assistance	16.575	-	103,666	Pennsylvania Commission on Crime and Delinquency	2020-VF-05-40374 ;2020V2GX0063	103,666	-
Total Assistance Listing 16.575		-	141,848			141,848	-
Total Department of Justice		-	141,848			141,848	-

The accompanying notes are an integral part of the Schedule of Expenditures of Federal Awards.

Drexel University and Subsidiaries

Schedule of Expenditures of Federal Awards

For the Year Ended June 30, 2024

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 STATE							
BUREAU OF EDUCATIONAL AND CULTURAL							
Academic Exchange Programs - Undergraduate Programs	19.009	\$ -	\$ 123,135	International Research & Exchanges Board	FY23-YALI-CL-DRX-05	\$ 123,135	\$ -
Total Assistance Listing 19.009		\$ -	\$ 123,135			\$ 123,135	\$ -
Academic Exchange Programs - Graduate Students	19.400	\$ -	\$ 256,068	Institute of International Education	3000287509	\$ 256,068	\$ -
Academic Exchange Programs - Graduate Students	19.400	\$ -	\$ 41,620	Institute of International Education	3000286040	\$ 41,620	\$ -
Total Assistance Listing 19.400		\$ -	\$ 297,688			\$ 297,688	\$ -
Total Department of State		\$ -	\$ 420,823			\$ 420,823	\$ -
UNITED STATES DEPARTMENT OF TREASURY							
DEPARTMENTAL OFFICES							
COVID-19 CORONAVIRUS STATE AND LOCAL FISCAL RECOVERY FUNDS	21.027	\$ -	\$ 1,738	Commonwealth of Pennsylvania	2022-CL-01-41296	\$ 1,738	\$ -
COVID-19 CORONAVIRUS STATE AND LOCAL FISCAL RECOVERY FUNDS	21.027	\$ -	\$ 95,000	PA Dept of Community & Economic Development	C000086981	\$ 95,000	\$ -
COVID-19 CORONAVIRUS STATE AND LOCAL FISCAL RECOVERY FUNDS	21.027	\$ -	\$ 378,085	Pennsylvania Commission on Crime and Delinquency	2022-CV-VI-39815	\$ 378,085	\$ -
Total Assistance Listing 21.027		\$ -	\$ 474,823			\$ 474,823	\$ -
Total Department of Treasury		\$ -	\$ 474,823			\$ 474,823	\$ -
FEDERAL COMMUNICATIONS COMMISSION							
FEDERAL COMMUNICATIONS COMMISSION							
Affordable Connectivity Outreach Grant Program	32.011	\$ -	\$ 25,000	Technology Learning Collaborative	ORI CONTRACT NO. T10718-01	\$ 25,000	\$ -
Total Assistance Listing 32.011		\$ -	\$ 25,000			\$ 25,000	\$ -
Total Federal Communications Commission		\$ -	\$ 25,000			\$ 25,000	\$ -
NATIONAL AERONAUTICS AND SPACE ADMINISTRATION							
NATIONAL AERONAUTICS AND SPACE ADMINISTRATION							
Science	43.001	\$ -	\$ 7,126	National Space Grant Foundation	NEBP-106	\$ 7,126	\$ -
Total Assistance Listing 43.001		\$ -	\$ 7,126			\$ 7,126	\$ -
Total National Aeronautics and Space Administration		\$ -	\$ 7,126			\$ 7,126	\$ -
INSTITUTE OF MUSEUM AND LIBRARY SERVICES							
THE INSTITUTE OF MUSEUM AND LIBRARY SERVICES							
Museums for America	45.301	\$ 133,771	\$ -			\$ 133,771	\$ -
Total Assistance Listing 45.301		\$ 133,771	\$ -			\$ 133,771	\$ -
National Leadership Grants	45.312	\$ -	\$ 14,165	South Asian American Digital Archive	IMLS-ERS-00001	\$ 14,165	\$ -
Total Assistance Listing 45.312		\$ -	\$ 14,165			\$ 14,165	\$ -
Total Institute of Museum and Library Services		\$ 133,771	\$ 14,165			\$ 147,936	\$ -
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	\$ -	\$ 5,777	University of Pennsylvania	585571; PO 66678/01	\$ 5,777	\$ -
Total Assistance Listing 84.015		\$ -	\$ 5,777			\$ 5,777	\$ -
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	\$ 3,024,795	\$ -			\$ 3,024,795	\$ 1,997,861
Total Assistance Listing 84.215		\$ 3,024,795	\$ -			\$ 3,024,795	\$ 1,997,861
OFFICE OF ELEMENTARY AND SECONDARY EDUCATION							
COVID-19 Higher Education Emergency Relief Fund-American Rescue Plan-ARP-ESSER	84.425U	\$ -	\$ 88,250	Philadelphia School District	3180, MOD 1	\$ 88,250	\$ -
Total Assistance Listing 84.4254U		\$ -	\$ 88,250			\$ 88,250	\$ -
OFFICE OF ELEMENTARY AND SECONDARY EDUCATION							
Supporting Effective Instruction State Grants (formerly Improving Teacher Quality State Grants)	84.367	\$ -	\$ (3,880)	PA Department of Education	4100081325A	\$ (3,880)	\$ -
Supporting Effective Instruction State Grants (formerly Improving Teacher Quality State Grants)	84.367	\$ -	\$ 25,426	School District Of Philadelphia	SC: 586154 RFO: 180; FY21-22	\$ 25,426	\$ -
Total Assistance Listing 84.367		\$ -	\$ 21,546			\$ 21,546	\$ -
Total Department of Education		\$ 3,024,795	\$ 116,373			\$ 3,140,368	\$ 1,997,861
NATIONAL ARCHIVES AND RECORDS ADMINISTRATION							
NATIONAL ARCHIVES AND RECORDS ADMINISTRATION							
National Historical Publications and Records Grants	89.003	\$ 21,529	\$ -			\$ 21,529	\$ -
Total Assistance Listing 89.003		\$ 21,529	\$ -			\$ 21,529	\$ -
Total National Archives and Records Administration		\$ 21,529	\$ -			\$ 21,529	\$ -

The accompanying notes are an integral part of the Schedule of Expenditures of Federal Awards.

Drexel University and Subsidiaries

Schedule of Expenditures of Federal Awards

For the Year Ended June 30, 2024

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 HEALTH AND HUMAN SERVICES							
HEALTH RESOURCES AND SERVICES ADMINISTRATION							
CENTERS FOR DISEASE CONTROL AND PREVENTION							
Prevention of Disease, Disability, and Death by Infectious Diseases	93.084	-	(184)	City of Philadelphia	1720467-04.05.06; 2120491-01	(184)	-
Total Assistance Listing 93.084		-	(184)			(184)	-
Maternal and Child Health Federal Consolidated Programs	93.110	86,139	-	Lehigh Valley Health Network	HTC 150; HRSA_24_25_005	86,139	-
Maternal and Child Health Federal Consolidated Programs	93.110	-	444			444	-
Total Assistance Listing 93.110		86,139	444			86,583	-
Coordinated Services and Access to Research for Women, Infants, Children, and Youth	93.153	480,945	-			480,945	-
Total Assistance Listing 93.153		480,945	-			480,945	-
OFFICE OF ASSISTANT SECRETARY FOR HEALTH							
Family Planning Services	93.217	326,577	-			326,577	-
Family Planning Services	93.217	-	(955)	Access Matters	CONTRACT# 212501	(955)	-
Family Planning Services	93.217	-	523	Access Matters	212501-1 MOD 2	523	-
Family Planning Services	93.217	-	23,600	Access Matters	CONTRACT #232501	23,600	-
Total Assistance Listing 93.217		326,577	23,168			349,745	-
SUBSTANCE ABUSE AND MENTAL HEALTH SERVICES ADMINISTRATION							
Substance Abuse and Mental Health Services Projects of Regional and National Significance	93.243	2,513,278	-			2,513,278	97,792
Substance Abuse and Mental Health Services Projects of Regional and National Significance	93.243	-	(3,322)	Pennsylvania Department of Human Services	239630 GRANT# H79SM082107	(3,322)	-
Substance Abuse and Mental Health Services Projects of Regional and National Significance	93.243	-	38,590	Pennsylvania Department of Human Services	5 H79 SM083371-02	38,590	-
Substance Abuse and Mental Health Services Projects of Regional and National Significance	93.243	-	30,643	Access Matters	SAM2102 & SAM2202; Y4	30,643	-
Total Assistance Listing 93.243		2,513,278	65,911			2,579,189	97,792
CENTERS FOR DISEASE CONTROL AND PREVENTION							
Viral Hepatitis Prevention and Control	93.270	-	5,934	Hepatitis B Foundation	ORI CONTRACT NO. T10580	5,934	-
Viral Hepatitis Prevention and Control	93.270	-	45,567	City of Philadelphia- Department of Public Health	2420130 - 01 ; 11507 10579-01	45,567	-
Total Assistance Listing 93.270		-	51,501			51,501	-
HEALTH RESOURCES AND SERVICES ADMINISTRATION							
Public Health Training Centers Program	93.516	-	104,404	University of Pittsburgh	AWD00005917;137851-2;139299-2	104,404	-
Total Assistance Listing 93.516		-	104,404			104,404	-
Ending the HIV Epidemic: A Plan for America – Ryan White HIV/AIDS Program Parts A and B	93.686	-	(1,221)	City of Philadelphia - Aids Activities Coordinating Office	CONTRACT 2320567 EH2030	(1,221)	-
Total Assistance Listing 93.686		-	(1,221)			(1,221)	-
HEALTH RESOURCES AND SERVICES ADMINISTRATION							
HIV Emergency Relief Project Grants	93.914	-	718	City of Philadelphia - Aids Activities Coordinating Office	RM1811;1820528-03	718	-
HIV Emergency Relief Project Grants	93.914	-	(2,342)	City of Philadelphia - Aids Activities Coordinating Office	2220592; RM4811	(2,342)	-
HIV Emergency Relief Project Grants	93.914	-	1,300,874	City of Philadelphia - Aids Activities Coordinating Office	2220951-1 RS3875 RW3213 RW3212	1,300,874	-
HIV Emergency Relief Project Grants	93.914	-	291,733	City of Philadelphia - Aids Activities Coordinating Office	2220592 RM3812 RM3811 RM3220	291,733	-
HIV Emergency Relief Project Grants	93.914	-	61,509	City of Philadelphia - Aids Activities Coordinating Office	2220591-02; RM4811	61,509	-
HIV Emergency Relief Project Grants	93.914	-	49,901	City of Philadelphia - Aids Activities Coordinating Office	2220591-02; RW4812	49,901	-
HIV Emergency Relief Project Grants	93.914	-	262,666	City of Philadelphia - Aids Activities Coordinating Office	2220591-02; RW4212	262,666	-
HIV Emergency Relief Project Grants	93.914	-	93,218	City of Philadelphia - Aids Activities Coordinating Office	2220591-02; RW4213	93,218	-
HIV Emergency Relief Project Grants	93.914	-	18,452	City of Philadelphia - Aids Activities Coordinating Office	2220591-02; RS4875	18,452	-
HIV Emergency Relief Project Grants	93.914	-	9,684	City of Philadelphia - Aids Activities Coordinating Office	2220592-02 ; RM4220	9,684	-
Total Assistance Listing 93.914		-	2,086,413			2,086,413	-
HIV Care Formula Grants	93.917	-	73,583	Jewish Healthcare Foundation	2324-5142; MOD 1	73,583	-
HIV Care Formula Grants	93.917	-	66,931	Jewish Healthcare Foundation	2223-5142	66,931	-
Total Assistance Listing 93.917		-	140,514			140,514	-
Grants to Provide Outpatient Early Intervention Services with Respect to HIV Disease	93.918	1,168,183	-			1,168,183	76,725
Total Assistance Listing 93.918		1,168,183	-			1,168,183	76,725
CENTERS FOR DISEASE CONTROL AND PREVENTION							
HIV Prevention Activities Health Department Based	93.940	-	70,000	City of Philadelphia - Aids Activities Coordinating Office	2220533 CP3015	70,000	-
HIV Prevention Activities Health Department Based	93.940	-	22,917	City of Philadelphia - Aids Activities Coordinating Office	2220533-02; CP4015	22,917	-
Total Assistance Listing 93.940		-	92,917			92,917	-

The accompanying notes are an integral part of the Schedule of Expenditures of Federal Awards.

Drexel University and Subsidiaries

Schedule of Expenditures of Federal Awards

For the Year Ended June 30, 2024

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 ADMINISTRATION							
Block Grants for Prevention and Treatment of Substance Abuse	93-959	\$ -	41,959	Penneylvania Department of Drug and Alcohol Programs	430074451:4400024510	\$ 41,959	\$ -
Block Grants for Prevention and Treatment of Substance Abuse	93-959		110,178	City of Philadelphia - Office of Addiction Services	2320890	110,178	-
Block Grants for Prevention and Treatment of Substance Abuse	93-959		139,319	City of Philadelphia - Office of Addiction Services	2320890-01	139,319	-
Block Grants for Prevention and Treatment of Substance Abuse	93-959		75,053	Penneylvania Department of Drug and Alcohol Programs	Contract# 4400024510 / T10318	75,053	-
Block Grants for Prevention and Treatment of Substance Abuse	93-959		18,874	City of Philadelphia - Office of Addiction Services	ADV DTED 10/10/2022 1920259	18,874	-
Total Assistance Listing 93-959		\$ -	\$ 385,383			\$ 385,383	\$ -
APAL2020SC: Pediatric Acute Leukemia (PeDAL) Screening Trial Developing New Therapies for Relapsed Leukemias	93.RD	\$ -	708	Public Health Institute	AR14702	\$ 708	\$ -
Total Assistance Listing 93.RD		\$ -	\$ 708			\$ 708	\$ -
Total Department of Health and Human Services		\$ 4,575,122	\$ 2,949,958			\$ 7,525,080	\$ 174,517
CORPORATION FOR NATIONAL AND COMMUNITY SERVICES							
Corporation for National and Community Service							
AmeriCorps State and National 94.006	94.006	\$ -	156,366	PA Dept of Labor and Industry	4100093439	\$ 156,366	\$ -
AmeriCorps State and National 94.006	94.006		212,367	PA Dept of Labor and Industry	SAP 117558	212,367	-
Total Assistance Listing 94.006		\$ -	\$ 368,733			\$ 368,733	\$ -
AmeriCorps National Service and Civic Engagement Research Competition 94.026	94.026	\$ 369,627	\$ -			\$ 369,627	\$ -
Total Assistance Listing 94.026		\$ 369,627	\$ -			\$ 369,627	\$ -
Total Corporation for National and Community Service		\$ 369,627	\$ 368,733			\$ 738,360	\$ -
DEPARTMENT OF HOMELAND SECURITY							
Federal Emergency Management Agency							
Assistance to Firefighters Grant	97.044	\$ -	205,534	International Association of Fire Fighters	DREXEL ORI CONTRACT NO. T9814	\$ 205,534	\$ -
Total Assistance Listing 97.044		\$ -	\$ 205,534			\$ 205,534	\$ -
Total Department of Homeland Security		\$ -	\$ 205,534			\$ 205,534	\$ -
AGENCY FOR INTERNATIONAL DEVELOPMENT							
AGENCY FOR INTERNATIONAL DEVELOPMENT							
USAID Foreign Assistance for Programs Overseas	98.001	\$ -	12,488	21st Century Partnership for STEM Education	21PSTEM 72026318C0003-009	\$ 12,488	\$ -
Total Assistance Listing 98.001		\$ -	\$ 12,488			\$ 12,488	\$ -
Total Agency for International Development		\$ -	\$ 12,488			\$ 12,488	\$ -
TOTAL OTHER SPONSORED PROJECTS		\$ 8,187,195	\$ 4,814,079			\$ 13,001,274	\$ 2,172,378
STUDENT FINANCIAL AID CLUSTER							
OFFICE OF POSTSECONDARY EDUCATION							
Overseas Programs - Doctoral Dissertation Research Abroad	84.022	\$ 9,299	\$ -			\$ 9,299	\$ -
Total Assistance Listing 84.022		\$ 9,299	\$ -			\$ 9,299	\$ -
DEPARTMENT OF EDUCATION							
Federal Work-Study Program							
Federal Work-Study Program	84.033	\$ 2,317,224	\$ -			\$ 2,317,224	\$ -
Total Assistance Listing 84.033		\$ 2,317,224	\$ -			\$ 2,317,224	\$ -
Federal Perkins Loan Program Outstanding loans as of July 1, 2023	84.038	\$ 7,169,349	\$ -			\$ 7,169,349	\$ -
Total Assistance Listing 84.038		\$ 7,169,349	\$ -			\$ 7,169,349	\$ -
Federal Pell Grant Program	84.063	\$ 20,776,110	\$ -			\$ 20,776,110	\$ -
Total Assistance Listing 84.063		\$ 20,776,110	\$ -			\$ 20,776,110	\$ -
Federal Direct Student Loans	84.268	\$ 246,366,745	\$ -			\$ 246,366,745	\$ -
Total Assistance Listing 84.268		\$ 246,366,745	\$ -			\$ 246,366,745	\$ -
Teacher Education Assistance for College and Higher Education Grants (TEACH Grants)	84.379	\$ 7,782	\$ -			\$ 7,782	\$ -
Total Assistance Listing 84.379		\$ 7,782	\$ -			\$ 7,782	\$ -
Total Department of Education		\$ 276,640,509	\$ -			\$ 276,640,509	\$ -
TOTAL STUDENT FINANCIAL AID CLUSTER		\$ 276,640,509	\$ -			\$ 276,640,509	\$ -
TOTAL FEDERAL AWARD EXPENDITURES		\$ 375,483,647	\$ 28,907,880			\$ 404,191,427	\$ 18,764,715

The accompanying notes are an integral part of the Schedule of Expenditures of Federal Awards.

Drexel University and Subsidiaries
Notes to the Schedule of Expenditures of Federal Awards
For the Year Ended June 30, 2024

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, 2024. 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 program:

	Assistance Listing Number	Loan Receivable as of June 30, 2024
Federal Perkins Loan Program	84.038	\$ 4,278,613

Drexel University accounts for the Perkins loan program in a separate revolving loan fund. As such, the balance and transactions of this loan program is 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, 2024. The amount of Perkins loan principal cancelled during the year was \$36,341 (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, 2024, 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 28, 2024.

Report on Internal Control Over Financial Reporting

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

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control such that there is a reasonable possibility that a material misstatement of the entity's 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.

PricewaterhouseCoopers LLP

Philadelphia, PA
October 28, 2024



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, 2024. 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, 2024.

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 Matters

The results of our auditing procedures disclosed instances of noncompliance, which are required to be reported in accordance with the Uniform Guidance and which are described in the accompanying schedule of findings and questioned costs as items 2024-001 and 2024-002. Our opinion on each major federal program is not modified with respect to these matters.

Government Auditing Standards requires the auditor to perform limited procedures on the University's response to the noncompliance findings identified in our audit described in the accompanying schedule of findings and questioned costs. The University's response was not subjected to the other auditing procedures applied in the audit of compliance and, accordingly, we express no opinion on the response.

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.

Priscilla Thomas Gopers LLP

Philadelphia, PA
December 16, 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, 2024

Section I - Summary of Auditor's Results

Consolidated Financial Statements

- (i) Type of auditor's report issued Unmodified Opinion
- (ii) Internal control over financial reporting:
 Material weakness(es) identified? _____ yes no
 Significant deficiency(ies) identified that are
 not considered to be material weaknesses? _____ yes none reported
- (iii) Noncompliance material to financial statements noted? _____ yes no

Federal Awards

- (iv) Internal control over major programs:
 Material weakness(es) identified? _____ yes no
 Significant deficiency(ies) identified that are
 not considered to be material weaknesses? _____ yes none reported

- (v) Type of auditor's report issued on compliance
 for major programs: Unmodified Opinion

- (vi) Any audit findings disclosed that are required to be
 reported in accordance with 2 CFR 200.516(a)? __ __ yes __ no

- (vii) Identification of major programs:
Assistance Listing Number(s) **Name of Federal Program or Cluster**
 Various Research & Development Cluster
 84.215 Innovative Approaches to Literacy; Promise
 Neighborhoods; Full-Service Community
 Schools; and Congressionally Directed Spending
 for Elementary and Secondary Education
 Community Projects
 10.561 State Administrative Matching Grants for the
 Supplemental Nutrition Assistance Program

- (viii) Dollar threshold used to distinguish between
 Type A and Type B programs: \$ 3,000,000

- (ix) Auditee qualified as low risk auditee? yes _____ no

Section II - Financial Statement Findings

None noted

Drexel University and Subsidiaries

Schedule of Audit Findings and Questioned Costs

For the Year Ended June 30, 2024

Section III - Federal Awards Findings and Questioned Costs

2024-001 Completeness of Supplemental Nutrition Assistance Program (SNAP) Cluster expenditures reported on FY2023 Schedule of Expenditures of Federal Awards (SEFA)

Cluster: SNAP Cluster

Federal Granting Agency: Department of Agriculture- Food & Nutrition Service

Award Name: Pennsylvania Nutrition Education SNAP-Ed – FY 2023

Award Year: FY2023

Assistance Listing #: 10.561

Award Numbers: 4100088743

Criteria

2 CFR 200.510 (b) requires an entity to prepare a Schedule of Expenditures of Federal Awards (SEFA) for the period covered by the auditee's financial statements. The schedule must include the total Federal awards expended as determined in accordance with 2 CFR 200.502 (a), which states that determination of when a Federal award is expended must be based on when the activity related to the Federal award occurs.

Condition

During the FY2024 Uniform Guidance audit, we noted that there were \$1.2 million of funds from this program that had underlying transaction dates from FY2023. These expenditures were not reported on the FY2023 SEFA but rather were included in the FY2024 SEFA. The omission in the prior year did not result in a change to the major program determination for the 2023 or 2024 audits.

Cause

In April 2023, Drexel received a subaward for the SNAP Cluster and a new active fund account was created in the accounting system to track expenses after the subaward was signed. This was set up as a new active award in the system, however there was already an existing advance fund account set up in pre-award status prior to the subaward being executed. The FY2023 expenditures were recorded in pre-award fund account and not the new active fund account. Management included the new active fund account in the population for FY2023 SEFA reporting which had no expenditures and excluded the pre-award fund account with the \$1.2 million of charges. This accounting for the FY2023 expenditures was corrected in July 2023 (FY2024) but not in time for SEFA reporting purposes.

Effect

FY2023 SEFA expenditures for the SNAP cluster were understated by \$1.2 million. This amount has been reported in the FY2024 SEFA.

Questioned Costs

None

Recommendation

Management should enhance the control in place to perform a more precise review of award status and other reconciling items when preparing and reviewing the SEFA reconciliation to the financial statements.

Management's View and Corrective Action Plan

Management agrees with the finding. Refer to the Management Corrective Action Plan on page 81.

Drexel University and Subsidiaries

Schedule of Audit Findings and Questioned Costs

For the Year Ended June 30,2024

2024-002 Equipment and Real Property Management

Cluster: Research & Development Cluster

Federal Granting Agency: Various

Award Name: Various

Award Year: FY2024

Assistance Listing #: Various

Award Numbers: Various

Criteria

2 CFR 200.313 (d) contains equipment management requirements which include a physical inventory of research funded property and reconciliation with the property records at least once every two years.

Condition

A physical inventory of the research funded property must be conducted and the results must be reconciled with the property records at least once every two years. The last physical inventory was conducted in FY2022.

Cause

Management did not perform the physical inventory in FY2023 or FY2024 of the research funded property due to timing constraints. Management's process includes other procedures such as an internal fixed asset confirmation over equipment and real property, however such procedures are not comprehensive or at a sufficient level of detail to meet the compliance requirement.

Effect

Not performing the physical inventory could result in an inaccurate record of assets purchased with federal funds.

Questioned Costs

None

Recommendation

Management should ensure the physical inventory is scheduled early in the two year cycle to ensure completeness within the required two year timeframe.

Management's View and Corrective Action Plan

Management agrees with the finding. Refer to the Management Corrective Action Plan on page 81.

Drexel University and Subsidiaries
Summary Schedule of Prior Audit Findings and Status
For the Year Ended June 30,2024

Section III: Summary Schedule of Prior Audit Findings and Status

No prior audit findings that require an update in this report.



Management’s Corrective Action Plan:

2024-001 Completeness of Supplemental Nutrition Assistance Program (SNAP) Cluster expenditures reported on FY2023 Schedule of Expenditures of Federal Awards (SEFA)

Cluster: SNAP Cluster
Federal Granting Agency: Department of Agriculture- Food & Nutrition Service
Award Name: Pennsylvania Nutrition Education SNAP-Ed – FY 2023
Award Year: FY2023
Assistance Listing #: 10.561
Award Numbers: 4100088743

A review and training of the award set up process is being conducted to ensure all team members in Office of Sponsored Programs (OSP) follow the correct procedures for moving an advance fund number into a fully executed award. Implementation of a new electronic research administration system, Novelution, is currently underway. Internal controls will be incorporated into this system to track advance awards and their conversion into fully executed awards. This control will improve tracking and communication via systems to avoid the duplication of fund numbers for the same award.

On a quarterly basis, Research Accounting Services (RAS) will send reports of advance funds to OSP to follow up on the status. RAS is also incorporating additional reviews during the SEFA preparation process. They will review advance funds to check with OSP to see if the fully executed agreements have been received from the sponsor and if any updates are needed. Novelution will also be a more robust system that will provide full grants management for agreements in order to provide more transparency across central units that will minimize these types of errors from occurring in the future. This is expected to be completed prior to the close of FY2025.

2024-002 Equipment and Real Property Management

Cluster: Research & Development Cluster
Federal Granting Agency: Various
Award Name: Various
Award Year: FY2024
Assistance Listing #: Various
Award Numbers: Various

Management agrees with the recommendation and has already contracted with an asset appraiser to physically inventory the research funded assets. We are also planning to do a full physical inventory of all property in the Spring of 2026 as part of our Facilities and Administrative Rate proposal base year activities. This is expected to be completed prior to the close of FY2025.

DocuSigned by:
Patricia Dalessandro
36C8BDBEE55C418...
Patricia J. Dalessandro
Associate Vice President and Comptroller
215-571-4478

December 16, 2024 | 08:51 PST
Date

DocuSigned by:
Evelyn Balabis
D54AF282CBB340E
Evelyn Balabis
Executive Director- Research Accounting Services
215-895-2946

December 16, 2024 | 09:19 MST
Date