



UNIVERSITY OF DELAWARE

Consolidated Financial Statements and
Information on Federal Awards

June 30, 2020

(With Independent Auditors' Reports Thereon)

UNIVERSITY OF DELAWARE

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KPMG LLP
1601 Market Street
Philadelphia, PA 19103-2499

Independent Auditors' Report

The Board of Trustees
University of Delaware:

Report on the Financial Statements

We have audited the accompanying consolidated financial statements of University of Delaware and its subsidiaries (the University), which comprise the consolidated balance sheets as of June 30, 2020 and 2019, and the related consolidated statements of activities, functional expenses and cash flows for the years then ended, and the related notes to the consolidated financial statements.

Management's Responsibility for the Financial Statements

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

Auditors' Responsibility

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

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

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

Opinion

In our opinion, the consolidated financial statements referred to above present fairly, in all material respects, the consolidated financial position of University of Delaware and its subsidiaries as of June 30, 2020 and 2019, and the changes in their net assets, their functional expenses, and their cash flows for the years then ended in accordance with U.S. generally accepted accounting principles.



Emphasis of Matter

As discussed in Note 1(n) to the consolidated financial statements, in 2020, the University adopted Accounting Standards Update ASU 2016-19 *Statement of Cash Flows (Topic 230): Restricted Cash*. Our opinion is not modified with respect to this matter.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated November 9, 2020 on our consideration of the University's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the University's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the University's internal control over financial reporting and compliance.

KPMG LLP

Philadelphia, Pennsylvania
November 9, 2020

UNIVERSITY OF DELAWARE

Consolidated Balance Sheets

June 30, 2020 and 2019

(Dollars in thousands)

Assets	2020	2019
Cash and cash equivalents	\$ 129,701	111,398
Operating investments	161,593	177,487
Total cash, cash equivalents and operating investments	291,294	288,885
Restricted deposits	81,568	209,516
Accounts and notes receivable, net	41,543	40,865
Prepaid expenses and inventories	2,334	1,621
Contributions receivable, net	43,237	49,517
Student loan receivables, net	8,252	10,419
Investments	1,623,458	1,655,963
Funds held in trust by others	76,836	78,655
Property, plant, and equipment, net	1,837,581	1,706,809
Total assets	<u>\$ 4,006,103</u>	<u>4,042,250</u>
Liabilities and Net Assets		
Liabilities:		
Accounts payable and accrued liabilities	\$ 148,918	125,653
Deferred revenue and student deposits	46,316	36,750
Long-term debt and capital leases	709,343	718,624
Postemployment benefit obligations	569,657	505,986
Other liabilities	88,694	82,912
Total liabilities	<u>1,562,928</u>	<u>1,469,925</u>
Net assets:		
Without donor restrictions	1,246,616	1,365,974
With donor restrictions	1,196,559	1,206,351
Total net assets	<u>2,443,175</u>	<u>2,572,325</u>
Total liabilities and net assets	<u>\$ 4,006,103</u>	<u>4,042,250</u>

See accompanying notes to consolidated financial statements.

UNIVERSITY OF DELAWARE

Consolidated Statements of Activities

Years ended June 30, 2020 and 2019

(Dollars in thousands)

	<u>2020</u>	<u>2019</u>
Changes in net assets without donor restrictions:		
Operating revenues:		
Tuition and fees, net of scholarships and fellowships (\$192,213 in 2020 and \$185,078 in 2019)	\$ 457,838	455,052
Auxiliary services revenue	94,097	137,576
Grants, contracts, and other exchange transactions	214,147	201,657
State operating appropriations	125,314	122,320
Contributions	9,848	9,868
Endowment distributions	52,215	51,877
Other investment income	20,824	26,782
Other revenue	42,915	45,889
Net assets released from restrictions	<u>14,551</u>	<u>18,373</u>
Total operating revenues	<u>1,031,749</u>	<u>1,069,394</u>
Operating expenses:		
Salaries and wages	520,831	492,916
Benefits	177,369	170,752
Postemployment	<u>14,829</u>	<u>13,825</u>
Total compensation	713,029	677,493
Supplies, materials and purchased services	232,543	249,715
Travel	24,918	30,918
Depreciation and amortization	81,353	76,332
Interest	<u>22,478</u>	<u>28,772</u>
Total operating expenses before (gain) loss on disposals and write-offs	<u>1,074,321</u>	<u>1,063,230</u>
Change in net assets from operating activities before (gain) loss on disposals and write-offs	<u>(42,572)</u>	<u>6,164</u>
Gain (loss) on disposals and write-offs	<u>(2,968)</u>	<u>22,659</u>
Total operating expenses	<u>1,071,353</u>	<u>1,085,889</u>
Change in net assets from operating activities	<u>(39,604)</u>	<u>(16,495)</u>
Other changes in net assets without donor restrictions:		
Investment return (less than) in excess of endowment distributions	(8,940)	19,726
Contributions	2,220	1,465
Postemployment costs other than service costs	(19,184)	(22,258)
Other changes in postemployment benefit obligations	(48,608)	10,166
Other, net	(12,310)	(2,658)
Net assets released from restrictions	<u>7,068</u>	<u>3,366</u>
Other changes in net assets without donor restrictions	<u>(79,754)</u>	<u>9,807</u>
Total changes in net assets without donor restrictions	<u>(119,358)</u>	<u>(6,688)</u>
Changes in net assets with donor restrictions:		
Investment return (less than) in excess of endowment distributions	(20,542)	27,220
Contributions	29,344	56,533
State capital appropriations	1,197	187
Other, net	1,828	5,032
Net assets released from restrictions	<u>(21,619)</u>	<u>(21,739)</u>
Total changes in net assets with donor restrictions	<u>(9,792)</u>	<u>67,233</u>
Total changes in net assets	<u>(129,150)</u>	<u>60,545</u>
Net assets at beginning of year	<u>2,572,325</u>	<u>2,511,780</u>
Net assets at end of year	\$ <u><u>2,443,175</u></u>	\$ <u><u>2,572,325</u></u>

See accompanying notes to consolidated financial statements.

UNIVERSITY OF DELAWARE

Consolidated Statement of Functional Expenses

Year ended June 30, 2020

(Dollars in thousands)

	Instruction and departmental research	Sponsored research	Extension and public service	Academic support	Student services	Student aid	Auxiliary enterprises	General institutional support	Total
Operating expenses:									
Expenses:									
Salaries and wages	\$ 282,201	73,589	27,812	42,293	20,731	3,571	9,486	61,148	520,831
Benefits	92,946	21,751	9,630	17,034	7,271	(54)	3,558	25,233	177,369
Postemployment benefits	10,076	1,159	594	1,006	380	—	181	1,433	14,829
Total compensation	385,223	96,499	38,036	60,333	28,382	3,517	13,225	87,814	713,029
Supplies, materials and purchased services	57,654	58,667	11,329	11,787	11,971	3,031	56,424	21,680	232,543
Travel	16,807	2,824	1,325	1,206	1,181	53	156	1,366	24,918
Depreciation and amortization	27,690	14,923	1,108	12,916	2,539	—	16,673	5,504	81,353
Interest	9,778	583	—	—	—	—	12,117	—	22,478
Total operating expenses before loss (gain) on disposals and write-offs	497,152	173,496	51,798	86,242	44,073	6,601	98,595	116,364	1,074,321
Loss (gain) on disposals and write-offs	1,605	280	57	23	18	—	(5,019)	68	(2,968)
Total operating expenses	498,757	173,776	51,855	86,265	44,091	6,601	93,576	116,432	1,071,353
Other changes in net assets without donor restrictions:									
Postemployment other than service costs	13,742	1,327	680	1,152	435	—	207	1,641	19,184
Total functional expenses 2020	\$ 512,499	175,103	52,535	87,417	44,526	6,601	93,783	118,073	1,090,537

See accompanying notes to consolidated financial statements.

UNIVERSITY OF DELAWARE

Consolidated Statement of Functional Expenses

Year ended June 30, 2019

(Dollars in thousands)

	Instruction and departmental research	Sponsored research	Extension and public service	Academic support	Student services	Student aid	Auxiliary enterprises	General institutional support	Total
Operating expenses:									
Expenses:									
Salaries and wages	\$ 265,690	68,771	27,526	40,306	20,140	4,390	9,412	56,681	492,916
Benefits	89,560	19,400	8,082	16,771	7,305	(79)	3,792	25,921	170,752
Postemployment benefits	9,329	1,230	552	935	340	—	173	1,266	13,825
Total compensation	364,579	89,401	36,160	58,012	27,785	4,311	13,377	83,868	677,493
Supplies, materials and purchased services	64,000	47,653	12,920	12,405	12,087	3,238	70,702	26,710	249,715
Travel	19,645	3,728	1,783	1,785	1,547	156	145	2,129	30,918
Depreciation and amortization	26,190	14,026	1,182	12,500	2,338	—	14,939	5,157	76,332
Interest	11,696	776	—	—	22	—	16,248	30	28,772
Total operating expenses before loss on disposals and write-offs	486,110	155,584	52,045	84,702	43,779	7,705	115,411	117,894	1,063,230
Loss on disposals and write-offs	3,486	1,128	38	—	—	—	18,007	—	22,659
Total operating expenses	489,596	156,712	52,083	84,702	43,779	7,705	133,418	117,894	1,085,889
Other changes in net assets without donor restrictions:									
Postemployment other than service costs	15,638	1,812	813	1,377	500	—	254	1,864	22,258
Total functional expenses 2019	\$ 505,234	158,524	52,896	86,079	44,279	7,705	133,672	119,758	1,108,147

See accompanying notes to consolidated financial statements.

UNIVERSITY OF DELAWARE
Consolidated Statements of Cash Flows
Years ended June 30, 2020 and 2019
(Dollars in thousands)

	<u>2020</u>	<u>2019</u>
Cash flows from operating activities:		
Change in net assets	\$ (129,150)	60,545
Adjustments to reconcile change in net assets to net cash provided by operating activities:		
Change in postemployment benefit obligations and other nonoperating activities	71,303	14,188
Net realized and unrealized gains	(21,962)	(96,408)
Change in fair value of swap	9,691	10,529
Gifts of equipment	(1,194)	(1,235)
State capital appropriations	(1,197)	(187)
Contributions restricted for endowment and capital	(17,166)	(41,983)
Endowment income restricted for reinvestment	(373)	(281)
Depreciation, amortization, and loss on disposals	85,238	98,663
Changes in operating assets and liabilities:		
Accounts and notes receivable, net	(678)	495
Prepaid expenses and inventories	(713)	353
Contributions receivable, net	548	3,850
Accounts payable, accrued and other liabilities	22,359	10,888
Deferred revenue and students deposits	9,566	7,824
Postemployment benefit obligations	(4,121)	(3,909)
Net cash provided by operating activities	<u>22,151</u>	<u>63,332</u>
Cash flows from investing activities:		
Proceeds from sales and maturities of investments	1,534,000	1,739,372
Purchases of investments	(1,461,820)	(1,553,250)
Acquisitions of property, plant, and equipment	(182,743)	(185,898)
Acquisitions of equipment and library materials	(33,530)	(40,419)
Disbursements of loans to students	(183)	(256)
Repayments of loans by students	2,350	2,035
Net cash used in investing activities	<u>(141,926)</u>	<u>(38,416)</u>
Cash flows from financing activities:		
Repayments of principal on long-term debt and capital leases	(17,223)	(16,776)
Refinancing of long-term debt	(59,053)	(132,345)
Net proceeds from issuance of long-term debt	64,941	135,788
State capital appropriations	1,197	187
Endowment income restricted for reinvestment	373	281
Contributions restricted for endowment and capital	22,898	23,860
(Repayments) advances from federal government for student loans	(3,003)	170
Change in restricted deposits	126,646	(8,660)
Net cash provided by financing activities	<u>136,776</u>	<u>2,505</u>
Net increase in cash and cash equivalents	17,001	27,421
Cash, cash equivalents and restricted cash, beginning of year	<u>115,652</u>	<u>88,231</u>
Cash, cash equivalents and restricted cash, end of year	<u>\$ 132,653</u>	<u>115,652</u>
Supplemental disclosure of cash flow information:		
Interest paid, net of amounts capitalized	\$ 29,808	31,926
Construction – accounts payable	33,741	37,777
Property additions through capital leases	—	325

See accompanying notes to consolidated financial statements.

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Notes to Consolidated Financial Statements

June 30, 2020 and 2019

(1) Summary of Significant Accounting Policies

(a) Description of Operations

The University of Delaware (the University), a privately chartered university with public support, is a doctoral/research institution-extensive, land-grant, sea-grant, space-grant, and urban-grant institution. The University, with origins in 1743, was chartered by the State of Delaware (the State) in 1833. A Women's College was opened in 1914, and in 1945, the University became permanently coeducational. The main campus is located in Newark, Delaware, a suburban community of 34,500 situated midway between Philadelphia and Baltimore. Courses are also offered at other locations throughout the State, including Wilmington, Lewes, Dover, Milford, and Georgetown.

The University receives an annual operating and capital appropriation from the State of Delaware. The University also participates in certain benefit plans of the State (note 12).

The significant accounting principles and practices followed by the University are presented below to assist the reader in analyzing the consolidated financial statements and accompanying notes.

(b) Basis of Presentation and Consolidation

The consolidated financial statements include the accounts of the various academic and support divisions and other affiliated entities, including 1743 Holdings, LLC; Blue Hen Wind, Inc.; and Blue Hen Hotel LLC, controlled by the University. 1743 Holdings, LLC was created as a wholly owned subsidiary of the University for the purpose of purchasing and managing a 272-acre site, which is contiguous to the University's 968-acre Newark campus. Blue Hen Wind, Inc. operates a wind turbine adjacent to the University's Hugh R. Sharp campus in Lewes. Blue Hen Hotel LLC is a limited liability company originally formed on May 4, 2001. It was formed for the sole purpose of developing, managing, and operating a 125-room Courtyard Marriott Hotel adjacent to the Clayton Hall Conference Facility located in Newark, Delaware and owned by the University. All significant inter-entity activities and balances are eliminated for financial reporting purposes.

Accordingly, net assets of the University and changes therein are classified and reported as follows:

- Net assets without donor restrictions – Net assets that are not subject to donor imposed stipulations. Net assets without donor restrictions may be designated by the Board of Trustees for specific or general purposes.
- Net assets with donor restrictions – Net assets subject to donor imposed stipulations that may or will be met by actions of the University and/or the passage of time, and net assets subject to donor imposed stipulations that are maintained permanently by the University. Generally, the donors of these assets permit the University to use all of, or part of, the total investment return on related investments for general or specific purposes.

In addition to the three primary consolidated financial statements presented under U.S. GAAP for not-for-profit organizations, the consolidated statement of functional expenses presents expenses by natural classification within functional categories. Functional categories are programmatic with the exception of general institutional support, which is management and general. Operation and maintenance of plant, depreciation and accretion expense, and disposals are allocated based on square footage. Postemployment and fringe benefit expenses are allocated based on salaries and

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Notes to Consolidated Financial Statements

June 30, 2020 and 2019

wages. Interest expense and amortization of bond discount are allocated to the functional classification that benefited from the use of the proceeds of the debt. Operation and maintenance of plant costs were approximately \$70,036,000 and \$70,076,000, and fund-raising costs were approximately \$19,812,000 and \$23,799,000 for the years ended June 30, 2020 and 2019, respectively.

Revenue is reported as increases in net assets without donor restrictions unless its use of the related assets is limited by donor imposed restrictions. Expenses are reported as decreases in net assets without donor restrictions. Gains and losses on investments and other assets or liabilities are reported as increases or decreases in net assets without donor restrictions unless their use is restricted by explicit donor stipulation or by law. Expirations of restrictions on net assets (i.e., the donor stipulated purpose has been fulfilled and/or the stipulated time period has elapsed) are reported as net assets released from restrictions that reflect reclassifications from net assets with donor restrictions to net assets without donor restrictions. Releases from restrictions are presented as either operating or nonoperating. Nonoperating releases represent capital gifts for which the related assets were placed into service, and operating releases represent utilization of restricted gifts for program and operating purposes and related pledge payments.

(c) Cash and Cash Equivalents

Cash and cash equivalents include all highly liquid, interest-bearing deposits and short-term investments with maturities of three months or less at time of purchase, excluding amounts held for long-term investments, as disclosed in notes 5 and 6.

(d) Revenue Recognition – Contracts with Customers and Accounts Receivable

Revenues from student education (tuition and fees) are reflected net of reductions from scholarships and fellowships, while residence, dining services, and student health services are not reflected net of financial aid. All of these revenues are recognized as the services are provided over the academic year, which generally aligns with the University's fiscal year. Disbursements made directly to students for services or other costs are reported as an expense. Scholarships are funded from unrestricted resources as well as funds from donors, federal, and state governments, and endowment income restricted to use for student financial assistance (see note 15).

The University provides financial aid to eligible students, generally in an "aid package" that includes loans, compensation under work-study programs, and/or grant and scholarship awards. The loans are provided primarily through programs of the U.S. government (including direct and guaranteed loan programs) under which the University is responsible only for certain administrative duties. These direct and guaranteed loans are not reflected on the University's consolidated financial statements as the loans are issued to the students.

Payments for student services are generally received prior to the commencement of each academic term and are reported as deferred revenue to the extent services will be rendered in the following fiscal year.

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Notes to Consolidated Financial Statements

June 30, 2020 and 2019

The composition of student tuition and fees, net revenue was as follows for the years ended June 30, 2020 and 2019 (in thousands):

		<u>2020</u>	<u>2019</u>
Undergraduate	\$	372,820	367,747
Graduate		29,679	33,397
Other		<u>55,339</u>	<u>53,908</u>
Total	\$	<u><u>457,838</u></u>	<u><u>455,052</u></u>

Auxiliary services revenue consisted of the following for the years ended June 30, 2020 and 2019 (in thousands):

		<u>2020</u>	<u>2019</u>
Student housing (note 18)	\$	44,133	65,067
Dining services (note 18)		30,330	47,581
Student health services		9,762	10,022
Parking		5,329	7,498
Conference services		1,793	3,891
Other		<u>2,750</u>	<u>3,517</u>
Total	\$	<u><u>94,097</u></u>	<u><u>137,576</u></u>

Other revenue includes revenues from service centers, program accounts, and other miscellaneous activities. Such revenues are recognized when goods or services are provided to customers.

Student receivables are invoiced based upon contractual terms with students. The University maintains allowances for doubtful accounts to reflect management's best estimate of probable losses inherent in receivable balances. Management determines the allowances for doubtful accounts based on known troubled accounts, historical experience, and other currently available evidence.

(e) Revenue Recognition – Contributions, Including Government Grants and Contracts

Contributions, including unconditional promises to give, are recognized as revenue in the period received. Unconditional promises to give are recognized initially at fair value giving consideration to anticipated future cash receipts and discounting such amounts at a risk-adjusted rate. Amortization of the discount is included in contributions revenue. Conditional promises to give are not recognized until they become unconditional, that is, when the barriers on which they depend are substantially met. Contributions of assets other than cash are recorded at their estimated fair value.

Allowance is made, if necessary, for uncollectible contributions receivable based upon management's judgment and analysis of the creditworthiness of the donors, past collection experience, and other relevant factors.

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Notes to Consolidated Financial Statements

June 30, 2020 and 2019

Contributions received with donor imposed restrictions that are met in the same year as received are reported as revenue in net assets without donor restrictions. Income and realized and unrealized net gains (losses) on investments of donor restricted endowment and similar funds are reported as follows:

- Changes in net assets with donor restrictions if the terms of the gift or the University's interpretation of relevant state law require that they be added to the principal of a permanent endowment fund.
- Changes in net assets with donor restrictions if the terms of the gift impose restrictions on the use of the income or the income is not available to be used until appropriated by the University under state law.

State operating appropriations are provided by the State of Delaware to support the general operations of the University. Funds are to be spent in accordance with applicable law and revenue is recognized ratably over the fiscal year as the funds are received and expended.

The University conducts sponsored program activity with various sponsors, including agencies and departments of the federal government, local government entities, and foundations. Such grants and contracts revenue (research and other programs) are recognized as the related qualifying expenses are incurred. Certain sponsors, however, provide funding in advance of related expenses, and such funding is recorded as deferred revenue of grant funds on the consolidated balance sheets. There is no assurance that sponsored awards will continue to be made at current levels.

State construction grants are provided by the State of Delaware to fund certain capital projects in support of the University's mission. This revenue is classified as with donor restrictions until the capital project is completed and placed in service, at such time the net assets are released from restrictions.

(f) *Split-Interest Agreements and Interests in Trusts*

The University's split-interest agreements with donors consist primarily of irrevocable charitable remainder trusts and charitable gift annuity agreements for which the University serves as trustee. Assets held under these arrangements are included in investments and are recorded at fair value. Contribution revenue is recognized at the date the trusts or agreements are established after recording liabilities for the present value of the estimated future payments to be made to the donors and/or other beneficiaries. The liabilities are adjusted during the terms of the trusts for changes in the values of the assets, accretion of the discounts, and other changes in estimates of future benefits.

The University is also the beneficiary of certain perpetual and remainder trusts held and administered by others. The fair values of the trusts are recognized as assets and contribution revenue at the dates the trusts are established. The assets held in these trusts are included in funds held in trust by others and are adjusted for changes in the fair value of the trust assets.

(g) *Investments*

Investments are stated at fair value or estimated fair value using net asset value as a practical expedient, as described in notes 5 and 6. Other investment income, including dividend and interest, is recognized when earned.

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Notes to Consolidated Financial Statements

June 30, 2020 and 2019

Investments measured at net asset value, as a practical expedient for fair value, include the University's interests in limited partnerships and LLCs and are reported by investment managers unless it is probable that all or a portion of the investment will be sold for an amount different from net asset value. As of June 30, 2020, the University had no plans or intentions to sell investments at amounts different from net asset value. The estimated fair values are reported by the general partners or fund managers and are reviewed and evaluated by the University. These estimated fair values may differ from the values that would have used had a ready market existed for these investments and the differences could be significant.

(h) Property, Plant, and Equipment

Property, plant, and equipment is stated at cost, if purchased, or at estimated fair value at the date of gift, if donated, less accumulated depreciation and amortization. Depreciation is computed using the straight-line method over the estimated useful lives of the assets or the lease term, if shorter. Land, including land deeded by the Board of Trustees of Delaware College to the State in the early 1900s and thereafter, used by the University is not depreciated. Costs of major renovations to buildings are capitalized. Costs of equipment in excess of \$5,000 with a useful life expectancy of more than one year are also capitalized. Repairs and maintenance costs are expensed as incurred. Costs relating to retirement, disposal, or abandonment of assets where the University had a legal obligation to perform activities are accrued using site-specific information.

Interest on borrowings is capitalized from the date of the borrowing until the specified qualifying assets acquired with those borrowings are ready for their intended use or the borrowing is retired, whichever occurs first. Capitalized interest is amortized over the useful life of the qualifying asset.

(i) Nonoperating Activities

Nonoperating activities include investment gains (losses), net of endowment distributions for operations; contributions and appropriations for endowment and plant purposes; the operations of subsidiaries ancillary to the University's mission, as discussed in note 1(b); changes in postemployment benefit and asset retirement obligations; and nonrecurring or unusual transactions. Nonoperating activities are presented in the consolidated statement of activities in the "other changes in net assets without donor restrictions" and "changes in net assets with donor restrictions."

(j) Income Taxes

The University and its affiliates have been recognized by the Internal Revenue Service (IRS) as exempt from federal income tax under Section 501(c)(3) of the U.S. Internal Revenue Code except for taxes on income from activities unrelated to its exempt purpose. Accordingly, no provisions for income taxes have been made in the accompanying consolidated financial statements. Management has analyzed the tax positions taken by the University and has concluded that as of June 30, 2020 and 2019, there are no uncertain positions. The University is subject to routine audits by taxing jurisdictions; however, there are currently no audits for any tax periods in progress.

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Notes to Consolidated Financial Statements
June 30, 2020 and 2019

(k) Estimates

The preparation of consolidated financial statements in conformity with U.S. GAAP requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosures of contingent assets and liabilities at the date of the consolidated financial statements. Estimates also affect the reported amount of revenue and expenses during the reporting period. Actual results could differ from these estimates.

(l) Refundable Advances from the U.S. Government

Student loan programs provided by the U.S. government under the Federal Perkins and Nursing Student Loan program are loaned to qualified students, administered by the University, and may be reloaned after collections. These funds, which are ultimately refundable to the government and are included in other liabilities, aggregated \$10,337,000 and \$13,340,000 as of June 30, 2020 and 2019, respectively.

(m) Derivative Financial Instruments

The University uses interest rate swap agreements to manage interest rate risk associated with certain variable-rate debt or to adjust its debt structure. Derivative financial instruments are measured at fair value and recognized in the consolidated balance sheets as assets or liabilities, with changes in fair value recognized in the consolidated statement of activities.

(n) Recently Issued Accounting Standards

In November 2016, the Financial Accounting Standards Board issued ASU 2016-18, *Statement of Cash Flows (Topic 230), Restricted Cash* (ASU 2016-18) to reduce diversity in practice by providing guidance on presentation of restricted cash within the cash flow statement. The ASU requires that the statement of cash flows explain the change during the period in the total of cash, cash equivalents, and amounts generally described as restricted cash or cash equivalents (collectively, restricted cash). The update also amends Topic 230 to require disclosures about the nature of restricted cash and provide a reconciliation of cash, cash equivalents and restricted cash between the balance sheet and the statement of cash flows. ASU 2016-18 was adopted retrospectively during the year ended June 30, 2020, and the consolidated statement of cash flows has been revised to conform 2019 with 2020.

The following table summarizes cash, cash equivalents, and restricted cash reported on the combined statements of cash flows as of June 30, 2020 and 2019 (in thousands):

	<u>2020</u>	<u>2019</u>
Cash and cash equivalents	\$ 129,701	111,398
Restricted deposits:		
Cash held in other deposits	<u>2,952</u>	<u>4,254</u>
	<u>\$ 132,653</u>	<u>115,652</u>

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(o) Upcoming Accounting Pronouncements Not Yet Adopted

In February 2016, FASB issued ASU No. 2016-02, *Leases (Topic 842)*, as amended. The ASU is effective for fiscal year 2021, subsequent to the issuance of ASU 2020-05, *Revenue from Contracts with Customers (Topic 606) and Leases (Topic 842), Effective Dates for Certain Entities*, and will require lessees to report most leases as assets and liabilities on the balance sheet, while lessor accounting will remain substantially unchanged. The ASU requires a modified retrospective transition approach for existing leases, whereby the new rules will be applied to the earliest year presented. The University is currently working on the implementation of this ASU but does not expect the adoption of this standard to have a significant impact on its financial position or activities.

(2) Liquidity

The following table reflects the University's financial assets as of June 30, 2020 and 2019, available for general expenditures within one year (in thousands):

	<u>2020</u>	<u>2019</u>
Cash and cash equivalents	\$ 129,701	111,398
Operating investments	161,593	177,487
Less donor restricted gifts for capital projects	<u>—</u>	<u>(4,217)</u>
	291,294	284,668
Accounts and notes receivable collectible within one year	41,543	40,865
Operating funds invested in pooled portfolio	227,384	247,785
Endowment spending payout	<u>52,215</u>	<u>51,877</u>
Financial assets available to meet cash needs for general expenditures within one year	\$ <u><u>612,436</u></u>	<u><u>625,195</u></u>

The University manages its financial assets to be available as its operating expenditures, liabilities and other obligations come due. In addition, the University invests cash in excess of daily requirements in short-term investments or fixed income securities. Additionally, as of June 30, 2020 and 2019, the University had board-designated endowments and other investments of \$357,273,000 and \$362,976,000. Although the University does not intend to spend from these investments, other than amounts appropriated for general expenditure as part of its annual budget approval and appropriation process, they could be made available if necessary, subject to liquidity of the underlying investments.

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(3) Contributions Receivable

Contributions receivable as of June 30, 2020 and 2019 are summarized as follows (in thousands):

	<u>2020</u>	<u>2019</u>
Amounts due in:		
Less than one year	\$ 16,594	11,352
One to five years	22,903	34,193
Over five years	<u>8,640</u>	<u>9,270</u>
	48,137	54,815
Less:		
Allowance for uncollectible pledges	(1,190)	(610)
Unamortized discounts	<u>(3,710)</u>	<u>(4,688)</u>
	<u>\$ 43,237</u>	<u>49,517</u>

Contributions to be received after one year are discounted at discount rates ranging from 1.1% to 3.5% for the years ended June 30, 2020 and 2019, respectively.

(4) Restricted Deposits

Restricted deposits as of June 30, 2020 and 2019 consisted of the following (in thousands):

	<u>2020</u>	<u>2019</u>
Unexpended bond proceeds	\$ 67,371	190,831
Debt service reserve funds	11,093	14,279
Other deposits	<u>3,104</u>	<u>4,406</u>
	<u>\$ 81,568</u>	<u>209,516</u>

The unexpended bond proceeds represent the amount of unspent bond proceeds that remain on deposit. Approximately \$67,371,000 and \$104,363,000 are related to the 2018 general obligation bonds for the years ended June 30, 2020 and 2019, respectively. These bonds are held by the University, to be used in certain capital projects, with the remainder being held with the trustee. Under terms of the trust agreement, these proceeds are not released to the University until expenditures related to the specific purpose of the bond indenture have occurred. The unexpended bond proceeds amounts are generally invested in short-term U.S. government or commercial securities with maturities that support the anticipated cash flow of the underlying construction projects.

Debt service reserve funds are also held with the trustee. The University transfers funds to the trustee in accordance with bond covenant agreements to meet future bond payments. These funds remain on deposit until scheduled interest payments and scheduled or optional redemption principal payments are made, as disclosed in note 10. These funds are generally invested in cash equivalents, but not considered restricted cash equivalents for purposes of the cash flows statements.

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(5) Investments

Investments are recorded at fair value, or estimated fair value as a practical expedient, as described in note 6. The fair value by investment class as of June 30, 2020 and 2019 was as follows (in thousands):

	<u>2020</u>	<u>2019</u>
Money market and other liquid funds	\$ 33,551	43,364
U.S. government obligations	165,799	126,000
Corporate obligations	158,649	211,858
Stock and convertible securities	434,381	448,016
International equity investments	54,334	65,004
Limited partnerships and limited liability corporations (LLCs)	933,590	933,183
Other	<u>4,747</u>	<u>6,025</u>
Total	\$ <u>1,785,051</u>	<u>1,833,450</u>
	<u>2020</u>	<u>2019</u>
Operating investments	\$ 161,593	177,487
Investments	<u>1,623,458</u>	<u>1,655,963</u>
	\$ <u>1,785,051</u>	<u>1,833,450</u>

Included in the investments table above is \$6,246,000 and \$6,352,000 of annuity and life-income funds at June 30, 2020 and 2019, respectively.

The asset allocation of the University's investments involves exposure to a diverse set of markets. The investments within these markets involve various risks, such as interest rate, market, sovereign, and credit risks. The University anticipates that the value of its investments may, from time to time, fluctuate substantially as a result of these risks.

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Net Asset Value as a Practical Expedient for Fair Value

The following table presents the attributes of the University's alternative investments, which are stated at net asset value as a practical expedient for fair value, as reported by the funds (in thousands):

	<u>2020</u>	<u>2019</u>	<u>Estimated remaining lives (years)</u>	<u>As of June 30, 2020 unfunded commitments</u>	<u>Redemption frequency</u>	<u>Redemption notice frequency</u>
Limited partnerships and LLCs:						
International equity funds	\$ 288,689	280,669	—	\$ —	Monthly	10 Days
Multistrategy hedge funds	24,152	50,059	—	—	Annually	100 Days
Long-short hedge funds	168,885	188,493	—	—	Annually	90 Days
Private equity	222,182	165,184	1–12	193,022	Not eligible	N/A
Venture capital	89,024	83,672	1–13	70,458	Not eligible	N/A
Hybrid fund of funds	10,145	18,775	1–6	1,300	Not eligible	N/A
Distressed securities	43,604	46,306	1–5	3,647	Not eligible	N/A
Real estate	39,346	31,093	1–12	36,575	Not eligible	N/A
Natural resources	28,588	45,539	1–12	1,416	Not eligible	N/A
Oil and gas	18,975	23,393	7–12	19,085	Not eligible	N/A
	<u>\$ 933,590</u>	<u>933,183</u>		<u>\$ 325,503</u>		

(a) International Equity Funds

These categories are investments in commingled funds that invest primarily in equity securities.

(b) Multistrategy Hedge Funds

This category includes investments in hedge funds that pursue multiple strategies to diversify risks and reduce volatility. The hedge funds that make up these funds invest in a variety of marketable securities, including stocks, bonds, credit-oriented securities, and arbitrage investments. The managers have the ability to shift investments between strategies and between net long and net short positions.

(c) Long-Short Hedge Funds

This category includes commingled funds that invest, both long and short, in a variety of instruments, including U.S. stocks, international stocks, fixed-income securities, currencies, and derivative transactions. The funds can be further broken down into the following categories: equity long/short, event-driven, credit, macro, and multistrategy funds. These investments are subject to risks, including market risk, manager risk, and liquidity risk. The goal of these investments is to provide returns that exhibit lower correlations and lower volatility than the public equity markets.

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All of the following University limited partnerships and LLCs, paragraphs (d), (e), and (f), receive distributions through the liquidation of the underlying assets of the funds. These investments can never be redeemed. Distributions from each fund will be received as the underlying investments of the funds are liquidated.

The University is obligated, under certain limited partnership agreements, to make additional capital contributions up to contractual levels (unfunded commitments). The timing and amounts of the contributions will be determined by the general partner of the respective limited partnership.

(d) Private Equity, Venture Capital, Hybrid Fund of Funds, and Distressed Securities

These categories include illiquid investments in buyout, mezzanine, venture capital, growth equity, and distressed debt held in commingled limited partnership funds.

(e) Real Estate

This category includes illiquid investments in residential and commercial real estate assets, projects, or land held in commingled limited partnership funds.

(f) Natural Resources and Oil and Gas

These categories include illiquid assets in timber, oil and gas production, mining, energy, and related businesses held in commingled limited partnership funds.

(g) Investment Return

Investment return for fiscal years ended June 30, 2020 and 2019 was as follows (in thousands):

	<u>2020</u>	<u>2019</u>
Dividend and interest income	\$ 27,451	35,700
Net realized and unrealized gains	21,962	96,408
External investment management fees and expenses	<u>(5,532)</u>	<u>(6,367)</u>
Investment return, net	<u>\$ 43,881</u>	<u>125,741</u>

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Investment return is presented for fiscal years ended June 30, 2020 and 2019 was as follows (in thousands):

	<u>2020</u>	<u>2019</u>
Without donor restrictions:		
Other investment income	\$ 20,824	26,782
Endowment distributions	52,215	51,877
Investment return (less than) in excess of endowment distributions	<u>(8,940)</u>	<u>19,726</u>
	<u>64,099</u>	<u>98,385</u>
With donor restrictions:		
Investment return (less than) in excess of endowment distributions	(20,542)	27,220
Other, net	<u>324</u>	<u>136</u>
	<u>(20,218)</u>	<u>27,356</u>
Investment return, net	<u>\$ 43,881</u>	<u>125,741</u>

(6) Fair Value Measurements

Fair value is the price that would be received to sell an asset or paid to transfer a liability (exit price) in the principal or most advantageous market in an orderly transaction between participants at the measurement date and establishes a framework for measuring fair value.

The three levels of the fair value hierarchy are defined as follows:

Level 1: Quoted or published prices in active markets for identical assets or liabilities.

Level 2: Observable inputs other than Level 1 prices such as quoted prices for similar assets and liabilities, quoted prices in markets that are not active, or other inputs that are observable or can be corroborated by observable market data for substantially the full term of the assets or liabilities.

Level 3: Unobservable inputs that are supported by little or no market activity and that are significant to the fair value of the assets or liabilities; Level 3 assets and liabilities include financial instruments whose value is determined using pricing models, discounted cash flow methodologies, or similar techniques, as well as instruments for which the determination of fair value requires significant management judgment or estimation.

A financial instrument's categorization within the valuation hierarchy is based upon the lowest level of input that is significant to the fair value measurement.

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Notes to Consolidated Financial Statements

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The University measures its restricted deposits, investments, liabilities related to annuity and life-income funds, and interest rate swaps using the valuation methodologies described below:

(a) *Investments and Restricted Deposits*

Investments and restricted deposits are recorded at fair value. Additional considerations used to categorize investments include:

Money market and other liquid funds, certain U.S. government obligations, stock and convertible securities, and international investments held directly by the University are classified as Level 1 since quoted prices in active markets are available. Corporate obligations and certain U.S. government obligations are classified as Level 2 as they are not traded in an active market but are valued using third-party vendor pricing services by custodian banks, for similar securities. Certain stock and convertible securities and international investments are classified as Level 2 because the underlying investments are held in annuity and life-income funds (see paragraph (b) below.)

Other investment classes classified as Level 2 consist primarily of municipal obligations held in commingled funds, while those classified as Level 3 consist primarily of collateralized mortgage obligations and restricted real estate.

(b) *Annuity and Life-Income Funds*

The annuity and life-income funds assets represent the fair value of assets held in charitable gift annuities, charitable remainder annuity trusts, and charitable remainder unitrusts. These assets consist primarily of corporate obligations, stock and convertible securities, and international investments and have been classified as Level 2 using the same methodology described above for similar types of underlying assets.

The annuity and life-income funds payable represents the present value of future annuity payments due under these agreements, as calculated for each annuity using discount rates and actuarial assumptions consistent with American Council of Gift Annuities standards. These liabilities have been classified as Level 3 as the fair value is determined based upon a discounted cash flow methodology, which required judgment and estimation.

(c) *Funds Held in Trust by Others*

Funds held in trust by others represent amounts held by third parties where the University receives an income stream in perpetuity, but the assets are required to be held by a trustee. The University does not own the underlying assets, but rather has a beneficial interest in the trust. These trusts are invested in a combination of readily marketable assets, limited partnerships, and land and have been classified as Level 3 since the University maintains an interest in the trust not the underlying investments.

(d) *Debt Interest Rate Swap Agreements*

The fair value of the University's interest rate swaps is based on a third-party valuation independent of the counterparty using observable market data. The University considers this a Level 2 measurement.

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Notes to Consolidated Financial Statements

June 30, 2020 and 2019

The following table presents the University's fair value hierarchy for financial instruments that are measured at fair value on a recurring basis, as shown on the June 30, 2020 and 2019 consolidated balance sheets (in thousands):

June 30, 2020				
	Total	Level 1	Level 2	Level 3
Financial assets:				
Investments:				
Money market and other liquid funds	\$ 33,551	33,405	146	—
U.S. government obligations:				
Mortgage-backed securities	15,989	—	15,989	—
Treasury obligations	148,450	148,444	6	—
Other	1,360	331	1,029	—
	165,799	148,775	17,024	—
Corporate obligations	158,649	402	158,247	—
Stock and convertible securities	434,381	432,098	2,283	—
International investments	54,334	52,413	1,921	—
Other	4,747	1,258	—	3,489
Investments measured at net asset value, as a practical expedient ⁽¹⁾	933,590	—	—	—
Total investments	1,785,051	668,351	179,621	3,489
Restricted deposits	81,568	77,764	3,804	—
Funds held in trust by others	76,836	—	—	76,836
Total	\$ 1,943,455	746,115	183,425	80,325

June 30, 2020				
	Total	Level 1	Level 2	Level 3
Financial liabilities, included in the other liabilities:				
Annuity and life income funds payable	\$ 5,166	—	—	5,166
Interest rate swaps	38,044	—	38,044	—
Total	\$ 43,210	—	38,044	5,166

UNIVERSITY OF DELAWARE
Notes to Consolidated Financial Statements
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		June 30, 2019			
		Total	Level 1	Level 2	Level 3
Financial assets:					
Investments:					
Money market and other liquid funds	\$	43,364	43,220	144	—
U.S. government obligations:					
Mortgage-backed securities		39,641	—	39,641	—
Treasury obligations		82,088	82,088	—	—
Other		4,271	478	3,793	—
		126,000	82,566	43,434	—
Corporate obligations		211,858	335	211,523	—
Stock and convertible securities		448,016	445,677	2,339	—
International investments		65,004	63,052	1,952	—
Other		6,025	2,431	—	3,594
Investments measured at net asset value, as a practical expedient ⁽¹⁾		933,183	—	—	—
Total investments		1,833,450	637,281	259,392	3,594
Restricted deposits		209,516	153,657	55,859	—
Funds held in trust by others		78,655	—	—	78,655
Total	\$	<u>2,121,621</u>	<u>790,938</u>	<u>315,251</u>	<u>82,249</u>
Financial liabilities, included in the other liabilities:					
Annuity and life income funds payable	\$	4,493	—	—	4,493
Interest rate swaps		28,353	—	28,353	—
Total	\$	<u>32,846</u>	<u>—</u>	<u>28,353</u>	<u>4,493</u>

⁽¹⁾ Investments in limited partnerships and LLCs that are measured at fair value using the net asset value per share (or its equivalent) as a practical expedient have not been categorized in the fair value hierarchy. The fair value amounts presented in this table are intended to permit reconciliation of the fair value hierarchy to the amounts presented in the consolidated balance sheets.

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The following table presents a reconciliation of the consolidated balance sheets amounts for financial instruments measured at fair value on a recurring basis using significant unobservable inputs (Level 3) for the years ended June 30, 2020 and 2019 (in thousands):

	Financial assets		Financial liabilities
	Funds held in trust by others	Other	Annuity and life income funds payable
Total at June 30, 2018	\$ 77,067	3,419	4,467
Net gains on investments	3,032	—	459
Purchases	37,573	591	100
Sales	(39,017)	(416)	(533)
Total at June 30, 2019	78,655	3,594	4,493
Net gains on investments	997	—	975
Purchases	44,897	33	216
Sales	(47,713)	(138)	(518)
Total at June 30, 2020	\$ 76,836	3,489	5,166

During the year ended June 30, 2020, there were no transfers of assets between levels.

(7) Annuity and Life-Income Funds

The University held \$6,246,000 and \$6,352,000 in investments related to annuity and life income funds as of June 30, 2020 and 2019, respectively. A related liability of \$5,166,000 and \$4,493,000 as of June 30, 2020 and 2019, respectively, represents the present value of future annuity payments due under these agreements and was calculated for each annuity using discount rates and actuarial assumptions consistent with the terms of the gift. Such liabilities are included in other liabilities in the consolidated balance sheets.

The University complies with all applicable laws of certain states to maintain reserves against charitable gift annuities.

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(8) Property, Plant, and Equipment

Property, plant, and equipment as of June 30, 2020 and 2019 consisted of the following (in thousands):

	2020	2019	Range of useful lives (years)
Land	\$ 58,375	58,375	N/A
Land improvements	82,630	79,376	15
Buildings	2,030,058	1,830,197	40
Equipment and furnishings	338,249	315,764	2–20
Library	287,617	275,049	10
Capital leasehold	103,029	102,407	29–40
Collections and works of art	9,156	8,829	N/A
Construction in progress	172,448	202,422	N/A
	<u>3,081,562</u>	<u>2,872,419</u>	
Less accumulated depreciation	<u>(1,243,981)</u>	<u>(1,165,610)</u>	
	<u>\$ 1,837,581</u>	<u>1,706,809</u>	

At June 30, 2020, the University had outstanding contractual commitments of \$91,641,000 for building and renovation projects. Interest costs associated with various construction projects of \$6,763,000 and \$3,809,000 were capitalized at June 30, 2020 and 2019, respectively.

(9) Asset Retirement Obligations

The University has asset retirement obligations arising from regulatory requirements to perform certain asset retirement activities. When an asset retirement obligation is identified, the University records the fair value of the obligation as a liability. The liability is accreted to its present value and accretion expense is recognized. The corresponding asset retirement costs are capitalized as part of the carrying amount of the related long-lived asset and depreciated over the period of expected remediation.

The University had asset retirement obligations of \$21,631,000 and \$22,315,000 as of June 30, 2020 and 2019, respectively, which is included in other liabilities on the accompanying consolidated balance sheets. The following table reconciles the obligation as of June 30, 2020 and 2019 (in thousands):

	2020	2019
Balance at beginning of year	\$ 22,315	21,395
Additional obligations incurred	588	46
Obligations settled in current period	(1,620)	(374)
Changes in estimates, including timing	(301)	637
Accretion expense	649	611
Balance at end of year	<u>\$ 21,631</u>	<u>22,315</u>

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(10) Long-Term Debt and Capital Leases

Indebtedness at June 30, 2020 and 2019 consisted of the following (in thousands):

	Fiscal year of maturity	Interest rate(s)%	Outstanding principal	
			2020	2019
Variable-rate debt:				
Series 2004B	2035	3.73 %	\$ 29,305	30,770
Series 2005	2036	4.32	28,690	30,850
Series 2013C	2038	4.15	53,335	55,440
Variable-rate debt			<u>111,330</u>	<u>117,060</u>
Fixed-rate bonds:				
Series 2010A taxable Build America Bonds (BABs)	2041	3.95	119,580	119,580
Series 2010B taxable	2020	2.97–3.80	—	2,365
Series 2013B taxable	2027	1.12–3.00	5,365	6,065
	2034	3.83	6,770	6,770
	2044	3.98	13,555	13,555
Series 2015	2036	4.00–5.00	—	23,380
	2041	5.00	—	11,385
	2046	5.00	—	14,625
Series 2018 taxable	2051	4.07	76,770	76,770
	2059	4.22	123,230	123,230
Series 2019	2043	5.00	108,860	113,295
Series 2019A	2046	5.00	47,455	—
Fixed-rate debt			<u>501,585</u>	<u>511,020</u>
Capital leases	2021–2049	3.68–4.25	<u>60,373</u>	<u>62,431</u>
			673,288	690,511
Premium on long-term debt, net of debt issue costs of \$2.9 million (2020)			<u>36,055</u>	<u>28,113</u>
Long-term debt and capital leases			<u>\$ 709,343</u>	<u>718,624</u>

With the exception of the Series 2018, 2019, and 2019A bonds, the bonds in the preceding table were primarily issued to finance capital projects associated with auxiliary services and are secured by a pledge of gross revenue received by the University from the operations of all project facilities including housing, dining, parking, and other revenue-producing facilities and mandatory student fees. The Series 2018, 2019, and 2019A bonds are unsecured general obligations of the University. All variable-rate debt referenced are subject to fixed-rate interest rate swap agreements and the corresponding interest rates for each issue include the swap rate, credit costs, and remarketing fee.

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The 2004B and 2005 bonds initially bear interest at a daily rate and can be converted to bear interest at a weekly, flexible, term, or fixed rate to maturity. The daily rate of interest on June 30, 2020 was 0.13% for both series of bonds.

The Series 2010A Taxable Revenue Bonds are Build America Bonds and the University receives payments from the U.S. Treasury equal to 32.9% of the corresponding interest payable on the bonds (the Subsidy Payments). For the year ended June 30, 2020, the University received Subsidy Payments of \$2,307,000, which are included in other revenue. The bonds are subject to mandatory redemption from November 1, 2028 through November 1, 2040, but are subject to optional redemption and tender for purchase prior to maturity.

The 2013C bonds were converted from a term rate to bear interest at a daily rate on May 1, 2016. The bonds can be converted to bear interest at a weekly, flexible, term, or fixed rate to maturity. The daily rate of interest on June 30, 2020 was 0.14%.

On April 12, 2018, the University issued its Taxable Bonds, Series 2018. The bonds are unsecured general obligations of the University. The bonds are subject to mandatory redemption from November 1, 2041 through November 1, 2058.

On June 20, 2019, the University issued its Tax-Exempt Bonds, Series 2019. The bonds are unsecured general obligations of the University. The bonds consist of serial bonds maturing from November 1, 2019 through November 1, 2043. The bonds maturing from November 1, 2029 through November 1, 2043 are subject to optional redemption.

On October 9, 2019, the University issued its Tax-Exempt Bonds, Series 2019A. The bonds are unsecured general obligations of the University. The bonds consist of serial bonds maturing from November 1, 2019 through November 1, 2045. The bonds maturing from November 1, 2030 through November 1, 2045 are subject to optional redemption.

The Series 2019 bonds were issued to defease the 2009B and 2013A series and the Series 2019A bonds were issued to defease the 2015 series. The proceeds of the series 2019 and 2019A bonds were used to fund an escrow account that was irrevocably placed with a trustee to meet the principal and interest payments of the 2009B, 2013A and 2015 series bonds until their redemption. Therefore, neither the escrow account nor the refunded bonds are included in the consolidated balance sheet as of June 30, 2020. The Series 2015 defeasance resulted in a loss on refunding of \$1,965,000, which is reflected in nonoperating activities in the consolidated statement of activities.

The University's debt agreements require that the University meet certain financial and other covenants. The University was in compliance with these covenants as of June 30, 2020.

The University has obligations under capital leases with annual lease payments ranging from \$900,000 to \$2,169,000. As of June 30, 2020, the gross amount of assets and accumulated depreciation thereon accounted for as capital leases amounted to \$103,029,000 and \$15,562,000, respectively.

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The aggregate amount of principal payments on the University's long-term debt and capital leases are due as follows (in thousands):

2021	\$ 12,153
2022	11,680
2023	12,245
2024	12,894
2025	11,643
Thereafter	<u>612,673</u>
	<u>\$ 673,288</u>

The University has Standby Bond Purchase Agreements (SBPA) for the Series 2004B, 2005, and 2013C variable-rate demand bonds to provide liquidity for the purchase of the bonds should the remarketing agent be unable to sell the bonds on the open market. The SBPAs provide for the banks to purchase any outstanding bonds not remarketed for a period of up to 90 days at variable interest rates, as defined in the SBPAs. The SBPAs for the Series 2004B, 2005, and 2013C bonds expire on April 5, 2021, May 31, 2021, and April 30, 2022, respectively.

(11) Interest Rate Swap Agreements

The University has interest rate swap agreements for notional amounts of approximately \$141,088,000 and \$153,785,000 as of June 30, 2020 and 2019 (in thousands):

	Consolidated balance sheets location	Location of change in fair value	Fair value		Change in fair value	
			2020	2019	2020	2019
Interest rate swap agreements	Other liabilities	Other, net	\$ 38,044	28,353	(9,691)	(10,529)

A portion of the total interest rate swap liabilities reported on the consolidated balance sheets contains provisions that require the University's debt and the counterparty to maintain an investment grade credit rating from one or both of the major credit rating agencies. A downgrade of the University or the counterparty's rating may require that party to provide collateralization above a predetermined threshold on all rate swaps in net liability positions. To date, the University has not posted collateral.

(12) Employee Benefit Plans

(a) University Pension Plans – Defined Contribution

The University's 403(b) Retirement Savings Plan is available to substantially all faculty and professional employees. The University's contribution for this program is fixed at 11% of annual base salary for eligible employees who contribute a minimum of 5% of their annual salary. The policy of the University is to pay its share of the cost accrued in connection with the University's Retirement Savings Plan. As a result, there are no unfunded benefits. Pension plan expense for the University's 403(b) Retirement Savings Plan was \$36,239,000 in 2020 and \$34,015,000 in 2019.

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In addition, the University also offers two additional voluntary retirement benefit plans:

The Voluntary 403(b) Retirement Plan is available to all eligible full-time and part-time employees who wish to make additional contributions to their retirement savings. Participation is voluntary and does not require a minimum contribution. The University makes no contributions to this plan, incurs no expense for the operation of this plan, and has no unfunded liability.

The Voluntary 457(b) Deferred Compensation Plan is available to all eligible full-time and part-time employees who are already making the maximum allowable contribution to the Voluntary 403(b) Retirement Plan and wish to make additional contributions to their retirement savings. The University makes no contributions to this plan, incurs no expense for the operation of this plan, and has no unfunded liability.

(b) Faculty Retirement

Faculty members subject to the current collective bargaining agreement (CBA) that expires on June 30, 2021 who qualify for retirement can elect certain additional benefits upon notice of their retirement from the University. These benefits may include a combination of retirement leave or phased retirement, and a lump-sum payment based upon years of service and salary level. Faculty retirement benefits are funded by the University on a pay-as-you-go basis.

Net periodic postemployment benefit cost for 2020 and 2019 includes the following components (in thousands):

	<u>2020</u>	<u>2019</u>
Operating expenses:		
Service cost	\$ 3,650	3,495
Nonoperating costs:		
Interest cost	2,094	3,017
Amortization of unrecognized loss	<u>4,286</u>	<u>4,030</u>
	<u>6,380</u>	<u>7,047</u>
Net periodic postemployment benefit cost	<u>\$ 10,030</u>	<u>10,542</u>

The University's estimated unfunded obligation related to this plan is \$83,135,000 and \$79,237,000, respectively, and is included in postemployment benefit obligations on the consolidated balance sheets as of June 30, 2020 and 2019.

The benefit obligation was determined using a discount rate of 2.58% as of June 30, 2020 and 3.37% as of June 30, 2019, and a rate of compensation increase of 3.00%. As of June 30, 2020, the University's expected future benefit payments for fiscal years 2021 through 2025 are \$10,698,000, \$9,556,000, \$6,764,000, \$6,146,000 and \$9,455,000, respectively.

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(c) *Postemployment*

The University also provides postemployment benefits primarily for medical insurance to retired employees who are not eligible under the State Plan, as described below. The University recognizes the funded status (i.e., the difference between the fair value of plan assets and the accumulated postemployment benefit obligation) of its postemployment benefit plan on the consolidated balance sheets. Also, the University measures the fair value of plan assets and benefit obligations as of the date of the June 30th. As of June 30, 2020, the University has not funded these benefits.

Net periodic postemployment benefit cost for 2020 and 2019 includes the following components (in thousands):

	<u>2020</u>	<u>2019</u>
Operating expenses:		
Service cost	\$ 11,179	10,330
Nonoperating costs:		
Interest cost	13,964	16,371
Amortization of unrecognized gain	<u>(1,160)</u>	<u>(1,160)</u>
	<u>12,804</u>	<u>15,211</u>
Net periodic postemployment benefit cost	\$ <u><u>23,983</u></u>	<u><u>25,541</u></u>

The accumulated postemployment benefit obligation recognized in the consolidated balance sheets at June 30, 2020 and 2019 is as follows (in thousands):

	<u>2020</u>	<u>2019</u>
Accrued postemployment liability	\$ 390,476	375,665
Unrecognized net loss	<u>96,046</u>	<u>51,085</u>
Accumulated postemployment benefit obligation	\$ <u><u>486,522</u></u>	<u><u>426,750</u></u>

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Changes in the accumulated postemployment plan benefit obligation and funding status for 2020 and 2019 are as follows (in thousands):

	<u>2020</u>	<u>2019</u>
Benefit obligation at beginning of year	\$ 426,750	433,145
Service cost	11,178	10,330
Interest cost	13,964	16,371
Amortization of unrecognized gain	(1,160)	(1,160)
Actuarial loss (gain)	44,961	(22,995)
Disbursements	<u>(9,171)</u>	<u>(8,941)</u>
Benefit obligation at end of year	<u>486,522</u>	<u>426,750</u>
Fair value of plan assets at beginning of year	—	—
Employer contributions	9,171	8,941
Benefits paid	<u>(9,171)</u>	<u>(8,941)</u>
Fair value of plan assets at end of year	<u>—</u>	<u>—</u>
Funded status at end of year – liability included in other postemployment benefit obligations on the consolidated balance sheets	\$ <u>486,522</u>	<u>426,750</u>

The accumulated postemployment benefit obligation was determined using a discount rate of 3.25% and 3.91% in 2020 and 2019, respectively. The healthcare cost trend rates used reflect the differences between pre-65 and post-65 claims were 7.25% and 6.75%, respectively, in 2020 and 7.50% and 7.00%, respectively, in 2019. This rate gradually decreases to 4.50% by the year 2028 for pre-65 and post-65 claims. The actuarial gains and losses relate to changes in assumptions in discount rates, mortality, healthcare cost trends, and withdrawal rates.

At June 30, 2020, the University's expected future benefit payments for future service are as follows (in thousands):

Year ending June 30:	
2021	\$ 11,248
2022	12,345
2023	13,263
2024	14,143
2025	15,126
2026 through 2029	89,171

(d) Participation in State Retirement Plans

Salaried and hourly staff employees participate in the Delaware State Employees' Pension Plan (the State Plan), a cost sharing defined-benefit plan. The State Plan (established in 1970) is one of nine plans encompassed within the Delaware Public Employees' Retirement System

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(<http://www.delawarepensions.com/FinancialReports/AnnualFinancialReports.shtml>). Under the state pension statute, a mandatory pretax contribution of 5% of salary (or 3% if pension-creditable service began prior to January 1, 2012) in excess of \$6,000 per year plus 5% of salary in excess of the social security wage base is required by the employee (pension). In addition to these retirement benefits, salaried and hourly staff employees also receive postemployment healthcare benefits through the State Plan, which are funded by the State on a pay-as-you-go basis other post employment benefits (OPEB).

The University is required to pay its share of the annual premium accrued in connection with the State Plan (inclusive of Pension and OPEB), which is based upon a percentage of covered payroll. The percentage of covered payroll was 23.15% in 2020 and 2019. Expense recognized for the State Plan was \$14,142,000 and \$14,114,000 in 2020 and 2019, respectively.

The State Plan's financial statements and actuarial reports for June 30, 2019 (most recent available) indicate the following:

The University has 1,320 active participants in the State Plan. The State Plan, in total, has 71,626 participants, 37,724 of which are active participants.

The University's contribution to the State Plan in fiscal year June 30, 2019 of \$7,272,000 was approximately 2.96% of the \$245,552,000 total annual required plan employer contributions to the State Plan.

At June 30, 2019, the State Plan had an 85.5% funded ratio of the actuarial accrued liability.

The funding objective of the State Plan is to establish contribution rates that, over time, will remain level as a percent of payroll. The contribution rate was developed to provide for current cost (i.e., normal cost expressed as a level percent of payroll) plus level percent of payroll amortizations of each layer of the unfunded liability over a specified period. The participant organizations to the State Plan have consistently funded the full amounts required based on the actuarial valuations and specific statutory provisions.

As disclosed in the State of Delaware's Comprehensive Annual Financial Report for the year ended June 30, 2019 (most recent available), the State Plan for OPEB as of June 30, 2018 indicated the State had a net liability of \$8.21 billion. The University's contribution to the State Plan for OPEB in fiscal year June 30, 2019 of \$6,071,000 was approximately 3.0% of the \$202,652,000 total annual required employer contributions to the plan.

(e) Participation in Other State Benefits

The University maintains health insurance benefits for its employee base through the State of Delaware. Premiums are established annually by the State based upon employee elections for coverages. The University remits premiums monthly to the State. Depending on the plan selected by the employee, premiums are funded 86.75% to 96.00% by the University and 4.00% to 13.25% by employee contributions. Medical insurance expense for 2020 and 2019 was \$66,698,000 and \$64,833,000, respectively.

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(13) Net Assets

The University's net assets as of June 30, 2020 and 2019 includes (in thousands):

	<u>2020</u>	<u>2019</u>
Without donor restrictions:		
Undesignated	\$ 347,409	402,015
Board designated endowment	357,273	362,976
Commitments for postemployment obligations	(569,657)	(505,986)
Commitments for interest rate swap agreements	(38,044)	(28,353)
Net investment in plant	<u>1,149,635</u>	<u>1,135,322</u>
Total net assets without donor restrictions	<u>\$ 1,246,616</u>	<u>1,365,974</u>
With donor restrictions:		
Pledges receivable:		
Pledges receivable for operations, primarily instruction	\$ 5,023	5,571
Pledges receivable for buildings	25,422	28,001
Pledges receivable for endowment	<u>12,792</u>	<u>15,945</u>
Total pledges receivable	<u>43,237</u>	<u>49,517</u>
Amounts received subject to expenditures for specified purposes:		
Student aid and instruction	21,470	19,671
Research and other	8,993	11,189
Capital additions	<u>25,458</u>	<u>21,379</u>
Total expendable subject to purpose restrictions	<u>55,921</u>	<u>52,239</u>
Endowment earnings subject to future appropriations:		
General institutional support	449,613	459,508
Student aid	68,819	72,429
Instruction	113,576	119,002
Research and other	<u>14,046</u>	<u>14,633</u>
	<u>646,054</u>	<u>665,572</u>
Perpetual endowment funds – original gift corpus:		
General institutional support	71,441	71,375
Student aid and instruction	280,650	267,915
Research and other	<u>20,936</u>	<u>19,577</u>
	373,027	358,867
Other funds	1,484	1,501
Funds held in trust by others, primarily for general institutional support	<u>76,836</u>	<u>78,655</u>
Total net assets with donor restrictions	<u>\$ 1,196,559</u>	<u>1,206,351</u>

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Net Assets Released from Donor Restrictions

Net assets were released from donor restrictions by incurring expenses satisfying the restricted purposes or by occurrence of other events specified by donors during the years ended June 30, 2020 and 2019 as follows (in thousands):

	<u>2020</u>	<u>2019</u>
Purpose restrictions accomplished – operating:		
Instruction and operations	\$ 6,198	9,744
Scholarships	2,834	2,591
Student services	160	214
Academic support	2,321	3,030
Other	<u>3,038</u>	<u>2,794</u>
Total purpose restrictions accomplished – operating	\$ <u>14,551</u>	<u>18,373</u>
Purpose restrictions accomplished – non-operating:		
Capital asset additions	\$ <u>7,068</u>	<u>3,366</u>

(14) Endowment

As of June 30, 2020, the University endowment consists of approximately 1,269 individual funds established for a variety of purposes. The endowment funds are subdivided into appropriate net asset classifications. The donor restricted endowment funds represent gifts with a stipulation by the donor that the principal not be expended. Board-designated with restrictions and without donor endowment funds represent funds where there is no requirement to maintain the principal.

(a) Interpretation of Relevant Law

Based upon its interpretation of the provisions of the State's enacted version of the Uniform Prudent Management of Institutional Funds Act (UPMIFA), the University classifies all donor restricted endowment funds as donor restricted net assets. At the time of appropriation by the University, and provided there are no additional purpose restrictions in place, with donor restricted net assets will be reclassified to without donor restricted net assets. The University considers donor restricted net assets at historical cost value of the original donor restricted endowment to be permanent.

(b) Return Objectives and Risk Parameters

The University has adopted investment and spending policies for endowment funds that attempt to provide in perpetuity financial support of the University's educational goals. Toward that end, the University's Board of Trustees, Investment Visiting Committee, and administration have a shared mission to maximize the endowment fund's total return consistent with the University's prudent investment risk constraints. Endowment funds include those assets of donor restricted funds that the organization must hold in perpetuity or for a donor specified period as well as board-designated funds. Under this policy approved by the Board of Trustees, the endowment funds are invested in a manner that is intended to achieve an average annual real return of at least 5% over time while assuming an acceptable level of investment risk. Actual returns in any year may vary from that amount. To monitor

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the effectiveness of the investment strategy of endowment funds, performance goals are established and monitored related to benchmark indices and returns earned by comparable endowment funds.

(c) Investment Strategy

To satisfy its long-term rate of return objectives, the University employs a total-return strategy in which investment returns are achieved through both capital appreciation (realized and unrealized) and current income (interest and dividends). The University's investment policy includes a target asset allocation, well-diversified among suitable asset classes that is expected to generate, on average, the level of expected return necessary to meet endowment objectives while assuming a level of risk (volatility) consistent with achieving that return.

(d) Spending Policy

In accordance with the State's enacted version of UPMIFA, the University considers the following factors in making a determination to appropriate or accumulate donor restricted endowment funds: (1) the duration and preservation of the fund, (2) the purposes of the University and the donor restricted endowment fund, (3) general economic conditions, (4) the possible effect of inflation and deflation, (5) the expected total return from income and the appreciation of investments, (6) other resources of the University, and (7) the investment policies of the University.

The University endowment spending policy guidelines target an annual distribution in the range of 4.0% to 5.0% of the endowment pooled portfolio average market value over the 12 trailing quarters through December 31 of the year prior to the new fiscal year. The actual rate is set annually by the Board of Trustees and was 4.05% and 4.11% at June 30, 2020 and 2019, respectively.

In establishing this policy, the University considered the long-term expected return on its funds. Accordingly, over the long-term, the University expects the current spending policy to allow its endowment to grow at a rate in excess of inflation. This is consistent with the University's objective to maintain the purchasing power of the endowment funds held in perpetuity or for a specified term as well as to provide additional real growth through new gifts and investment return.

(e) Funds with Deficiencies

From time to time, the fair value of assets associated with individual donor restricted endowment funds may fall below the original gift amount maintained as net assets with donor restrictions. Deficiencies of this nature were approximately \$85,000 and \$0 as of June 30, 2020 and June 30, 2019, respectively. These deficiencies resulted from unfavorable market fluctuations.

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(f) Net Asset Classification of Endowment Funds

Endowment net assets by type of fund consist of the following as of June 30, 2020 and 2019 (in thousands):

2020			
	Without donor restrictions	With donor restrictions	Total
Donor restricted	\$ —	1,016,414	1,016,414
Board designated	357,273	2,667	359,940
	<u>\$ 357,273</u>	<u>1,019,081</u>	<u>1,376,354</u>
2019			
	Without donor restrictions	With donor restrictions	Total
Donor restricted	\$ —	1,021,738	1,021,738
Board designated	362,976	2,701	365,677
	<u>\$ 362,976</u>	<u>1,024,439</u>	<u>1,387,415</u>

Board-designated with donor restrictions net assets represent the income on restricted gifts to the University that the Board of Trustees has designated as endowment, but which cannot reasonably be expended within a year. As of June 30, 2020, the amount of with donor restrictions net assets, which may be used for purposes of the University as determined by the Board of Trustees, was \$434,612,000. Additionally, \$208,775,000 as of June 30, 2020, is determined to be with purpose restrictions as set forth by the donors.

Changes in endowment net assets for the years ended June 30, 2020 and 2019 (in thousands) are as follows:

	Without donor restrictions	With donor restrictions	Total
Endowment net assets, June 30, 2018	\$ 353,656	982,474	1,336,130
Investment return:			
Investment income, net	4,789	13,535	18,324
Net appreciation – realized and unrealized	<u>17,885</u>	<u>50,106</u>	<u>67,991</u>
Total investment return	22,674	63,641	86,315

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	Without donor restrictions	With donor restrictions	Total
Contributions	\$ 230	12,967	13,197
Endowment spending distribution	(13,804)	(38,428)	(52,232)
Other changes, including life income fund and other transfers	220	3,785	4,005
Endowment net assets, June 30, 2019	362,976	1,024,439	1,387,415
Investment return:			
Investment income, net	4,070	11,615	15,685
Net appreciation – realized and unrealized	2,975	8,073	11,048
Total investment return	7,045	19,688	26,733
Contributions	1,025	12,149	13,174
Endowment spending distribution	(13,835)	(38,999)	(52,834)
Other changes, including life income fund and other transfers	62	1,804	1,866
Endowment net assets, June 30, 2020	\$ 357,273	1,019,081	1,376,354

(15) Scholarship Allowance

The University provides financial assistance to eligible students to partially offset the direct costs of tuition, on-campus housing, and meal contracts. These scholarship allowances are presented as a reduction of tuition and fees.

The table below identifies this financial assistance by source and by student classification for the years ended June 30, 2020 and 2019 (in thousands):

	2020			2019		
	Undergraduate	Graduate	Total	Undergraduate	Graduate	Total
Tuition:						
Unrestricted	\$ 98,349	68,120	166,469	92,962	67,857	160,819
Federal grants	923	1,882	2,805	870	1,791	2,661
State grants	12,769	1,179	13,948	11,847	1,294	13,141
Private gifts	3,117	1,011	4,128	2,691	1,323	4,014
Endowment	4,711	152	4,863	4,225	218	4,443
Total	119,869	72,344	192,213	112,595	72,483	185,078
Student aid expenses	3,387	3,214	6,601	3,660	4,045	7,705
Total	\$ 123,256	75,558	198,814	116,255	76,528	192,783

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(16) Related-Party Transactions

The University may, from time to time, do business with companies that may be associated, either directly or indirectly, with members of the University's Board of Trustees or senior management. Although not material, the University believes that these transactions are executed on terms comparable to those available from unrelated parties and are in the best interest of the University.

(17) Contingencies

The University is party to certain claims and litigation arising in the ordinary course of business. In the opinion of management, the resolution of such claims and litigation will not materially affect the University's consolidated balance sheets, statement of activities, or cash flows.

The University receives significant financial assistance from the federal government including the sponsorship of federal research projects. Research grants and contracts normally provide for the recovery of direct and indirect costs, based on predetermined rates negotiated with the federal government. Indirect cost recovery rates from nonfederal sources may vary. Entitlement to these resources for the recovery of the applicable direct and related indirect costs is generally conditioned upon compliance with the terms and conditions of the grant or contract agreements and applicable federal regulations, including the expenditure of the resources for eligible purposes. Substantially all grants and contracts, and the University's indirect cost rate, are subject to financial and compliance reviews and audits by the grantors.

(18) COVID-19 Environment

In March 2020, the impact of the novel coronavirus (COVID-19) affected travel, commerce and financial markets globally. Commencing in March 2020, undergraduate and graduate course instruction was conducted virtually and most students vacated the campus. The University granted net refunds of \$28,085,000 in 2020 for housing, dining, parking and other services not provided. Students continued to meet their academic requirements for the remainder of the 2020 academic year. The University was granted student emergency grants under the CARES Act: Higher Education Emergency Relief Fund (HEERF) of approximately \$6,087,000. In addition, another \$6,087,000 was received through HEERF to offset the University's institutional costs related to the pandemic. Total revenue of \$9,362,000 is recognized as grants, contracts, and other exchange transactions in the consolidated statement of activities in 2020. Additional revenue of \$2,812,000 is expected to be recognized in 2021 when the remaining student grants are awarded and claimed.

The start of the 2021 academic year began with a modified return to campus plan for students and many faculty and staff remain working in a remote environment. There is no timetable for when instruction and campus operations will return to normal.

While the financial impact on the University is being monitored at this time, the pandemic may continue to adversely affect operations and financial conditions. The University continues to monitor the pandemic and is prepared to take additional measures to protect the health of the University community and promote the continuity of its academic and research missions.

(19) Subsequent Events

In connection with the preparation of the consolidated financial statements, the University evaluated subsequent events after the consolidated balance sheet date of June 30, 2020 through November 9, 2020, which was the date the consolidated financial statements were issued.

UNIVERSITY OF DELAWARE
Schedule of Expenditures of Federal Awards
Year ended June 30, 2020

Federal Grantor/Pass-Through Grantor/Program or Cluster Title	Federal CFDA number	Pass-through entity identifying number	Pass-through to subrecipients	Federal expenditures
Research and Development Cluster:				
Department of Commerce Programs:				
Direct:				
Integrated Ocean Observing System (IOOS)	11.012		\$ —	90,271
Ocean Acidification Program (OAP)	11.017		—	202,356
Bipartisan Budget Act 2018	11.022		—	147,527
Sea Grant Support	11.417		—	1,377,192
Meteorologic and Hydrologic Modernization Development	11.467		—	25,573
Center for Sponsored Coastal Ocean Research Coastal Ocean Program	11.478		—	365,697
Measurement and Engineering Research and Standards	11.609		—	2,145,364
Arrangements for Interdisciplinary Research Infrastructure	11.619		—	14,644,334
Marine Debris Program	11.999		—	65,803
Subtotal: Department of Commerce Programs – Direct			—	19,064,117
Pass-Through:				
Nebraska, University of	11.000	26-0521-0129-003	199	199
Subtotal for CFDA No. 11.000			199	199
Rutgers, State University of New Jersey	11.012	1157	20,219	20,219
Rutgers, State University of New Jersey	11.012	1158	318,875	318,875
Rutgers, State University of New Jersey	11.012	5928	90	90
Rutgers, State University of New Jersey	11.012	5934	45,864	45,864
Rutgers, State University of New Jersey	11.012	6164	1,601	1,601
Rutgers, State University of New Jersey	11.012	6165	161,422	161,422
Rutgers, State University of New Jersey	11.012	A18-03180S002-PO642268	(7,886)	(7,886)
Subtotal for CFDA No. 11.012			540,185	540,185
Virginia Institute of Marine Science	11.017	721672-712683	2,402	2,402
Subtotal for CFDA No. 11.017			2,402	2,402
Delaware Department of Natural Resources	11.419	19A00846	1,522	1,522
Delaware Department of Natural Resources	11.419	19A01254	16,002	16,002
Delaware Department of Natural Resources	11.419	19A01477	64,583	64,583
Delaware Department of Natural Resources	11.419	19A01598	19,020	19,020
Delaware Department of Natural Resources	11.419	19A01660	34,547	34,547
Delaware Department of Natural Resources	11.419	20A00382	18,137	18,137
Delaware Department of Natural Resources	11.419	20A00934	11,108	11,108
Subtotal for CFDA No. 11.419			164,919	164,919
Delaware Department of Natural Resources	11.420	20A00559	13,943	13,943
Subtotal for CFDA No. 11.420			13,943	13,943
California, Santa Cruz, University of	11.432	A16-0309-S005-P0684758	72,727	72,727
Texas A & M University	11.432	18A00970	3,756	3,756
Subtotal for CFDA No. 11.432			76,483	76,483
The University of Southern Mississippi	11.451	USM-GR05830-01	41,885	41,885
Subtotal for CFDA No. 11.451			41,885	41,885
Northeast States Emergency Consortium	11.467	NA19NWS4670011-SUD	43,891	43,891
Subtotal for CFDA No. 11.467			43,891	43,891
Maryland, University of	11.478	SA075258490	34,107	34,107
Subtotal for CFDA No. 11.478			34,107	34,107
Optofluidics, Inc	11.620	17A01335	7,428	7,428
Subtotal for CFDA No. 11.620			7,428	7,428
Subtotal: Department of Commerce Programs – Pass-Through			925,442	925,442
Total: Department of Commerce Programs			925,442	19,989,559
Department of Defense Programs:				
Direct:				
Department of Defense Programs	12.000		—	945,227
Basic and Applied Scientific Research	12.300		—	3,016,180
Basic Research for Combating Weapons of Mass Destruction	12.351		—	208,637
Military Medical Research and Development	12.420		—	1,943,441
Basic Scientific Research	12.431		—	4,732,055
Basic, Applied, and Advanced Research in Science and Engineering	12.630		—	50,802
Air Force Defense Research Sciences Program	12.800		—	1,700,228
Research and Technology Development	12.910		—	1,702,398
Subtotal: Department of Defense Programs – Direct			—	14,298,968
Pass-Through:				
APTIM	12.000	206786 OS	45,634	45,634
Chip Design Systems	12.000	18A00414	16,109	16,109
Chip Design Systems	12.000	18A01014	(193)	(193)
Chip Design Systems	12.000	19A01014	89,989	89,989
Composites Automation LLC	12.000	2019-0003 UD-CCM	44,465	44,465
Composites Automation LLC	12.000	2019-1018 UD-CCM	103,620	103,620

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Schedule of Expenditures of Federal Awards
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Federal Grantor/Pass-Through Grantor/Program or Cluster Title	Federal CFDA number	Pass-through entity identifying number	Pass-through to subrecipients	Federal expenditures
Composites Automation LLC	12.000	2020-1001 UD-CCM	\$ 13,347	13,347
Convergent Manufacturing Technologies US	12.000	18A01719	31,353	31,353
DeLUX Engineering, Inc.	12.000	20A00357	58,835	58,835
DeLUX Engineering, Inc.	12.000	20A01013	4,804	4,804
Imperial Machine & Tool Co.	12.000	20A00643	38,175	38,175
Leidos, Inc.	12.000	P010226619	219,599	219,599
Lumilant, Inc.	12.000	16A01142	(300)	(300)
Maher & Associates	12.000	18-0130-0003	33,216	33,216
National Advanced Mobility Consortium	12.000	69-201907	99,081	99,081
Oregon Health & Science University	12.000	1016202 DELAWARE	82,444	82,444
Phase Sensitive Innovations, Inc.	12.000	17A00021	52,843	52,843
Phase Sensitive Innovations, Inc.	12.000	18A00166	(137,281)	(137,281)
Phase Sensitive Innovations, Inc.	12.000	18A01711	45,000	45,000
Phase Sensitive Innovations, Inc.	12.000	19A00454	186,000	186,000
Phase Sensitive Innovations, Inc.	12.000	S-124-001-002	(62,064)	(62,064)
SI2 Technologies, Inc.	12.000	SI2-2019-3064-001	108,053	108,053
Smart Material Solutions, Inc.	12.000	20A00461	63,396	63,396
Subtotal for CFDA No. 12.000			1,136,125	1,136,125
Iowa, University of	12.114	17A00197	3,503	3,503
Subtotal for CFDA No. 12.114			3,503	3,503
Cyber 20/20	12.300	17A00549	68,176	68,176
Knobles Scientific and Analysis, LLC	12.300	18A01618	130,603	130,603
Pennsylvania, University of	12.300	572767	63,395	63,395
Subtotal for CFDA No. 12.300			262,174	262,174
California-San Francisco, University of	12.420	8398	4,793	4,793
Iowa, University of	12.420	S00429-01	178,505	178,505
Iowa, University of	12.420	S00522-01	28,110	28,110
Michigan, University of	12.420	3003497403 YR2	108,629	108,629
Subtotal for CFDA No. 12.420			320,037	320,037
Brown University	12.431	00000819	72,036	72,036
Michigan, University of	12.431	3002780062	22,307	22,307
Minnesota, University of	12.431	A004135003	76,093	76,093
Scripps Institute of Oceanography	12.431	90824835	178,312	178,312
Subtotal for CFDA No. 12.431			348,748	348,748
Johns Hopkins University	12.630	2001518468 CLIN 23	181,695	181,695
Johns Hopkins University	12.630	2001518468 PLUS UP 18	71,383	71,383
Johns Hopkins University	12.630	2001518468 PLUS UP 19	466,425	466,425
Johns Hopkins University	12.630	2001518468-CLIN 10. 19	508,855	508,855
Subtotal for CFDA No. 12.630			1,228,358	1,228,358
Henry M. Jackson Foundation	12.740	4351	(1,160)	(1,160)
Subtotal for CFDA No. 12.740			(1,160)	(1,160)
Arizona State University	12.800	ASUB00000463	37,334	37,334
California-San Diego University of	12.800	104170068	151,478	151,478
Idaho, University of	12.800	EE1581-SB-752895	14,709	14,709
Rutgers, State University of New Jersey	12.800	1316	32,547	32,547
Texas at Austin, University of	12.800	UTA16-001296	105,366	105,366
Subtotal for CFDA No. 12.800			341,434	341,434
Donald Danforth Plant Science Center	12.910	23107-DE	107,339	107,339
Florida, University of	12.910	SUB00001630	50,623	50,623
Johns Hopkins University	12.910	2004112405	50,926	50,926
Subtotal for CFDA No. 12.910			208,888	208,888
Subtotal: Department of Defense Programs – Pass-Through			3,848,107	3,848,107
Total: Department of Defense Programs			3,848,107	18,147,075
Department of Education Programs:				
Direct:				
Education Research, Development and Dissemination	84.305		—	2,605,201
Research in Special Education	84.324		—	733,198
Subtotal: Department of Education Programs – Direct			—	3,338,399
Pass-Through:				
Abt Associates	84.000	50902	42,614	42,614
Subtotal for CFDA No. 84.000			42,614	42,614
Duke University	84.305	343-0810	91,864	91,864
Educational Testing Service	84.305	19A00111	111,536	111,536
Temple University	84.305	256200-UD	1,190	1,190

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Temple University	84.305	259746-UDE	\$ 19,651	19,651
Temple University	84.305	263672-UoD	25,498	25,498
Vanderbilt University	84.305	UNIV61168	51,316	51,316
Subtotal for CFDA No. 84.305			301,055	301,055
Duquesne University	84.324	G1500085	85,196	85,196
Subtotal for CFDA No. 84.324			85,196	85,196
Delaware Department of Education	84.366	MSP 01-16	(9)	(9)
Subtotal for CFDA No. 84.366			(9)	(9)
Subtotal: Department of Education Programs – Pass-Through			428,856	428,856
Total: Department of Education Programs			428,856	3,767,255
Department of Energy Programs:				
Direct:				
Office of Science Financial Assistance Program	81.049		—	6,055,953
Conservation Research and Development	81.086		—	211,992
Renewable Energy Research and Development	81.087		—	615,339
Fossil Energy Research and Development	81.089		—	165,876
Advanced Research Projects Agency – Energy	81.135		—	3,345,339
Subtotal: Department of Energy Programs – Direct			—	10,394,499
Pass-Through:				
Argonne National Lab	81.000	8F-30070	128,676	128,676
Lawrence Livermore National Laboratory	81.000	B636503	30,999	30,999
Lawrence Livermore National Laboratory	81.000	B638531	43,996	43,996
Sandia National Labs	81.000	2033134	66,615	66,615
UT-Battelle, LLC	81.000	4000156092	18,680	18,680
UT-Battelle, LLC	81.000	4000159498	84,357	84,357
Subtotal for CFDA No. 81.000			373,323	373,323
Pass-Through:				
Battelle	81.089	US001-0000494466	875	875
Subtotal for CFDA No. 81.089			875	875
Acellent Technologies, Inc.	81.049	19A01175	40,000	40,000
California-Davis, University of	81.049	201603457-05	212,077	212,077
California-Santa Barbara, University of	81.049	KK1970	77,581	77,581
Composites Automation LLC	81.049	2019-0002 UD-CCM	79,811	79,811
JC Solutions LLC	81.049	18A01163	799	799
STF Technologies, LLC	81.049	19A00533	57,630	57,630
STF Technologies, LLC	81.049	20A00609	34,119	34,119
Subtotal for CFDA No. 81.049			502,017	502,017
Clemson University	81.086	1852-219-2021156	115,831	115,831
Iowa State University	81.086	401-20-15B	8,658	8,658
Xergy Inc.	81.086	XERGY-DE-0008218	4,688	4,688
Subtotal for CFDA No. 81.086			129,177	129,177
American Institute of Chemical Engineers	81.087	DE-EE0007888-08-1A	41,079	41,079
American Institute of Chemical Engineers	81.087	DE-EE0007888-6.5	272,108	272,108
American Institute of Chemical Engineers	81.087	DE-EE0007888-7.6	394,135	394,135
American Institute of Chemical Engineers	81.087	DE-EE0007888-8.3	871,286	871,286
American Institute of Chemical Engineers	81.087	DE-EE0007888-9.5	604,108	604,108
Drexel University	81.087	950017	7,156	7,156
Electrical Distribution Design	81.087	8768-005	120,385	120,385
Electrical Distribution Design	81.087	8768-006	26,717	26,717
Giner, Inc	81.087	402546	142,573	142,573
Northeastern University	81.087	503032-78050	100,935	100,935
SHIO, LLC	81.087	20A00694	6,296	6,296
Subtotal for CFDA No. 81.087			2,586,778	2,586,778
Giner, Inc	81.135	17A00306	8,193	8,193
Subtotal for CFDA No. 81.135			8,193	8,193
Subtotal: Department of Energy Programs – Pass-Through			3,600,363	3,600,363
Total: Department of Energy Programs			3,600,363	13,994,862
Department of Health & Human Services Programs:				
Direct:				
Department of Health and Human Services Programs	93.000		—	157,746
Maternal and Child Health Federal Consolidated Programs	93.110		—	725,286
Environmental Health	93.113		—	135,053
Oral Diseases and Disorders Research	93.121		—	93,636
Research Related to Deafness and Communication Disorders	93.173		—	1,177,729
Research and Training in Complementary and Integrative Health	93.213		—	98,439
Mental Health Research Grants	93.242		—	1,470,279
Alcohol Research Programs	93.273		—	211,022
Drug Abuse and Addiction Research Programs	93.279		—	415,360
National Institutes of Health Loan Repayment Program for Clinical Researchers	93.280		—	611,110
National Institutes of Health Pediatric Research Loan Repayment Program	93.285		—	4,467,760

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Discovery and Applied Research for Technological Innovations to Improve Human Health	93.286		\$ —	606,828
Minority Health and Health Disparities Research	93.307		—	126,272
Trans-NIH Research Support	93.310		—	450,611
Research Infrastructure Programs	93.351		—	371,890
Nursing Research	93.361		—	610,636
Cancer Cause and Prevention Research	93.393		—	468,734
Cancer Treatment Research	93.395		—	237,685
Cancer Biology Research	93.396		—	230,506
ACL Assistive Technology	93.464		—	518,233
University Centers for Excellence in Developmental Disabilities Education, Research, and Service	93.632		—	566,123
Heart and Vascular Diseases Research	93.837		—	2,436,207
Lung Diseases Research	93.838		—	375,205
Blood Diseases and Resources Research	93.839		—	286,841
Arthritis, Musculoskeletal and Skin Diseases Research	93.846		—	1,644,396
Diabetes, Digestive, and Kidney Diseases Extramural Research	93.847		—	447,314
Extramural Research Programs in the Neurosciences and Neurological Disorders	93.853		—	672,826
Allergy and Infectious Diseases Research	93.855		—	287,691
Biomedical Research and Research Training	93.859		—	10,626,282
Child Health and Human Development Extramural Research	93.865		—	2,410,364
Aging Research	93.866		—	1,774,060
Vision Research	93.867		—	1,971,531
Subtotal: Department of Health & Human Services Programs – Direct			—	36,683,655
Pass-Through:				
Assoc of Univ Centers on Disabilities	93.000	18A00945	1,641	1,641
Connecticut, University of	93.000	369814	70,295	70,295
DE Dept for Children Youth and Families	93.000	PBH(UD-LAUNCH)FY15-13820	42,796	42,796
DE Dept for Children Youth and Families	93.000	PBH(UD-SAFETY)15-2689	65,939	65,939
Maryland, University of	93.000	19A01565	47,104	47,104
Pittsburgh, University of	93.000	CNVA00056812 (133186-8)	135,621	135,621
South Carolina, University of	93.000	20-3981	57,319	57,319
Subtotal for CFDA No. 93.000			420,715	420,715
CHEER, Inc.	93.048	19A01581	12,625	12,625
Subtotal for CFDA No. 93.048			12,625	12,625
South Carolina, University of	93.073	193772	25,557	25,557
Subtotal for CFDA No. 93.073			25,557	25,557
Delaware Dept of Health & Social Service	93.074	19-086	63,123	63,123
Delaware Dept of Health & Social Service	93.074	20-384	63,342	63,342
Subtotal for CFDA No. 93.074			126,465	126,465
Delaware Department of Agriculture	93.103	20A00054	49,848	49,848
Subtotal for CFDA No. 93.103			49,848	49,848
DE Dept for Children Youth and Families	93.104	15902	12,496	12,496
Subtotal for CFDA No. 93.104			12,496	12,496
DE Dept for Children Youth and Families	93.110	UD-EVAL DCPAP 19-15651	55,250	55,250
Subtotal for CFDA No. 93.110			55,250	55,250
Michigan State University	93.113	RC105513UD	16,194	16,194
Wisconsin-Madison, University of	93.113	0000000432	10,026	10,026
Wisconsin-Madison, University of	93.113	869K142	2,464	2,464
Wisconsin-Madison, University of	93.113	869K186	27,084	27,084
Subtotal for CFDA No. 93.113			55,768	55,768
Delaware Dept of Health & Social Service	93.136	18-437	(441)	(441)
Subtotal for CFDA No. 93.136			(441)	(441)
Texas A & M University	93.143	M2000977	33,828	33,828
Subtotal for CFDA No. 93.143			33,828	33,828
European Molecular Biology Laboratory	93.172	14A00216	—	—
European Molecular Biology Laboratory	93.172	PIRUD-3068-01	565,109	565,109
Subtotal for CFDA No. 93.172			565,109	565,109
Michigan, University of	93.173	SUBK00011879	7,473	7,473
Michigan, University of	93.173	SUBK00011924	53,813	53,813
Temple University	93.173	263001-UD	74,890	74,890
Subtotal for CFDA No. 93.173			136,176	136,176
Pennsylvania, University of	93.213	576518	35,203	35,203
Subtotal for CFDA No. 93.213			35,203	35,203
Delaware Dept of Health & Social Service	93.217	20-438	5,867	5,867
Subtotal for CFDA No. 93.217			5,867	5,867
Brown University	93.242	00001133	25,191	25,191
Connecticut, University of	93.242	358235	21,185	21,185
Connecticut, University of	93.242	359065	41,588	41,588

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Stony Brook University	93.242	84780/2/1154076	\$ 82,400	82,400
The Cleveland Clinic	93.242	1014-SUB	33,391	33,391
Univ of Illinois at Chicago	93.242	17208	28,949	28,949
Subtotal for CFDA No. 93.242			232,704	232,704
DE Dept for Children Youth and Families	93.243	PBH(UD-CORE)FY15-2688	74,753	74,753
Delaware Department of Education	93.243	S19-87	36,914	36,914
Delaware Department of Education	93.243	S20-51	94,659	94,659
Delaware Department of Education	93.243	S20-52	159,488	159,488
Delaware Dept of Health & Social Service	93.243	041911	198,121	198,121
Delaware Dept of Health & Social Service	93.243	041912	164,902	164,902
Delaware Dept of Health & Social Service	93.243	0419236	14,030	14,030
Delaware Dept of Health & Social Service	93.243	18A01635	(1,680)	(1,680)
Delaware Dept of Health & Social Service	93.243	19-PIPBHC-UD	23,429	23,429
State of Delaware-General	93.243	UDEVAL-LAUNCH FY16-13899	36,808	36,808
Thomas Jefferson University	93.243	080-21000-S32601	18,405	18,405
University of Maryland, Baltimore	93.243	19A01498	33,615	33,615
Subtotal for CFDA No. 93.243			853,444	853,444
Columbia University	93.280	1(GG008696)	16,028	16,028
Subtotal for CFDA No. 93.280			16,028	16,028
Johns Hopkins University	93.283	2003570856	189,137	189,137
Subtotal for CFDA No. 93.283			189,137	189,137
California-Davis, University of	93.285	18A01576	236,340	236,340
Subtotal for CFDA No. 93.285			236,340	236,340
Temple University	93.307	261331-Delaware B	187,422	187,422
Texas at Arlington, University of	93.307	19A01019	256,330	256,330
Subtotal for CFDA No. 93.307			443,752	443,752
Georgia, University of	93.310	SUB00002057	58,217	58,217
Northwestern University	93.310	60045250 UDEL	59,916	59,916
Northwestern University	93.310	60054546 UD	156,691	156,691
Subtotal for CFDA No. 93.310			274,824	274,824
Christopher Reeve Paralysis Foundation	93.325	16A00746	12,965	12,965
Subtotal for CFDA No. 93.325			12,965	12,965
Maryland, University of	93.361	17A00874	257,055	257,055
Subtotal for CFDA No. 93.361			257,055	257,055
George Washington University	93.394	19-M33	54,718	54,718
Subtotal for CFDA No. 93.394			54,718	54,718
Pennsylvania, University of	93.396	577168	55,208	55,208
Virginia, University of	93.396	GB10749.P0#2235323	94,015	94,015
Subtotal for CFDA No. 93.396			149,223	149,223
Delaware Department of Education	93.434	S20-75	50,913	50,913
Subtotal for CFDA No. 93.434			50,913	50,913
Orange Co. Dept. of Social Service	93.556	20A00666	4,069	4,069
Subtotal for CFDA No. 93.556			4,069	4,069
Concept Systems	93.624	16A00676	(140)	(140)
Subtotal for CFDA No. 93.624			(140)	(140)
Florida Developmental Disabilities Counc	93.630	1005SA18	3,707	3,707
Florida Developmental Disabilities Counc	93.630	1020SA18B	89,230	89,230
Subtotal for CFDA No. 93.630			92,937	92,937
Nemours/A. I. duPont Hosp for Children	93.837	12A01165	697	697
Subtotal for CFDA No. 93.837			697	697
Baylor College of Medicine	93.838	7000001102	9,666	9,666
University of Texas at Dallas	93.838	1806479	103,000	103,000
Subtotal for CFDA No. 93.838			112,666	112,666
Boston Children's Hospital	93.839	GENFD0001569488	424,169	424,169
Subtotal for CFDA No. 93.839			424,169	424,169
Boston University	93.846	4500003181	23,723	23,723
Boston University	93.846	4500003239	51,164	51,164
Indiana University	93.846	IN4679861UD	13,794	13,794
Pennsylvania, University of	93.846	1R01AR-071718-01A1	54,740	54,740
Subtotal for CFDA No. 93.846			143,421	143,421

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Pennsylvania, University of	93.847	572700	\$ 19,438	19,438
Pennsylvania, University of	93.847	574745	11,328	11,328
Subtotal for CFDA No. 93.847			30,766	30,766
Washington University, St Louis	93.853	WU-20-155/ PO # 2940905H	57,264	57,264
Subtotal for CFDA No. 93.853			57,264	57,264
California-Davis, University of	93.859	A17-0297-S001	(7,404)	(7,404)
Delaware State University	93.859	18-050HEH	350,598	350,598
Delaware State University	93.859	20-050HEH	761,268	761,268
Nemours/A. I. duPont Hosp for Children	93.859	3004973470	44,785	44,785
Nemours/A. I. duPont Hosp for Children	93.859	3004973476	1,856	1,856
Pittsburgh, University of	93.859	0056812 (130039-5)	32,560	32,560
Pittsburgh, University of	93.859	0056812 (130039-8)	25,037	25,037
Pittsburgh, University of	93.859	CNVA00056812 (133186-4)	241,982	241,982
Temple University	93.859	262103 DE	6,883	6,883
Texas at San Antonio, University of	93.859	164960/164956	54,151	54,151
Towson University	93.859	5040112 PO #8180	3,007	3,007
University of South Florida	93.859	1210-1063-00-A	(137)	(137)
Subtotal for CFDA No. 93.859			1,514,586	1,514,586
Cincinnati, University of	93.865	011445-002	178,028	178,028
Michigan, University of	93.865	3003881030	36,852	36,852
Monell Chemical Senses Center	93.865	NIH060A01MENNE	32,682	32,682
Nebraska, University of	93.865	44-1014-1002-202	7,351	7,351
Northwestern University	93.865	60047828 DELA	117,750	117,750
Northwestern University	93.865	60047828 UD	5,518	5,518
Washington University, St Louis	93.865	20A00188	97,375	97,375
Washington University, St Louis	93.865	WU-19-130	41,225	41,225
Washington University, St Louis	93.865	WU-20-476	2,880	2,880
Subtotal for CFDA No. 93.865			519,661	519,661
Banner Health	93.866	20A00583	184,558	184,558
Colorado, University of	93.866	1557625	39,104	39,104
Northwestern University	93.866	60048330 UD	84,033	84,033
Northwestern University	93.866	60051680 UD	88,121	88,121
Subtotal for CFDA No. 93.866			395,816	395,816
Morehouse School of Medicine	93.867	NSI_LO-UD_001	34,358	34,358
Washington, University of	93.867	UWSC9280	125	125
Subtotal for CFDA No. 93.867			34,483	34,483
Indiana University	93.879	IN-4684687-DEL	4,177	4,177
Pittsburgh, University of	93.879	CNVA00050256 (132448-16)	986	986
Subtotal for CFDA No. 93.879			5,163	5,163
Delaware Dept of Health & Social Service	93.898	19-344	6,441	6,441
Delaware Dept of Health & Social Service	93.898	20-096	13,921	13,921
Delaware Dept of Health & Social Service	93.898	20-366	131,488	131,488
Subtotal for CFDA No. 93.898			151,850	151,850
Delaware Dept of Health & Social Service	93.913	19-246	11,479	11,479
Delaware Dept of Health & Social Service	93.913	20-349	36,485	36,485
Subtotal for CFDA No. 93.913			47,964	47,964
State of Minnesota	93.958	16A00548	215,005	215,005
Subtotal for CFDA No. 93.958			215,005	215,005
DE Dept for Children Youth and Families	93.959	PBH(UD_SAP)20-15837	60,666	60,666
DE Dept for Children Youth and Families	93.959	PBH(UD-EVAL)17-14629	69,426	69,426
DE Dept for Children Youth and Families	93.959	PBH(UD-SAP)fy15-2551 A4	29,237	29,237
DE Dept for Children Youth and Families	93.959	PBH(UD-YOUTHSRVY)20-15914	28,184	28,184
Delaware Dept of Health & Social Service	93.959	031920	6,677	6,677
Subtotal for CFDA No. 93.959			194,190	194,190
Georgia Institute of Technology	93.989	RF135-G3S1	5,101	5,101
Subtotal for CFDA No. 93.989			5,101	5,101
Subtotal: Department of Health & Human Services Programs – Pass-Through			8,255,237	8,255,237
Total: Department of Health & Human Services Programs			8,255,237	44,938,892
Department of Homeland Security Programs:				
Pass-Through:				
MITRE Corporation	97.000	Task Order 1-126239	29,526	29,526
Subtotal for CFDA No. 97.000			29,526	29,526
Delaware Department of Natural Resources	97.041	19A00676	33,738	33,738
Delaware Department of Natural Resources	97.041	20A00868	91,290	91,290
Subtotal for CFDA No. 97.041			125,028	125,028
Subtotal: Department of Homeland Security Programs – Pass-Through			154,554	154,554
Total: Department of Homeland Security Programs			154,554	154,554

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Federal Grantor/Pass-Through Grantor/Program or Cluster Title	Federal CFDA number	Pass-through entity identifying number	Pass-through to subrecipients	Federal expenditures
Department of Interior Programs:				
Direct:				
Department of the Interior Programs	15.000		\$ —	167,791
Bureau of Ocean Energy Management (BOEM) Environmental Studies Program (ESP)	15.423		—	87,085
Migratory Bird Monitoring, Assessment and Conservation	15.655		—	346,990
Cooperative Ecosystem Studies Units	15.678		—	57,653
Assistance to State Water Resources Research Institutes	15.805		—	87,086
U.S. Geological Survey Research and Data Collection	15.808		—	(232)
National Center for Preservation Technology and Training	15.923		—	9,049
Cooperative Research and Training Programs – Resources of the National Park System	15.945		—	134,334
National Ground-Water Monitoring Network	15.980		—	34,623
Subtotal: Department of Interior Programs – Direct			—	924,379
Pass-Through:				
Delaware Department of Natural Resources	15.634	17A01654	39,841	39,841
Delaware Department of Natural Resources	15.634	20A00985	62,760	62,760
Subtotal for CFDA No. 15.634			102,601	102,601
Delaware Department of Natural Resources	15.677	17A00498	43,394	43,394
Subtotal for CFDA No. 15.677			43,394	43,394
Subtotal: Department of Interior Programs – Pass-Through			145,995	145,995
Total: Department of Interior Programs			145,995	1,070,374
Department of Justice Programs:				
Direct:				
National Institute of Justice Research, Evaluation, and Development Project Grants	16.560		—	423,837
Subtotal: Department of Justice Programs – Direct			—	423,837
Pass-Through:				
New Castle County Police	16.000	20A00908	6,942	6,942
Subtotal for CFDA No. 16.000			6,942	6,942
Northeastern University	16.560	504625-78050	54,943	54,943
Subtotal for CFDA No. 16.560			54,943	54,943
New Castle County Police	16.745	20A00910	3,313	3,313
Subtotal for CFDA No. 16.745			3,313	3,313
Subtotal: Department of Justice Programs – Pass-Through			65,198	65,198
Total: Department of Justice Programs			65,198	489,035
Department of Transportation Programs:				
Direct:				
Highway Research and Development Program	20.200		—	2,510
Railroad Research and Development	20.313		—	102,172
Federal Transit Technical Assistance	20.512		—	(12,534)
Air Emissions and Energy Initiative	20.817		—	107,092
Subtotal: Department of Transportation Programs – Direct			—	199,240
Pass-Through:				
National Academy of Science	20.000	HR 20-05(51-13)	30,105	30,105
Rutgers, State University of New Jersey	20.000	0446	123,672	123,672
Subtotal for CFDA No. 20.000			153,777	153,777
Delaware Department of Transportation	20.200	1921P1-Task 1	16,747	16,747
Delaware Department of Transportation	20.200	1921P5-Task 1	31,783	31,783
Delaware Department of Transportation	20.200	19A01068	15,376	15,376
Delaware Department of Transportation	20.200	Task 13-1891	43,046	43,046
Delaware Department of Transportation	20.200	Task 13-1929	45,567	45,567
Delaware Department of Transportation	20.200	Task 16-1891	46,667	46,667
Delaware Department of Transportation	20.200	Task 17-1929	96,186	96,186
Delaware Department of Transportation	20.200	Task 19-1891	34,954	34,954
Delaware Department of Transportation	20.200	Task 20-1891	34,954	34,954
Delaware Department of Transportation	20.200	Task 20-1929	47,649	47,649
Delaware Department of Transportation	20.200	Task 27-1891	16,059	16,059
Delaware Department of Transportation	20.200	Task 28-1891	42,613	42,613
Delaware Department of Transportation	20.200	Task 29-1891	84,958	84,958
Delaware Department of Transportation	20.200	TASK 30D-1717	22,654	22,654
Delaware Department of Transportation	20.200	Task 31-1891	61,902	61,902
Delaware Department of Transportation	20.200	Task 33-1929	19,637	19,637
Delaware Department of Transportation	20.200	Task 36B-1891	104,535	104,535
Delaware Department of Transportation	20.200	Task 37A-1891	75,815	75,815
Delaware Department of Transportation	20.200	Task 37B-1891	52,049	52,049
Delaware Department of Transportation	20.200	Task 4-1891	76,545	76,545

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Delaware Department of Transportation	20.200	Task 5-1929	\$ 91,630	91,630
Delaware Department of Transportation	20.200	Task 8-1929	79,867	79,867
Delaware Department of Transportation	20.200	TASK 94-1717	4,495	4,495
Delaware Department of Transportation	20.200	TASK 97-1717	174	174
Lehigh University	20.200	542621-78002	8	8
National Academy of Science	20.200	NCHRP-211	48,449	48,449
Subtotal for CFDA No. 20.200			1,194,319	1,194,319
National Academy of Science	20.313	J-07 (SE-07)	21,255	21,255
Subtotal for CFDA No. 20.313			21,255	21,255
Delaware Department of Transportation	20.505	TASK 105-1717	4,334	4,334
Subtotal for CFDA No. 20.505			4,334	4,334
Delaware Department of Transportation	20.515	TASK 104-1717	1,478	1,478
Delaware Department of Transportation	20.515	TASK 106-1717	(157)	(157)
Delaware Department of Transportation	20.515	TASK 109-1717	5	5
Delaware Department of Transportation	20.515	Task 1-1929	241,311	241,311
Delaware Department of Transportation	20.515	Task 14-1929	99,610	99,610
Delaware Department of Transportation	20.515	Task 18-1929	200,383	200,383
Delaware Department of Transportation	20.515	Task 2-1929	177,186	177,186
Delaware Department of Transportation	20.515	Task 36A-1891	106,459	106,459
Delaware Department of Transportation	20.515	Task 4-1929	149,915	149,915
Delaware Department of Transportation	20.515	TASK 81-1717	(151)	(151)
Subtotal for CFDA No. 20.515			976,039	976,039
Nevada-Las Vegas, University of	20.701	17-22GL-01	347,653	347,653
Pennsylvania State University	20.701	5903-UD-DOT-7103	394,164	394,164
Rutgers, State University of New Jersey	20.701	5232	574	574
Virginia, University of	20.701	GG11746 146799	(1,378)	(1,378)
Subtotal for CFDA No. 20.701			741,013	741,013
Subtotal: Department of Transportation Programs – Pass-Through			3,090,737	3,090,737
Total: Department of Transportation Programs			3,090,737	3,289,977
Environmental Protection Agency Programs:				
Direct:				
P3 Award: National Student Design Competition for Sustainability	66.516		—	995
Pollution Prevention Grants Program	66.708		—	129,477
Subtotal: Environmental Protection Agency Programs – Direct			—	130,472
Pass-Through:				
Delaware Department of Natural Resources	66.419	PO 0000454062	42,794	42,794
Subtotal for CFDA No. 66.419			42,794	42,794
Subtotal: Environmental Protection Agency Programs – Pass-Through			42,794	42,794
Total: Environmental Protection Agency Programs			42,794	173,266
National Aeronautics and Space Administration Programs:				
Direct:				
National Aeronautics and Space Administration Programs	43.000		—	934,694
Science	43.001		—	1,571,847
Education	43.008		—	852,312
Space Technology	43.012		—	109,869
Subtotal: National Aeronautics and Space Administration Programs – Direct			—	3,468,722
Pass-Through:				
Composites Automation LLC	43.000	2018-0001 UD-CCM	110,530	110,530
Composites Automation LLC	43.000	2018-0002 UD-CCM	3,237	3,237
Composites Automation LLC	43.000	2018-0003 UD-CCM	77,083	77,083
Princeton University	43.000	SUB0000165	86,710	86,710
Princeton University	43.000	SUB0000317	38,073	38,073
Space Telescope Science Institute	43.000	HST-AR-15794.001-A	2,393	2,393
Space Telescope Science Institute	43.000	HST-GO-14195.001-A	6,871	6,871
Space Telescope Science Institute	43.000	HST-GO-15066.005-A	48,047	48,047
STF Technologies, LLC	43.000	17A01571	42,231	42,231
STF Technologies, LLC	43.000	18A00843	102,817	102,817
STF Technologies, LLC	43.000	19A01344	34,549	34,549
Subtotal for CFDA No. 43.000			552,541	552,541
Oregon State University	43.001	NS309A-A	55,487	55,487
Washington University, St Louis	43.001	WU-19-50	107,030	107,030
Subtotal for CFDA No. 43.001			162,517	162,517
Southern California, University of	43.002	68797092	91,010	91,010
Subtotal for CFDA No. 43.002			91,010	91,010
Delaware State University	43.008	16015HEH	1,228	1,228
Subtotal for CFDA No. 43.008			1,228	1,228
Subtotal: National Aeronautics and Space Administration Programs – Pass-Through			807,296	807,296
Total: National Aeronautics and Space Administration Programs			807,296	4,276,018

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National Science Foundation Programs:				
Direct:				
National Science Foundation Programs	47.000		\$ —	526,865
Engineering Grants	47.041		—	4,888,466
Mathematical and Physical Sciences	47.049		—	4,757,317
Geosciences	47.050		—	3,927,135
Computer and Information Science and Engineering	47.070		—	4,339,211
Biological Sciences	47.074		—	2,331,762
Social, Behavioral, and Economic Sciences	47.075		—	260,783
Education and Human Resources	47.076		—	1,522,402
Polar Programs	47.078		—	68,445
Office of International and Integrative Activities	47.079		—	1,274,585
Trans-NSF Recovery Act Research Support	47.082		—	456
Office of Integrative Activities	47.083		—	6,827,720
Subtotal: National Science Foundation Programs – Direct			—	30,725,147
Pass-Through:				
University of South Florida	47.000	2500-1748-00-A	80,237	80,237
Woods Hole Oceanographic Institute	47.000	A101425	9,668	9,668
Subtotal for CFDA No. 47.000			89,905	89,905
Arizona State University	47.041	12-726D	(3,710)	(3,710)
Arizona State University	47.041	19A00100	245,376	245,376
Clemson University	47.041	1961-206-2012124	328,867	328,867
George Mason University	47.041	E2041102	7,284	7,284
Jackson State University	47.041	2016-633196UD	202,518	202,518
Johns Hopkins University	47.041	19A00357	62,902	62,902
Johns Hopkins University	47.041	2001929028	15	15
Johns Hopkins University	47.041	2003586152	24,102	24,102
Johns Hopkins University	47.041	2003586408	19,538	19,538
Johns Hopkins University	47.041	2003586555	73,615	73,615
Johns Hopkins University	47.041	2003986929	(19,941)	(19,941)
Johns Hopkins University	47.041	2004173884	38,876	38,876
Johns Hopkins University	47.041	2004180159	37,489	37,489
Johns Hopkins University	47.041	2004638063	3,079	3,079
Medical College of Georgia	47.041	1727949	(17)	(17)
Nebraska, University of	47.041	25-0521-0210-005a	72,400	72,400
STF Technologies, LLC	47.041	13A01514	(2,470)	(2,470)
Subtotal for CFDA No. 47.041			1,089,923	1,089,923
Baylor University	47.049	30060142-02	14,394	14,394
Colorado, University of	47.049	1552489	34,998	34,998
National Radio Astronomy Observatory	47.049	SOSP45-005	7,541	7,541
Pittsburgh, University of	47.049	0056149 (12006-1)A	73,026	73,026
Washington University, St Louis	47.049	WU-16-17	(280)	(280)
Wisconsin, University of	47.049	19A00687	185,873	185,873
Subtotal for CFDA No. 47.049			315,552	315,552
Columbia University	47.050	107(GG009393-04)	977	977
Columbia University	47.050	3(GG008891)	31,607	31,607
Georgia, University of	47.050	SUB00001905	9,100	9,100
Massachusetts, University of	47.050	14-007985 A 00	432	432
Washington, University of	47.050	19A00849	92,572	92,572
Wisconsin-Madison, University of	47.050	674K170	241,387	241,387
Subtotal for CFDA No. 47.050			376,075	376,075
Illinois, University of	47.070	067846-17497	32,105	32,105
Indiana University	47.070	BL4812539UD	75,234	75,234
Michigan, University of	47.070	3004228393	84,430	84,430
Oak Ridge National Laboratory	47.070	4000154744	47,027	47,027
Tennessee, University of	47.070	A18-1401-S001	158,517	158,517
Univ Corporation Atmospheric Research	47.070	SUBAWD 000650	12,048	12,048
Subtotal for CFDA No. 47.070			409,361	409,361
Cold Spring Harbor Laboratory	47.074	52650112	50,156	50,156
Donald Danforth Plant Science Center	47.074	23905-D	(5)	(5)
Donald Danforth Plant Science Center	47.074	23908-D	37,536	37,536
Kentucky, University of	47.074	3048112549-16-028	22,747	22,747
Samuel Robert Noble Foundation	47.074	2012-934-002	(1,251)	(1,251)
Subtotal for CFDA No. 47.074			109,183	109,183
Idaho State University	47.075	18-0008A	59,404	59,404
Rutgers, State University of New Jersey	47.075	0079	9,837	9,837
Subtotal for CFDA No. 47.075			69,241	69,241
Arizona State University	47.076	17-193	220,291	220,291
Boys Town	47.076	96443-B	211,807	211,807
California-Irvine, University of	47.076	2019-1219	27,320	27,320

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Federal Grantor/Pass-Through Grantor/Program or Cluster Title	Federal CFDA number	Pass-through entity identifying number	Pass-through to subrecipients	Federal expenditures
Drexel University	47.076	235920	\$ 43,391	43,391
Education Development Center	47.076	2019-0009	25,435	25,435
North Carolina State University	47.076	2019-0347-01	8,529	8,529
The University of Oklahoma	47.076	2016-23	78,800	78,800
Subtotal for CFDA No. 47.076			615,573	615,573
Subtotal: National Science Foundation Programs – Pass-Through			3,074,813	3,074,813
Total: National Science Foundation Programs			3,074,813	33,799,960
Small Business Administration Programs:				
Direct:				
Small Business Administration Programs	59.000		—	17,206
Subtotal: Small Business Administration Programs – Direct			—	17,206
Total: Small Business Administration Programs			—	17,206
Consumer Financial Protection Bureau Programs:				
Direct:				
Consumer Financial Protection Bureau – 19A01525			—	31,412
Subtotal: Consumer Financial Protection Bureau Programs – Direct			—	31,412
Total: Consumer Financial Protection Bureau Programs			—	31,412
United States Department of Agriculture Programs:				
Direct:				
US Department of Agriculture Programs	10.000		—	7,458
Agricultural Research Basic and Applied Research	10.001		—	645,723
Plant and Animal Disease, Pest Control, and Animal Care	10.025		—	39,241
Cooperative Forestry Research	10.202		—	155,101
Payments to Agricultural Experiment Stations Under the Hatch Act	10.203		—	1,368,702
Animal Health and Disease Research	10.207		—	10,325
Higher Education – Graduate Fellowships Grant Program	10.210		—	59,530
Higher Education – Institution Challenge Grants Program	10.217		—	13,868
Agricultural and Rural Economic Research, Cooperative Agreements and Collaborations	10.250		—	105,362
Agriculture and Food Research Initiative (AFRI)	10.310		—	2,268,139
Partnership Agreements	10.699		—	143,629
Environmental Quality Incentives Program	10.912		—	2,967
Subtotal: United States Department of Agriculture Programs – Direct			—	4,820,045
Pass-Through:				
Rhode Island, University of	10.000	0006852/111617 UD	3,136	3,136
Subtotal for CFDA No. 10.000			3,136	3,136
Pennsylvania State University	10.001	6096-UD-USDA-5062	55,390	55,390
Subtotal for CFDA No. 10.001			55,390	55,390
Delaware Department of Agriculture	10.170	AM180100XXXXG043	3,733	3,733
Delaware Department of Agriculture	10.170	SCBG-FB-16-05	10,459	10,459
Delaware Department of Agriculture	10.170	SCBGP-FB-18-01	2,445	2,445
Subtotal for CFDA No. 10.170			16,637	16,637
Rutgers, State University of New Jersey	10.200	0629-NER18P-VanGessel	73	73
Subtotal for CFDA No. 10.200			73	73
Maryland-College Park, University of	10.215	60322-Q1643201	1,775	1,775
Vermont, University of	10.215	GNE19-217-33243	12,633	12,633
Vermont, University of	10.215	GNE19-219-33243	604	604
Subtotal for CFDA No. 10.215			15,012	15,012
Kansas State University	10.250	S17058a	17	17
Subtotal for CFDA No. 10.250			17	17
Albany State University	10.290	58011118003-01	5,099	5,099
Subtotal for CFDA No. 10.290			5,099	5,099
Cornell University	10.304	80289-10771	9,727	9,727
Subtotal for CFDA No. 10.304			9,727	9,727
Albany State University	10.310	2017-67024-26278-03	11,896	11,896
Albany State University	10.310	ASU-2016-0002	27,408	27,408

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Maine, University of	10.310	UMS-1009	\$ 42,042	42,042
Maryland, University of	10.310	36692-Z5782002	251,410	251,410
The Ohio State University	10.310	19A01015	(3,500)	(3,500)
The Ohio State University	10.310	60045862	81,052	81,052
Virginia Tech	10.310	545991-19650	39,511	39,511
Subtotal for CFDA No. 10.310			449,819	449,819
Georgia, University of	10.329	RC293-417/S001588	50,286	50,286
Subtotal for CFDA No. 10.329			50,286	50,286
National Fish & Wildlife Foundation	10.912	0601.14.044706	(71)	(71)
Subtotal for CFDA No. 10.912			(71)	(71)
Subtotal: United States Department of Agriculture Programs – Pass-Through			605,125	605,125
Total: United States Department of Agriculture Programs			605,125	5,425,170
Research and Development Cluster Total			25,044,517	149,564,615
Other Programs:				
Corporation for National and Community Service Programs:				
Pass-Through:				
Public Allies	94.006	OP004-94.006-19-PADE	10,155	10,155
Public Allies	94.006	OP004-94.006-20-PADE	286,498	286,498
Subtotal for CFDA No. 94.006			296,653	296,653
Subtotal: Corporation for National and Community Service Programs – Pass-Through			296,653	296,653
Total: Corporation for National and Community Service Programs			296,653	296,653
Department of Commerce Programs:				
Direct:				
Census Bureau Data Products	11.001		—	9,707
Sea Grant Support	11.417		—	85,590
Climate and Atmospheric Resear	11.431		—	10,342
Subtotal: Department of Commerce Programs – Direct			—	105,639
Pass-Through:				
Maryland, University of	11.000	SA75282000-D	2,940	2,940
Synoptic Data Corp.	11.000	S2017-0112	150,416	150,416
Subtotal for CFDA No. 11.000			153,356	153,356
Rutgers, State University of New Jersey	11.012	5930	602,991	602,991
Subtotal for CFDA No. 11.012			602,991	602,991
University of Mississippi	11.417	19-12-026	9,103	9,103
Subtotal for CFDA No. 11.417			9,103	9,103
Subtotal: Department of Commerce Programs – Pass-Through			765,450	765,450
Total: Department of Commerce Programs			765,450	871,089
Department of Defense Programs:				
Direct:				
Procurement Technical Assistance For Business Firms	12.002		—	234,875
Subtotal: Department of Defense Programs – Direct			—	234,875
Total: Department of Defense Programs			—	234,875
Department of Education Programs:				
Education Stabilization Fund Direct:				
Higher Education Emergency Relief Fund – COVID 19 – Student Portion	84.425E		—	4,681,458
Higher Education Emergency Relief Fund – COVID 19 – Institutional Portion	84.425F		—	6,087,404
Subtotal: Department of Education Programs – Direct			—	10,768,862
Pass-Through:				
DE Dept for Children Youth and Families	84.013	15721	21,150	21,150
DE Dept for Children Youth and Families	84.013	15755	15,187	15,187
DE Dept for Children Youth and Families	84.013	15772	12,080	12,080
Subtotal for CFDA No. 84.013			48,417	48,417
Delaware Department of Education	84.184	S19-93	244,364	244,364
Delaware Department of Education	84.184	S20-63	45,286	45,286
Subtotal for CFDA No. 84.184			289,650	289,650
Capital School District	84.287	19A00892	6,756	6,756
Capital School District	84.287	19A00903	10,290	10,290
Colonial School District	84.287	19A00874	105,998	105,998
Colonial School District	84.287	20A01239	14,090	14,090
Colonial School District	84.287	20A01561	11,133	11,133
Delaware Department of Education	84.287	21 CCLC 01-15	30	30
Delaware Department of Education	84.287	RFP # DOE 2016-01 Year 4	38,068	38,068
Delaware Department of Education	84.287	RFP 2018-03	2,719	2,719
Delaware Department of Education	84.287	S18-82	(2)	(2)

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Delaware Department of Education	84.287	S18-83	\$ (1)	(1)
Delaware Department of Education	84.287	S18-84	44,580	44,580
Delaware Department of Education	84.287	S18-85	20,034	20,034
Delaware Department of Education	84.287	S19-104	199,574	199,574
Delaware Department of Education	84.287	S19-105	160,672	160,672
Delaware Department of Education	84.287	S19-106	70,705	70,705
Woodbridge School District	84.287	19A01154	7,433	7,433
Subtotal for CFDA No. 84.287			692,079	692,079
Delaware Department of Education	84.325	S20-62	50,000	50,000
East Carolina University	84.325	AWD-20-0512-S007	13,299	13,299
Subtotal for CFDA No. 84.325			63,299	63,299
Appoquinimink School District	84.367	20A00444	5,000	5,000
Christina School District	84.367	20A00447	12,500	12,500
Colonial School District	84.367	20A00440	15,000	15,000
Delaware Department of Education	84.367	S17-87	191	191
New Castle County Vocational School Dist	84.367	20A00446	6,250	6,250
Red Clay Consolidated School District	84.367	20A00445	13,750	13,750
Subtotal for CFDA No. 84.367			52,691	52,691
Subtotal: Department of Education Programs – Pass-Through			1,146,136	1,146,136
Total: Department of Education Programs			1,146,136	11,914,998
Department of Energy Programs:				
Direct:				
Energy Efficiency and Renewable Energy Information Dissemination, Outreach, Training and Technic	81.117		—	65,340
Subtotal: Department of Energy Programs – Direct			—	65,340
Total: Department of Energy Programs			—	65,340
Department of Homeland Security Programs:				
Pass-Through:				
Delaware Emergency Management Agency	97.042	19A01478	74,816	74,816
Delaware Emergency Management Agency	97.042	EMPG-19-005	—	—
Subtotal for CFDA No. 97.042			74,816	74,816
Delaware Emergency Management Agency	97.047	PDMC-PJ-03-DE-2016-001	21,679	21,679
Subtotal for CFDA No. 97.047			21,679	21,679
Delaware Emergency Management Agency	97.067	CCP17-002	(533)	(533)
Delaware Emergency Management Agency	97.067	CCP18-001	10,000	10,000
Subtotal for CFDA No. 97.067			9,467	9,467
Subtotal: Department of Homeland Security Programs – Pass-Through			105,962	105,962
Total: Department of Homeland Security Programs			105,962	105,962
Department of Interior Programs:				
Direct:				
Marine Minerals Activities – Hurricane Sandy	15.424		—	98,834
National Cooperative Geologic Mapping Program	15.810		—	109,364
National Geological and Geophysical Data Preservation Program	15.814		—	72,917
Subtotal: Department of Interior Programs – Direct			—	281,115
Pass-Through:				
AmericaView	15.815	AV18-DE-01	24,380	24,380
Subtotal for CFDA No. 15.815			24,380	24,380
New Castle County	15.904	20190612418	15,706	15,706
Subtotal for CFDA No. 15.904			15,706	15,706
The City of Delaware City	15.954	18A01502	—	—
The City of Lewes	15.954	18A01504	5,177	5,177
Town of Milton	15.954	18A01500	5,177	5,177
Subtotal for CFDA No. 15.954			10,354	10,354
Subtotal: Department of Interior Programs – Pass-Through			50,440	50,440
Total: Department of Interior Programs			50,440	331,555
Department of Justice Programs:				
Pass-Through:				
National Association of VOCA Assistance	16.582	CAP20-0255	4,763	4,763
Subtotal for CFDA No. 16.582			4,763	4,763
National 4-H Council	16.726	19A00305	41,951	41,951
National 4-H Council	16.726	20A00626	4,665	4,665
Subtotal for CFDA No. 16.726			46,616	46,616

UNIVERSITY OF DELAWARE
Schedule of Expenditures of Federal Awards
Year ended June 30, 2020

Federal Grantor/Pass-Through Grantor/Program or Cluster Title	Federal CFDA number	Pass-through entity identifying number	Pass-through to subrecipients	Federal expenditures
Criminal Justice Council	16.812	18A01654	\$ (1,276)	(1,276)
Criminal Justice Council	16.812	18A01673	37,886	37,886
Criminal Justice Council	16.812	2016-JZ-PASSTHRU-1753	6,234	6,234
Criminal Justice Council	16.812	2018-RE-P/T-2229	43,922	43,922
Subtotal for CFDA No. 16.812			86,766	86,766
Subtotal: Department of Justice Programs – Pass-Through			138,145	138,145
Total: Department of Justice Programs			138,145	138,145
Department of State Programs:				
Direct:				
Investing in People in The Middle East and North Africa	19.021		—	100,670
Subtotal: Department of State Programs – Direct			—	100,670
Pass-Through:				
IREX	19.009	FY19-YALI-CL-Delaware-06	156,708	156,708
Kansas, University of	19.009	FY2018-053	139,213	139,213
Subtotal for CFDA No. 19.009			295,921	295,921
Montana, University of	19.401	19A00856	215,357	215,357
Subtotal for CFDA No. 19.401			215,357	215,357
American Councils for Intl Education	19.415	UDEL-200391	278,163	278,163
Subtotal for CFDA No. 19.415			278,163	278,163
Georgetown University	19.600	UDEL-20190310	156,365	156,365
Subtotal for CFDA No. 19.600			156,365	156,365
Subtotal: Department of State Programs – Pass-Through			945,806	945,806
Total: Department of State Programs			945,806	1,046,476
Department of Transportation Programs:				
Pass-Through:				
Delaware Department of Transportation	20.000	Task 12-1929	76,477	76,477
Delaware Department of Transportation	20.200	Task 11-1929	25,938	25,938
Delaware Department of Transportation	20.200	Task 16-1929	391,394	391,394
Subtotal for CFDA No. 20.200			493,809	493,809
Delaware Department of Transportation	20.505	Task 3-1929	112,500	112,500
Delaware Department of Transportation	20.505	Task 6-1929	167,698	167,698
Subtotal for CFDA No. 20.505			280,198	280,198
Delaware Department of Transportation	20.515	Task 7-1929	246,399	246,399
Delaware Department of Transportation	20.515	TASK 83-1717	(4,554)	(4,554)
Subtotal for CFDA No. 20.515			241,845	241,845
Subtotal: Department of Transportation Programs – Direct			1,015,852	1,015,852
Total: Department of Transportation Programs			1,015,852	1,015,852
Environmental Protection Agency Programs:				
Pass-Through:				
Delaware Department of Natural Resources	66.466	PO 0000490948	9,567	9,567
Subtotal for CFDA No. 66.466			9,567	9,567
Delaware Department of Natural Resources	66.472	19A00420	83,204	83,204
Delaware Department of Natural Resources	66.472	PO 0000493257	53,495	53,495
Subtotal for CFDA No. 66.472			136,699	136,699
eXtension Foundation	66.716	SA-2019-13	8,116	8,116
eXtension Foundation	66.716	SA-2020-35	4,032	4,032
Subtotal for CFDA No. 66.716			12,148	12,148
Subtotal: Environmental Protection Agency Programs – Pass-Through			158,414	158,414
Total: Environmental Protection Agency Programs			158,414	158,414
Federal Communications Commission Programs:				
Direct:				
Federal Communications Commission Programs	32.000		—	3,120
Subtotal: Federal Communications Commission Programs – Direct			—	3,120
Total: Federal Communications Commission Programs			—	3,120
National Aeronautics and Space Administration Programs:				
Direct:				
Education	43.008		—	136,091
Subtotal: National Aeronautics and Space Administration Programs – Direct			—	136,091
Total: National Aeronautics and Space Administration Programs			—	136,091

UNIVERSITY OF DELAWARE
Schedule of Expenditures of Federal Awards
Year ended June 30, 2020

Federal Grantor/Pass-Through Grantor/Program or Cluster Title	Federal CFDA number	Pass-through entity identifying number	Pass-through to subrecipients	Federal expenditures
National Endowment for the Arts Programs:				
Pass-Through:				
Delaware Division of The Arts	45.025	2019.9135	\$ 3,300	3,300
Delaware Division of The Arts	45.025	2020-10093	10,000	10,000
Delaware Division of The Arts	45.025	2020-9468	75,000	75,000
Delaware Division of The Arts	45.025	2020-9496	25,000	25,000
Delaware Division of The Arts	45.025	2020-9498	5,749	5,749
Subtotal for CFDA No. 45.025			119,049	119,049
Subtotal: National Endowment for the Arts Programs – Pass-Through			119,049	119,049
Total: National Endowment for the Arts Programs			119,049	119,049
National Endowment for the Humanities Programs:				
Direct:				
Promotion of the Humanities Challenge Grants	45.130		—	138,979
Promotion of the Humanities Division of Preservation and Access	45.149		—	220,995
Promotion of the Humanities Office of Digital Humanities	45.169		—	(168)
Subtotal: National Endowment for the Humanities Programs – Direct			—	359,806
Pass-Through:				
Delaware Humanities Forum	45.129	19OPP1016	3,000	3,000
Delaware Humanities Forum	45.129	19VIS2006	15	15
Subtotal for CFDA No. 45.129			3,015	3,015
Subtotal: National Endowment for the Humanities Programs – Pass-Through			3,015	3,015
Total: National Endowment for the Humanities Programs			3,015	362,821
Small Business Administration Programs:				
Direct:				
Small Business Development Centers	59.037		—	975,711
Federal and State Technology Partnership Program	59.058		—	66,170
Subtotal: Small Business Administration Programs – Direct			—	1,041,881
Total: Small Business Administration Programs			—	1,041,881
Unidentified Programs:				
Direct:				
Consumer Financial Protection Bureau – 19A00376			—	2,765
Subtotal: Unidentified Programs – Direct			—	2,765
Total: Unidentified Programs			—	2,765
United States Department of Agriculture Programs:				
Direct:				
Plant and Animal Disease, Pest Control, and Animal Care	10.025		—	350,633
Agriculture and Food Research Initiative (AFRI)	10.310		—	28,947
Crop Protection and Pest Management Competitive Grants Program	10.329		—	118,752
Crop Insurance Education in Targeted States	10.458		—	137,968
Cooperative Extension Service	10.500		—	1,244,932
1862 CES (Smith-Lever) and DCPPERA, 1862 Smith-Lever Special Needs, and Smith-Lever Special I	10.511		—	294,392
Expanded Food and Nutrition Education Program	10.514		—	259,025
Renewable Resources Extension Act and National Focus Fund Projects	10.515		—	20,694
Soil and Water Conservation	10.902		—	53,284
Subtotal: United States Department of Agriculture Programs – Direct			—	2,508,627
Pass-Through:				
Delaware Dept of Health & Social Service	10.000	19A01670	513,674	513,674
Subtotal for CFDA No. 10.000			513,674	513,674
Delaware Department of Agriculture	10.025	18A01349	—	—
Delaware Department of Agriculture	10.025	19A01452	165,400	165,400
Subtotal for CFDA No. 10.025			165,400	165,400
New Castle County	10.168	PO183427	8,185	8,185
Subtotal for CFDA No. 10.168			8,185	8,185
Delaware Department of Agriculture	10.170	16A01569	(765)	(765)
Delaware Department of Agriculture	10.170	18A01751	(191)	(191)
Delaware Department of Agriculture	10.170	SCBGP-FB-15-04	5,683	5,683
Delaware Department of Agriculture	10.170	SCBGP-FB-16-03	6,106	6,106
Delaware Department of Agriculture	10.170	SCBGP-FB-17-01	956	956
Delaware Department of Agriculture	10.170	SCBGP-FB-17-02	12,504	12,504
Delaware Department of Agriculture	10.170	SCBGP-FB-17-03	1,792	1,792
Delaware Department of Agriculture	10.170	SCBGP-FB-17-04	5,022	5,022
Delaware Department of Agriculture	10.170	SCBGP-FB-18-02	8,364	8,364
Delaware Department of Agriculture	10.170	SCBGP-FB-18-03	8,216	8,216
Delaware Department of Agriculture	10.170	SCBGP-FB-18-04	7,461	7,461
Delaware Department of Agriculture	10.170	SCBGP-FB-19-02	90	90
Subtotal for CFDA No. 10.170			55,238	55,238

UNIVERSITY OF DELAWARE
Schedule of Expenditures of Federal Awards
Year ended June 30, 2020

Federal Grantor/Pass-Through Grantor/Program or Cluster Title	Federal CFDA number	Pass-through entity identifying number	Pass-through to subrecipients	Federal expenditures
Rutgers, State University of New Jersey	10.200	0626-NER18EH-Kunkel	\$ 10,829	10,829
Rutgers, State University of New Jersey	10.200	1244-NER19B	5,372	5,372
Rutgers, State University of New Jersey	10.200	1273-NER19IS&P-OWENS	3,684	3,684
Subtotal for CFDA No. 10.200			19,885	19,885
Vermont, University of	10.215	GNE19-210-33243	969	969
Vermont, University of	10.215	SNE18-02-33243	3,515	3,515
Vermont, University of	10.215	SNE19-02-34268	8,887	8,887
Subtotal for CFDA No. 10.215			13,371	13,371
Maryland, University of	10.310	65255-Z5062203	16,197	16,197
Subtotal for CFDA No. 10.310			16,197	16,197
Kansas State University	10.500	19A00386	9,115	9,115
Kansas State University	10.500	A00-0983-S068	905	905
Kansas State University	10.500	S19150	3,789	3,789
Subtotal for CFDA No. 10.500			13,809	13,809
Delaware Dept of Health & Social Service	10.557	19-117	24,768	24,768
Delaware Dept of Health & Social Service	10.557	20-098	27,060	27,060
Subtotal for CFDA No. 10.557			51,828	51,828
Delaware Department of Education	10.558	20A00370	42,565	42,565
Subtotal for CFDA No. 10.558			42,565	42,565
Kent Conservation District	10.902	68-21J2-17-014	29,128	29,128
Subtotal for CFDA No. 10.902			29,128	29,128
Subtotal: United States Department of Agriculture Programs – Pass-Through			929,280	929,280
Total: United States Department of Agriculture Programs			929,280	3,437,907
Veterans Administration Programs:				
Direct:				
Department of Veterans Affairs Programs	64.000		—	85,735
Subtotal: Veterans Administration Programs – Direct			—	85,735
Total: Veterans Administration Programs			—	85,735
Other Programs Total			5,674,202	21,368,728
CCDF Cluster:				
Department of Health & Human Services Programs:				
Direct:				
Child Care and Development Block Grant	93.575		—	9,470
Subtotal: Department of Health & Human Services Programs – Direct			—	9,470
Total: Department of Health & Human Programs			—	9,470
CCDF Cluster Total			—	9,470
Drinking Water State Revolving Fund Cluster:				
Environmental Protection Agency Programs:				
Pass-Through:				
Delaware Department of Natural Resources	66.468	20A00424	29,152	29,152
Delaware Department of Natural Resources	66.468	PO 0000449560	20,266	20,266
Subtotal for CFDA No. 66.468			49,418	49,418
Subtotal: Environmental Protection Agency Programs – Pass-Through			49,418	49,418
Total: Environmental Protection Agency Programs			49,418	49,418
Drinking Water State Revolving Fund Cluster Total			49,418	49,418
Federal Transit Cluster:				
Department of Transportation Programs:				
Direct:				
Federal Transit Capital Investment Grants	20.500		—	79,695
Subtotal: Department of Transportation Programs – Direct			—	79,695
Total: Department of Transportation Programs			—	79,695
Federal Transit Cluster Total			—	79,695
Fish and Wildlife Cluster:				
Department of Interior Programs:				
Pass-Through:				
Delaware Department of Natural Resources	15.611	306416	1	1
Delaware Department of Natural Resources	15.611	W-56-R-1 12282017	112,911	112,911
Subtotal for CFDA No. 15.611			112,912	112,912
Subtotal: Department of Interior Programs – Pass-Through			112,912	112,912
Total: Department of Interior Programs			112,912	112,912
Fish and Wildlife Cluster Total			112,912	112,912

UNIVERSITY OF DELAWARE
Schedule of Expenditures of Federal Awards
Year ended June 30, 2020

Federal Grantor/Pass-Through Grantor/Program or Cluster Title	Federal CFDA number	Pass-through entity identifying number	Pass-through to subrecipients	Federal expenditures
Head Start Cluster:				
Department of Health & Human Services Programs:				
Direct:				
Head Start	93.600		\$ —	2,473,527
Subtotal: Department of Health & Human Services Programs – Direct			—	2,473,527
Pass-Through:				
Delaware Department of Education	93.600	S19-38	713	713
Delaware Department of Education	93.600	S20-45	34,864	34,864
Subtotal for CFDA No. 93.600			35,577	35,577
Subtotal: Department of Health & Human Services Programs – Pass-Through			35,577	35,577
Total: Department of Health & Human Programs			35,577	2,509,104
Head Start Cluster Total			35,577	2,509,104
Highway Planning and Construction Cluster:				
Department of Transportation Programs:				
Pass-Through:				
Illinois, University of	20.205	087795-16578	31,491	31,491
Nebraska, University of	20.205	26-1122-0088-002	18,956	18,956
Subtotal for CFDA No. 20.205			50,447	50,447
Subtotal: Department of Transportation Programs – Pass-Through			50,447	50,447
Total: Department of Transportation Programs			50,447	50,447
Highway Planning and Construction Cluster Total			50,447	50,447
Highway Safety Cluster:				
Department of Transportation Programs:				
Pass-Through:				
Delaware Office of Highway Safety	20.600	19A01390	22,094	22,094
Subtotal for CFDA No. 20.600			22,094	22,094
Subtotal: Department of Transportation Programs – Pass-Through			22,094	22,094
Total: Department of Transportation Programs			22,094	22,094
Highway Safety Cluster Total			22,094	22,094
Medicaid Cluster:				
Department of Health & Human Services Programs:				
Pass-Through:				
Delaware Dept of Health & Social Service	93.778	19A01081	21,739	21,739
Delaware Dept of Health & Social Service	93.778	PO 498809	3,775	3,775
Delaware Dept of Health & Social Service	93.778	PO0000506626	3,738	3,738
Subtotal for CFDA No. 93.778			29,252	29,252
Subtotal: Department of Health & Human Services Programs – Pass-Through			29,252	29,252
Total: Department of Health & Human Programs			29,252	29,252
Medicaid Cluster Total			29,252	29,252
SNAP Cluster:				
United States Department of Agriculture Programs:				
Pass-Through:				
Delaware Dept of Health & Social Service	10.561	023534-0001-0000	440,555	440,555
Subtotal for CFDA No. 10.561			440,555	440,555
Subtotal: United States Department of Agriculture Programs – Pass-Through			440,555	440,555
Total: United States Department of Agriculture Programs			440,555	440,555
SNAP Cluster Total			440,555	440,555
Special Education Cluster (IDEA):				
Department of Education Programs:				
Pass-Through:				
Delaware Department of Education	84.027	S19-72	149,743	149,743
Delaware Department of Education	84.027	S20-03	178,915	178,915
Delaware Department of Education	84.027	S20-49	541,516	541,516
Subtotal for CFDA No. 84.027			870,174	870,174
Subtotal: Department of Education Programs – Pass-Through			870,174	870,174
Total: Department of Education Programs			870,174	870,174
Special Education Cluster (IDEA) Total			870,174	870,174

UNIVERSITY OF DELAWARE
Schedule of Expenditures of Federal Awards
Year ended June 30, 2020

Federal Grantor/Pass-Through Grantor/Program or Cluster Title	Federal CFDA number	Pass-through entity identifying number	Pass-through to subrecipients	Federal expenditures
Student Financial Assistance Cluster			\$ —	—
Department of Education Programs:				
Direct:				
Federal Supplemental Education	84.007		—	928,756
Federal Work-Study Program	84.033		—	1,083,549
Federal Perkins Loan Program	84.038		—	9,269,098
Federal Pell Grant Program	84.063		—	14,280,294
Federal Direct Student Loans	84.268		—	107,304,361
Subtotal: Department of Education Programs – Direct			—	132,866,058
Total: Department of Education Programs			—	132,866,058
Department of Health & Human Services Programs:				
Direct:				
Federal Nursing Student Loans	93.364		—	1,168,299
Subtotal: Department of Health & Human Services Programs – Direct			—	1,168,299
Total: Department of Health & Human Programs			—	1,168,299
Student Financial Assistance Cluster Total			—	134,034,357
TRIO Cluster:				
Department of Education Programs:				
Direct:				
TRIO Student Support Services	84.042		—	296,550
TRIO Upward Bound	84.047		—	560,366
TRIO McNair Post-Baccalaureate Achievement	84.217		—	248,486
Subtotal: Department of Education Programs – Direct			—	1,105,402
Total: Department of Education Programs			—	1,105,402
TRIO Cluster Total			—	1,105,402
Grand Total			\$ 32,329,148	310,246,223

See accompanying independent auditors' report and notes to the schedule of expenditures of federal awards.

UNIVERSITY OF DELAWARE

Notes to Schedule of Expenditures of Federal Awards

Year ended June 30, 2020

(1) Basis of Presentation

The accompanying schedule of expenditures of federal awards (the Schedule) includes all grants, contracts, and similar agreements entered into directly between the University of Delaware (the University) and agencies and departments of the federal government and all sub awards to the University by other organizations pursuant to federal grants, contracts, and similar agreements. The information in the Schedule is prepared on the accrual basis of accounting. The federal award information is presented in accordance with the provisions of Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Therefore, certain amounts presented in the Schedule may differ from amounts presented in, or used in the preparation of, the consolidated financial statements.

(2) Summary of Significant Accounting Policies

Expenditures for student financial aid programs are recognized as incurred and include the federal share of students' Federal Supplemental Educational Opportunity Grants program and Federal Work-Study program earnings, Pell grants, loan disbursements, and administrative cost allowances under the Perkins and direct loan programs, where applicable.

Expenditures for other federal awards are determined using the cost accounting principles set forth in OMB Circular A-21, *Cost Principles for Educational Institutions*, and the uniform administrative requirements as set forth in OMB Circular A-110, *Uniform Administrative Requirements for Grants and Agreements with Institutions of Higher Education, Hospitals, and Other Non-Profit Organizations*, or the administrative and cost principles contained in Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*, as applicable. Under these cost principles and administrative requirements, certain expenditures are not allowable or are limited as to expenditures include facilities and administrative costs, related primarily to facilities operation and maintenance and general, divisional, and departmental administrative services, which are allocated as a percentage of direct cost based on negotiated rates. Facilities and administrative costs allocated to such awards for the year ended June 30, 2020 were based on predetermined fixed rates negotiated with the University's cognizant federal agency, Department of Health and Human Services. The University has elected not to use the 10-percent de minimus indirect cost rate as allowed under the Uniform Guidance.

(3) Federal Student Financial Aid Loan Programs

Loans made by the University to eligible students under federal student loan programs and loans issued to students of the University by the U.S. Department of Education during the year ended June 30, 2020 are summarized as follows:

Federal Perkins Loan Program Federal	\$	—
Federal Nursing Student Loans		<u>155,200</u>
	\$	<u>155,200</u>
Federal Direct Student Loans	\$	107,304,361

UNIVERSITY OF DELAWARE

Notes to Schedule of Expenditures of Federal Awards

Year ended June 30, 2020

The Federal Perkins and Nursing Student Loan programs are administered directly by the University, and balances and transactions relating to these programs are included in the University's consolidated financial statements. The amounts included on the Schedule under the Federal Perkins and Nursing Student Loan programs include the balance of the respective loan program as of July 1, 2019 of \$9,629,098 and \$1,013,099, respectively, and new loans issued during fiscal year 2020. As of June 30, 2020, loans receivable for Federal Perkins and Nursing Student Loan programs amount to \$7,195,588 and \$930,546, respectively.

The University is responsible only for the performance of certain administrative duties with respect to the Direct Loans, and accordingly, these loans are not included in its consolidated financial statements and it is not practical to determine the balance of loans outstanding to students and former students of the University under these programs. The amounts included on the Schedule for Direct Loans include all direct loans made to students during fiscal year 2020.



KPMG LLP
1601 Market Street
Philadelphia, PA 19103-2499

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

The Board of Trustees
University of Delaware:

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States, the consolidated financial statements of University of Delaware and its subsidiaries (the University), which comprise the consolidated balance sheet as of June 30, 2020, and the related consolidated statements of activities, functional expenses, and cash flows for the year then ended, and the related notes to the consolidated financial statements, and have issued our report thereon dated November 9, 2020.

Internal Control Over Financial Reporting

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

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

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

Compliance and Other Matters

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



Purpose of this Report

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

KPMG LLP

Philadelphia, Pennsylvania
November 9, 2020



KPMG LLP
1601 Market Street
Philadelphia, PA 19103-2499

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

The Board of Trustees
University of Delaware:

Report on Compliance for Each Major Federal Program

We have audited University of Delaware and its subsidiaries' (the University) compliance with the types of compliance requirements described in the *OMB Compliance Supplement* that could have a direct and material effect on each of the University's major federal programs for the year ended June 30, 2020. The University's major federal programs are identified in the summary of auditors' results section of the accompanying schedule of findings and questioned costs.

Management's Responsibility

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

Auditors' Responsibility

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

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

Opinion on Each Major Federal Program

In our opinion, the University complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended June 30, 2020.

Report on Internal Control Over Compliance

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



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

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

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

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

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

We have audited the consolidated financial statements of University of Delaware as of and for the year ended June 30, 2020 and have issued our report thereon dated November 9, 2020 which contained an unmodified opinion on those consolidated financial statements. Our audit was conducted for the purpose of forming an opinion on the financial statements as a whole. The accompanying schedule of expenditures of federal awards for the year ended June 30, 2020 is presented for purposes of additional analysis as required by the Uniform Guidance and is not a required part of the consolidated financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the consolidated financial statements. The information has been subjected to the auditing procedures applied in the audit of the consolidated financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the consolidated financial statements or to the consolidated financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the schedule of expenditures of federal awards is fairly stated in all material respects in relation to the consolidated financial statements as a whole.

KPMG LLP

Philadelphia, Pennsylvania
May 10, 2021

UNIVERSITY OF DELAWARE
Schedule of Findings and Questioned Costs
Year ended June 30, 2020

(1) Summary of Auditors' Results

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

(2) Findings Related to the Consolidated Financial Statements Reported in Accordance with Government Auditing Standards

None

(3) Findings and Questioned Costs Related to Federal Awards

None