



**UNIVERSITY OF DELAWARE**

Consolidated Financial Statements and  
Information on Federal Awards

June 30, 2022

(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 Audit of the Consolidated Financial Statements

#### *Opinion*

We have audited the consolidated financial statements of University of Delaware and its subsidiaries (the University), which comprise the consolidated balance sheets as of June 30, 2022 and 2021, 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.

In our opinion, the accompanying consolidated financial statements present fairly, in all material respects, the consolidated financial position of the University as of June 30, 2022 and 2021, and the changes in its net assets and its cash flows for the years then ended in accordance with U.S. generally accepted accounting principles.

#### *Basis for Opinion*

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

#### *Responsibilities of Management for the Consolidated Financial Statements*

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

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

#### *Auditors' Responsibilities for the Audit of the Consolidated Financial Statements*

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



considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the consolidated financial statements.

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

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

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

**Other Reporting Required by *Government Auditing Standards***

In accordance with *Government Auditing Standards*, we have also issued our report dated November 14, 2022, 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 14, 2022

**UNIVERSITY OF DELAWARE**

Consolidated Balance Sheets

June 30, 2022 and 2021

(Dollars in thousands)

<b>Assets</b>	<b>2022</b>	<b>2021</b>
Cash and cash equivalents	\$ 72,875	125,221
Operating investments	<u>262,353</u>	<u>151,073</u>
Total cash, cash equivalents, and operating investments	335,228	276,294
Restricted deposits	81,167	76,555
Accounts and notes receivable, net	62,542	51,493
Prepaid expenses and inventories	1,677	8,444
Operating lease right-of-use assets	11,967	12,525
Contributions receivable, net	24,302	34,726
Student loan receivables, net	5,519	6,576
Investments	1,974,257	2,171,747
Funds held in trust by others	78,982	93,659
Property, plant, and equipment, net	<u>1,853,598</u>	<u>1,860,714</u>
Total assets	<u>\$ 4,429,239</u>	<u>4,592,733</u>
<b>Liabilities and Net Assets</b>		
Liabilities:		
Accounts payable and accrued liabilities	\$ 130,892	138,813
Deferred revenue and student deposits	76,746	66,030
Operating lease liabilities	12,019	12,254
Long-term debt and finance leases	684,503	696,879
Postemployment benefit obligations	474,677	582,143
Other liabilities	<u>62,442</u>	<u>81,389</u>
Total liabilities	<u>1,441,279</u>	<u>1,577,508</u>
Net assets:		
Without donor restrictions	1,549,409	1,453,852
With donor restrictions	<u>1,438,551</u>	<u>1,561,373</u>
Total net assets	<u>2,987,960</u>	<u>3,015,225</u>
Total liabilities and net assets	<u>\$ 4,429,239</u>	<u>4,592,733</u>

See accompanying notes to consolidated financial statements.

**UNIVERSITY OF DELAWARE**  
Consolidated Statements of Activities  
Years ended June 30, 2022 and 2021  
(Dollars in thousands)

	<b>2022</b>	<b>2021</b>
Changes in net assets without donor restrictions:		
Operating revenues:		
Tuition and fees, net of scholarships and fellowships (\$193,958 in 2022 and \$200,722 in 2021)	\$ 424,322	416,774
Auxiliary services revenue	120,573	49,936
Grants, contracts, and other exchange transactions	301,468	272,738
State operating appropriations	129,358	125,168
Contributions	9,361	9,881
Endowment distributions	56,097	53,048
Other investment income	15,714	16,041
Other revenue	50,961	37,650
Net assets released from restrictions	17,080	14,805
Total operating revenues	1,124,934	996,041
Operating expenses:		
Salaries and wages	511,142	501,615
Benefits	175,581	175,301
Postemployment benefits	18,669	18,396
Total compensation	705,392	695,312
Supplies, materials and purchased services	248,472	187,100
Student aid	20,006	10,358
Travel	17,013	2,683
Depreciation, amortization and loss on disposals	90,589	88,383
Interest	29,104	27,919
Total operating expenses	1,110,576	1,011,755
Change in net assets from operating activities	14,358	(15,714)
Other changes in net assets without donor restrictions:		
Investment return net of endowment distributions	(67,431)	193,871
Contributions	802	1,842
Postemployment costs other than service costs	(21,672)	(21,081)
Other changes in postemployment benefit obligations	128,203	7,319
Other, net	14,419	9,403
Net assets released from restrictions	26,879	31,596
Other changes in net assets without donor restrictions	81,200	222,950
Total changes in net assets without donor restrictions	95,558	207,236
Changes in net assets with donor restrictions:		
Investment return net of endowment distributions	(146,160)	365,107
Contributions	48,397	41,942
State capital appropriations	10,617	3,139
Other, net	8,282	1,027
Net assets released from restrictions	(43,959)	(46,401)
Total changes in net assets with donor restrictions	(122,823)	364,814
Total changes in net assets	(27,265)	572,050
Net assets at beginning of year	3,015,225	2,443,175
Net assets at end of year	\$ 2,987,960	3,015,225

See accompanying notes to consolidated financial statements.

**UNIVERSITY OF DELAWARE**  
Consolidated Statement of Functional Expenses  
Year ended June 30, 2022  
(Dollars in thousands)

	<b>Instruction and departmental research</b>	<b>Sponsored research</b>	<b>Extension and public service</b>	<b>Academic support</b>	<b>Student services</b>	<b>Student aid</b>	<b>Auxiliary enterprises</b>	<b>General institutional support</b>	<b>Total</b>
Operating expenses:									
Salaries and wages	\$ 268,575	82,141	29,037	40,477	19,036	3,555	8,442	59,879	511,142
Benefits	90,224	23,947	10,189	16,459	6,701	17	2,988	25,056	175,581
Postemployment benefits	12,198	1,891	792	1,310	425	—	213	1,840	18,669
Total compensation	370,997	107,979	40,018	58,246	26,162	3,572	11,643	86,775	705,392
Supplies, materials and purchased services	52,968	69,736	13,578	12,091	12,709	674	60,363	26,353	248,472
Student aid	—	—	—	—	—	20,006	—	—	20,006
Travel	11,875	2,223	820	651	622	26	22	774	17,013
Depreciation, amortization and loss on disposals	27,679	16,380	1,219	13,050	3,029	—	25,184	4,048	90,589
Interest	12,036	689	—	—	—	—	16,379	—	29,104
Total operating expenses	475,555	197,007	55,635	84,038	42,522	24,278	113,591	117,950	1,110,576
Other changes in net assets without donor restrictions:									
Postemployment costs other than service costs	14,764	2,019	846	1,398	453	—	228	1,964	21,672
Total functional expenses	<u>\$ 490,319</u>	<u>199,026</u>	<u>56,481</u>	<u>85,436</u>	<u>42,975</u>	<u>24,278</u>	<u>113,819</u>	<u>119,914</u>	<u>1,132,248</u>

See accompanying notes to consolidated financial statements.

**UNIVERSITY OF DELAWARE**  
Consolidated Statement of Functional Expenses  
Year ended June 30, 2021  
(Dollars in thousands)

	<b>Instruction and departmental research</b>	<b>Sponsored research</b>	<b>Extension and public service</b>	<b>Academic support</b>	<b>Student services</b>	<b>Student aid</b>	<b>Auxiliary enterprises</b>	<b>General institutional support</b>	<b>Total</b>
Operating expenses:									
Salaries and wages	\$ 271,448	75,975	27,199	40,208	16,912	3,350	8,189	58,334	501,615
Benefits	93,606	22,169	9,520	16,387	6,398	19	3,096	24,106	175,301
Postemployment benefits	12,191	1,774	766	1,252	439	—	209	1,765	18,396
Total compensation	377,245	99,918	37,485	57,847	23,749	3,369	11,494	84,205	695,312
Supplies, materials and purchased services	36,622	57,293	10,750	7,640	8,428	500	40,884	24,983	187,100
Student aid	—	—	—	—	—	10,358	—	—	10,358
Travel	1,608	438	105	72	155	1	25	279	2,683
Depreciation, amortization and loss on disposals	30,718	16,456	1,227	13,112	2,843	—	18,064	5,963	88,383
Interest	11,254	657	—	—	—	—	16,008	—	27,919
Total operating expenses	457,447	174,762	49,567	78,671	35,175	14,228	86,475	115,430	1,011,755
Other changes in net assets without donor restrictions:									
Postemployment costs other than service costs	14,566	1,862	804	1,314	461	—	220	1,854	21,081
Total functional expenses	<u>\$ 472,013</u>	<u>176,624</u>	<u>50,371</u>	<u>79,985</u>	<u>35,636</u>	<u>14,228</u>	<u>86,695</u>	<u>117,284</u>	<u>1,032,836</u>

See accompanying notes to consolidated financial statements.



**UNIVERSITY OF DELAWARE**  
Consolidated Statements of Cash Flows  
Years ended June 30, 2022 and 2021  
(Dollars in thousands)

	<u>2022</u>	<u>2021</u>
Cash flows from operating activities:		
Changes in net assets	\$ (27,265)	572,050
Adjustments to reconcile changes in net assets to net cash provided by operating activities:		
Change in postemployment benefit obligations and other nonoperating activities	(104,385)	15,927
Net realized and unrealized losses (gains)	156,899	(616,293)
Change in fair value of swap	(15,800)	(10,355)
Gifts of equipment	(637)	(955)
State capital appropriations	(10,617)	(3,139)
Contributions restricted for endowment and capital	(26,863)	(21,789)
Endowment income restricted for reinvestment	(348)	(336)
Depreciation, amortization and loss on disposals	89,545	87,821
Changes in operating assets and liabilities:		
Accounts and notes receivable, net	(11,049)	(9,950)
Prepaid expenses and inventories	6,767	(6,110)
Contributions receivable, net	2,039	(2,279)
Accounts payable, accrued and other liabilities	(10,013)	(5,302)
Deferred revenue and student deposits	10,716	19,714
Postemployment benefit obligations	(935)	(1,276)
Operating leases, net	323	(271)
Net cash provided by operating activities	<u>58,377</u>	<u>17,457</u>
Cash flows from investing activities:		
Proceeds from sales and maturities of investments	1,800,590	1,058,604
Purchases of investments	(1,856,603)	(996,903)
Acquisitions of property and buildings	(41,076)	(76,640)
Acquisitions of equipment and library materials	(43,557)	(35,801)
Disbursements of loans to students	(295)	(204)
Repayments of loans by students	1,352	1,880
Net cash used in investing activities	<u>(139,589)</u>	<u>(49,064)</u>
Cash flows from financing activities:		
Repayments of principal on long-term debt and finance leases	(11,680)	(12,188)
State capital appropriations	10,617	3,139
Endowment income restricted for reinvestment	348	336
Contributions restricted for endowment and capital	35,248	32,579
Repayments to federal government for student loans	(1,056)	(1,751)
Change in restricted deposits	6,210	4,691
Net cash provided by financing activities	<u>39,687</u>	<u>26,806</u>
Net change in cash and cash equivalents	(41,525)	(4,801)
Cash, cash equivalents and restricted cash, beginning of year	<u>127,852</u>	<u>132,653</u>
Cash, cash equivalents and restricted cash, end of year	<u>\$ 86,327</u>	<u>127,852</u>
Supplemental disclosure of cash flow information:		
Interest paid, net of amounts capitalized	\$ 30,525	31,511
Construction – accounts payable	9,850	8,825
Right-of-use assets obtained in exchange for new operating lease liabilities	6,811	2,166

See accompanying notes to consolidated financial statements.

## UNIVERSITY OF DELAWARE

### Notes to Consolidated Financial Statements

June 30, 2022 and 2021

#### (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 31,155 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 13).

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.

## UNIVERSITY OF DELAWARE

### Notes to Consolidated Financial Statements

June 30, 2022 and 2021

In addition to the three primary consolidated financial statements presented under U.S. GAAP for not-for-profit organizations, the consolidated statements of functional expenses present 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 wages. Interest expense and amortization of bond discount are allocated to the functional classification that benefited from the use of the debt proceeds. Operation and maintenance of plant costs were approximately \$67,573,000 and \$57,359,000, and fund-raising costs were approximately \$17,786,000 and \$16,105,000 for the years ended June 30, 2022 and 2021, respectively.

Revenue is reported as increases in net assets without donor restrictions unless 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.

The following table summarizes cash, cash equivalents, and restricted cash reported on the consolidated statements of cash flows as of June 30, 2022 and 2021 (in thousands):

	<u>2022</u>	<u>2021</u>
Cash and cash equivalents	\$ 72,875	125,221
Restricted deposits:		
Cash held in other restricted deposits	<u>13,452</u>	<u>2,631</u>
	<u>\$ 86,327</u>	<u>127,852</u>

#### **(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 expenses. Scholarships are funded from unrestricted

**UNIVERSITY OF DELAWARE**

Notes to Consolidated Financial Statements

June 30, 2022 and 2021

resources as well as funds from donors, federal, and state governments, and endowment income restricted for student financial assistance (see note 16).

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 only responsible 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.

The composition of student tuition and fees, net revenue was as follows for the years ended June 30, 2022 and 2021 (in thousands):

	<b>2022</b>	<b>2021</b>
Undergraduate	\$ 335,063	337,019
Graduate	27,443	29,832
Other, primarily fees	61,816	49,923
Total	\$ 424,322	416,774

Auxiliary services revenue consisted of the following for the years ended June 30, 2022 and 2021 (in thousands):

	<b>2022</b>	<b>2021</b>
Student housing	\$ 59,654	23,515
Dining services	38,516	11,720
Student health services	14,326	14,126
Parking	6,519	474
Conference services	737	66
Other	821	35
Total	\$ 120,573	49,936

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.

## UNIVERSITY OF DELAWARE

### Notes to Consolidated Financial Statements

June 30, 2022 and 2021

#### **(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.

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 recognized as expenditures are incurred for construction and 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.

In response to the COVID-19 pandemic, the federal government passed the Coronavirus Aid, Relief, and Economic Stimulus Act of 2020 (CARES Act) and the American Rescue Plan Act of 2021 (ARPA) which made funds available to the University through various provisions of the legislation.

The University was granted \$6,847,000 and \$32,549,000 of institutional relief funds from the State of Delaware during the years ended June 30, 2022 and June 30, 2021 respectively. In addition, the University was granted a \$41,000,000 capital grant during the year ended June 30, 2022.

## UNIVERSITY OF DELAWARE

### Notes to Consolidated Financial Statements

June 30, 2022 and 2021

For the year ended June 30, 2021, the University was granted student emergency grants of approximately \$22,218,000 and funding to offset the University's institutional costs related to the pandemic of \$28,032,000.

Total revenue of \$39,636,000 and \$52,822,000 related to COVID-19 funding is recognized as grants, contracts, and other exchange transactions in the consolidated statements of activities for the years ended June 30, 2022 and June 30, 2021, respectively. An additional \$6,069,000 is recognized as other revenue from non-operating activities in the consolidated statements of activities for the year ended June 30, 2022.

#### **(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.

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, 2022 and 2021, 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 been 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 two years or more are also capitalized. Repairs and maintenance costs are expensed as incurred. Costs relating to

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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 return, 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 interest rate swaps; 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, 2022 and 2021, 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.

**(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 Nursing Student Loan program are loaned to qualified students, administered by the University, and are required to be reloaned after collections. These funds, which are ultimately refundable to the government and are included in other liabilities, aggregated \$7,153,000 and \$8,586,000 as of June 30, 2022 and 2021, 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 statements of activities.

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**(2) Liquidity**

The following table reflects the University's financial assets as of June 30, 2022 and 2021, available for general expenditures within one year (in thousands):

	<u>2022</u>	<u>2021</u>
Cash and cash equivalents	\$ 72,875	125,221
Operating investments	<u>262,353</u>	<u>151,073</u>
	335,228	276,294
Accounts and notes receivable collectible within one year	62,542	51,493
Operating funds invested in pooled portfolio	237,106	278,347
Estimated endowment spending payout – 2023 and 2022	<u>61,755</u>	<u>53,048</u>
Financial assets available to meet cash needs for general expenditures within one year	<u>\$ 696,631</u>	<u>659,182</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. To help manage unanticipated liquidity needs, the University has a committed line of credit in the amount of \$100,000,000, which it could draw upon. Additionally, as of June 30, 2022 and 2021, the University had board-designated endowments and other investments of \$435,126,000 and \$479,597,000. 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.

**(3) Contributions Receivable**

Contributions receivable as of June 30, 2022 and 2021 are summarized as follows (in thousands):

	<u>2022</u>	<u>2021</u>
Amounts due in:		
Less than one year	\$ 12,414	13,554
One to five years	11,321	17,096
Over five years	<u>3,170</u>	<u>8,280</u>
	26,905	38,930
Less:		
Allowance for uncollectible pledges	(791)	(1,141)
Unamortized discounts	<u>(1,812)</u>	<u>(3,063)</u>
	<u>\$ 24,302</u>	<u>34,726</u>



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Contributions to be received after one year are discounted at rates ranging from 1.1% to 4.7%.

**(4) Restricted Deposits**

Restricted deposits as of June 30, 2022 and 2021 consisted of the following (in thousands):

	<u>2022</u>	<u>2021</u>
Unexpended bond proceeds	\$ 56,586	61,714
Debt service reserve funds	10,977	12,059
Other deposits	<u>13,604</u>	<u>2,782</u>
	<u>\$ 81,167</u>	<u>76,555</u>

The unexpended bond proceeds represent the amount of unspent 2018 general obligation bond proceeds that are held internally by the University, to be used in certain capital projects. The unexpended bond proceeds 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 held with a 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 11. These funds are generally invested in cash equivalents, but not considered restricted cash equivalents for purposes of the statements of cash flows.

**(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, 2022 and 2021 was as follows (in thousands):

	<u>2022</u>	<u>2021</u>
Money market and other liquid funds	\$ 35,264	41,560
U.S. government obligations	377,898	157,295
Corporate obligations	237,072	91,125
Stock and convertible securities	241,324	597,872
International equity investments	1,933	2,271
Limited partnerships and limited liability corporations (LLCs)	1,337,219	1,427,676
Other	<u>5,900</u>	<u>5,021</u>
Total	<u>\$ 2,236,610</u>	<u>2,322,820</u>

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	<b>2022</b>	<b>2021</b>
Operating investments	\$ 262,353	151,073
Investments	1,974,257	2,171,747
	\$ 2,236,610	2,322,820

Included in the investments table above is \$6,130,000 and \$7,132,000 of annuity and life-income funds at June 30, 2022 and 2021, 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.

*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):

	<b>2022</b>	<b>2021</b>	<b>Estimated remaining lives (years)</b>	<b>As of June 30, 2022 unfunded commitments</b>	<b>Redemption frequency</b>	<b>Redemption notice frequency</b>
Limited partnerships and LLCs:						
U.S. corporate debt funds	\$ 23,400	—	—	\$ —	Monthly	10 Days
International equity funds	232,801	422,426	—	—	Monthly	10 Days
Multistrategy hedge funds	261	243	—	—	Annually	100 Days
Long-short hedge funds	253,324	296,712	—	—	Annually	90 Days
Private equity	403,280	352,860	1-13	167,923	Not eligible	N/A
Venture capital	229,341	179,840	1-13	137,522	Not eligible	N/A
Real estate	68,218	52,124	1-12	81,267	Not eligible	N/A
Distressed securities	50,464	52,989	1-3	7,857	Not eligible	N/A
Oil and gas	37,559	27,564	5-10	12,986	Not eligible	N/A
Natural resources	32,840	33,484	1-10	768	Not eligible	N/A
Hybrid fund of funds	5,731	9,434	1-4	5,418	Not eligible	N/A
	\$ 1,337,219	1,427,676		\$ 413,741		

Subsequent to June 30, 2022, the University executed additional commitments of \$15,000,000.

**(a) U.S. Corporate Debt Funds and International Equity Funds**

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

**(b) International Equity Funds**

This category includes investments in commingled funds that invest primarily in equity securities.

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**(c) *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.

**(d) *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.

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.

**(e) *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.

**(f) *Real Estate***

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

**(g) *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.

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**(h) Investment Return**

Investment return for fiscal years ended June 30, 2022 and 2021 was as follows (in thousands):

	<u>2022</u>	<u>2021</u>
Dividend and interest income	\$ 22,905	19,504
Net realized and unrealized gains (losses)	(156,899)	616,293
External investment management fees and expenses	<u>(7,428)</u>	<u>(7,647)</u>
Investment return, net	<u>\$ (141,422)</u>	<u>628,150</u>

Investment return is presented for fiscal years ended June 30, 2022 and 2021 as follows (in thousands):

	<u>2022</u>	<u>2021</u>
Without donor restrictions:		
Other investment income	\$ 15,714	16,041
Endowment distributions	56,097	53,048
Investment return net of endowment distributions	<u>(67,431)</u>	<u>193,871</u>
	<u>4,380</u>	<u>262,960</u>
With donor restrictions:		
Investment return net of endowment distributions	(146,160)	365,107
Other, net	<u>358</u>	<u>83</u>
	<u>(145,802)</u>	<u>365,190</u>
Investment return, net	<u>\$ (141,422)</u>	<u>628,150</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

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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.

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 irrevocable charitable remainder trusts and charitable gift annuity agreements. 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.

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**(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.

The following tables present 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, 2022 and 2021 consolidated balance sheets (in thousands):

	June 30, 2022			
	Total	Level 1	Level 2	Level 3
Financial assets:				
Investments:				
Money market and other liquid funds	\$ 35,264	35,138	126	—
U.S. government obligations:				
Mortgage-backed securities	41,797	—	41,797	—
Treasury obligations	334,261	334,101	160	—
Other	1,840	817	1,023	—
	377,898	334,918	42,980	—
Corporate obligations	237,072	342	236,730	—
Stock and convertible securities	241,324	239,018	2,306	—
International investments	1,933	60	1,873	—
Other	5,900	1,571	—	4,329
Limited partnerships and LLCs <sup>(1)</sup>	1,337,219	—	—	—
Total investments	2,236,610	611,047	284,015	4,329
Restricted deposits	81,167	81,167	—	—
Funds held in trust by others	78,982	—	—	78,982
Total	\$ 2,396,759	692,214	284,015	83,311
Financial liabilities, included in the other liabilities:				
Annuity and life income funds payable	\$ 4,014	—	—	4,014
Interest rate swaps	11,889	—	11,889	—
Total	\$ 15,903	—	11,889	4,014

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	June 30, 2021			
	Total	Level 1	Level 2	Level 3
Financial assets:				
Investments:				
Money market and other liquid funds \$	41,560	41,438	122	—
U.S. government obligations:				
Mortgage-backed securities	21,756	—	21,756	—
Treasury obligations	134,398	134,393	5	—
Other	1,141	129	1,012	—
	157,295	134,522	22,773	—
Corporate obligations	91,125	496	90,629	—
Stock and convertible securities	597,872	595,166	2,706	—
International investments	2,271	86	2,185	—
Other	5,021	1,085	—	3,936
Limited partnerships and LLCs <sup>(1)</sup>	1,427,676	—	—	—
Total investments	2,322,820	772,793	118,415	3,936
Restricted deposits	76,555	76,555	—	—
Funds held in trust by others	93,659	—	—	93,659
Total	\$ 2,493,034	849,348	118,415	97,595
Financial liabilities, included in the other liabilities:				
Annuity and life income funds payable	\$ 4,965	—	—	4,965
Interest rate swaps	27,689	—	27,689	—
Total	\$ 32,654	—	27,689	4,965

(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.

During the years ended June 30, 2022 and 2021, there were no transfers of assets between levels. The University's interest in funds held in trust by others changed in 2022 and 2021 primarily due to underlying investment losses.

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**(7) Annuity and Life-Income Funds**

The University held \$6,130,000 and \$7,132,000 in investments related to annuity and life income funds as of June 30, 2022 and 2021, respectively. A related liability of \$4,014,000 and \$4,965,000 as of June 30, 2022 and 2021, 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.

**(8) Property, Plant, and Equipment**

Property, plant, and equipment as of June 30, 2022 and 2021 consisted of the following (in thousands):

	<u>2022</u>	<u>2021</u>	<u>Range of useful lives (years)</u>
Land	\$ 58,942	58,942	N/A
Land improvements	92,149	82,630	15
Buildings	2,267,269	2,233,321	40
Equipment and furnishings	380,920	356,014	2–20
Library	309,111	297,535	10
Finance leasehold	85,853	85,853	29–40
Collections and works of art	9,101	9,545	N/A
Construction in progress	60,329	62,487	N/A
	<u>3,263,674</u>	<u>3,186,327</u>	
Less accumulated depreciation	<u>(1,410,076)</u>	<u>(1,325,613)</u>	
	<u>\$ 1,853,598</u>	<u>1,860,714</u>	

At June 30, 2022, the University had outstanding contractual commitments of \$31,802,000 for building and renovation projects. Interest costs associated with various construction projects of \$1,365,683 and \$3,512,000 were capitalized at June 30, 2022 and 2021, respectively.

At June 30, 2022 and 2021, right-of-use assets from finance leases of \$85,853,000 are included in finance leasehold and have corresponding accumulated depreciation of \$15,823,000 and \$12,944,000, respectively. Lease liabilities from finance leases are included in long-term debt and finance leases on the consolidated balance sheets.

**(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



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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 \$22,317,000 and \$21,847,000 as of June 30, 2022 and 2021, respectively, which is included in other liabilities on the accompanying consolidated balance sheets. The following table reconciles the obligation as of June 30, 2022 and 2021 (in thousands):

	<u>2022</u>	<u>2021</u>
Balance at beginning of year	\$ 21,847	21,631
Additional obligations incurred	433	53
Obligations settled in current period	(451)	(302)
Changes in estimates, including timing	(163)	(152)
Accretion expense	651	617
Balance at end of year	<u>\$ 22,317</u>	<u>21,847</u>

**(10) Leases**

The University is the lessee of space under both operating and finance lease agreements. Lease right-of-use assets represent the University's right to use the underlying asset for the lease term. Lease liabilities represent the University's obligation to make lease payments arising from the lease. Leases with terms over twelve months are measured, classified, and recognized at lease commencement. Measurement is based on the present value of future minimum lease payments over the lease term, discounted at an appropriate incremental borrowing rate, which is based on the information available at the commencement date in determining the present value of lease payments. The present value of an option to extend or terminate a lease is included at commencement when it is reasonably certain to be exercised.

Lease expense for lease payments is recognized on a straight-line basis over the term of the lease. Amortization expense and interest expense is recognized as a component of lease payments for finance leases. The following table summarizes the components of lease expense for the years ended June 30, 2022 and 2021 (in thousands):

	<u>2022</u>	<u>2021</u>
Finance lease expense:		
Amortization of right-of-use assets	\$ 2,880	3,132
Interest on lease liabilities	2,413	2,471
Operating lease expense	4,791	6,163
Total lease expense	<u>\$ 10,084</u>	<u>11,766</u>

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The following table contains the maturity analysis of the annual undiscounted cash flows reconciled to the carrying value of the operating and finance lease liabilities as of June 30, 2022 (in thousands):

<u>Year</u>	<u>Operating</u>	<u>Finance</u>
2023	\$ 4,622	3,694
2024	3,365	3,731
2025	2,116	3,734
2026	1,581	3,734
2027	387	3,734
Thereafter	<u>83</u>	<u>72,254</u>
Total lease payments	12,154	90,881
Less: imputed interest	<u>135</u>	<u>33,951</u>
Present value of lease liabilities	<u>\$ 12,019</u>	<u>56,930</u>

The weighted-average remaining lease term and discount rate for operating and finance leases as of June 30, 2022, are as follows (in thousands):

	<u>Operating</u>	<u>Finance</u>
Weighted average remaining lease term	3.25 Years	23.8 Years
Weighted average discount rate	0.57 %	4.19 %

The University leases as lessor rental properties to customers classified as operating leases. There are no sales-type or direct financing leases. Property owned by the University and leased to third parties remains in Property, plant, and equipment on the consolidated balance sheet. Revenue is recognized to the extent that amounts are determined to be collectible. The University recognized sublease income of \$368,000 and \$1,300,000 during the years ended June 30, 2022 and 2021, respectively.

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**(11) Long-Term Debt and Finance Leases**

Indebtedness at June 30, 2022 and 2021 consisted of the following (in thousands):

	Fiscal year of maturity	Interest rate(s)%	Outstanding principal	
			2022	2021
Variable-rate debt:				
Series 2004B	2035	3.65 %	\$ 29,305	29,305
Series 2005	2036	4.24	28,690	28,690
Series 2013C	2038	4.16	53,335	53,335
Variable-rate debt			<u>111,330</u>	<u>111,330</u>
Fixed-rate bonds:				
Series 2010A taxable Build America Bonds (BABs)	2041	3.93	119,580	119,580
Series 2013B taxable	2027	1.12–3.00	3,930	4,655
	2034	3.83	6,770	6,770
	2044	3.98	13,555	13,555
Series 2018 taxable	2051	4.07	76,770	76,770
	2059	4.22	123,230	123,230
Series 2019	2043	5.00	91,780	100,495
Series 2019A	2046	5.00	45,580	46,540
Fixed-rate debt			<u>481,195</u>	<u>491,595</u>
Finance leases (note 10)	2043–2049	4.11–4.25	<u>56,930</u>	<u>58,210</u>
			649,455	661,135
Premium on long-term debt, net of debt issue costs of \$2.7 million (2022) and \$2.8 million (2021)			<u>35,048</u>	<u>35,744</u>
Long-term debt and finance leases			<u>\$ 684,503</u>	<u>696,879</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.

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, 2022 was 0.62% and 0.61% for the 2004B and 2005 bonds, respectively.

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The Series 2010A Taxable Revenue Bonds are Build America Bonds and the University receives payments from the U.S. Treasury equal to 33.0% of the corresponding interest payable on the bonds (the Subsidy Payments). For the year ended June 30, 2022, the University recognized subsidy payments of \$2,322,000, which are included as other revenue for the year ended June 30, 2022. 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, 2022 was 0.61%.

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 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, 2022.

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

2023	\$	12,245
2024		12,894
2025		11,644
2026		12,207
2027		12,818
Thereafter		587,647
	\$	649,455

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, 2024, May 31, 2024, and April 30, 2027, respectively.

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**(12) Interest Rate Swap Agreements**

The University has interest rate swap agreements for notional amounts of approximately \$127,405,000 and \$135,945,000 as of June 30, 2022 and 2021 (in thousands):

	Consolidated balance sheets location	Location of change in fair value	Fair value		Change in fair value	
			2022	2021	2022	2021
Interest rate swap agreements	Other liabilities	Other, net	\$ 11,889	27,689	15,800	10,355

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.

**(13) 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 \$36,455,000 in 2022 and \$35,819,000 in 2021.

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, 2023, 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.

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Net periodic postemployment benefit cost for 2022 and 2021 includes the following components (in thousands):

	<b>2022</b>	<b>2021</b>
Operating expenses:		
Service cost	\$ 4,331	4,052
Nonoperating costs:		
Interest cost	1,258	1,340
Amortization of prior service cost and losses	5,108	4,681
	6,366	6,021
Net periodic postemployment benefit cost	\$ 10,697	10,073

The University's estimated unfunded obligation related to this plan is \$75,923,000 and \$92,130,000, respectively, and is included in postemployment benefit obligations on the consolidated balance sheets as of June 30, 2022 and 2021.

The benefit obligation was determined using a discount rate of 4.68% as of June 30, 2022 and 2.54% as of June 30, 2021, and a rate of compensation increase of 3.00%. As of June 30, 2022, the University's expected future benefit payments for fiscal years 2023 through 2027 are \$12,380,000, \$11,974,000, \$28,315,000, \$2,190,000, and \$2,346,000, respectively, and \$15,544,000 thereafter. In fiscal year 2022, the discount rate used to calculate the actuarial-determined obligation increased from 2.61% to 4.68%, causing a change in the obligation of approximately \$11,000,000 for the year then ended.

**(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 30<sup>th</sup> consolidated balance sheets. As of June 30, 2022, the University has not funded these benefits.

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Net periodic postemployment benefit cost for 2022 and 2021 includes the following components (in thousands):

	<u>2022</u>	<u>2021</u>
Operating expenses:		
Service cost	\$ 14,338	14,345
Nonoperating costs:		
Interest cost	13,293	12,823
Amortization of prior service cost and losses	<u>2,013</u>	<u>2,237</u>
	<u>15,306</u>	<u>15,060</u>
Net periodic postemployment benefit cost	<u>\$ 29,644</u>	<u>29,405</u>

The accumulated postemployment benefit obligation recognized in the consolidated balance sheets at June 30, 2022 and 2021 is as follows (in thousands):

	<u>2022</u>	<u>2021</u>
Accrued postemployment liability	\$ 429,557	410,173
Unrecognized net (gain) loss	<u>(30,803)</u>	<u>79,840</u>
Accumulated postemployment benefit obligation	<u>\$ 398,754</u>	<u>490,013</u>

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Changes in the accumulated postemployment plan benefit obligation and funding status for 2022 and 2021 are as follows (in thousands):

	<u>2022</u>	<u>2021</u>
Benefit obligation at beginning of year	\$ 490,013	486,522
Service cost	14,338	14,345
Interest cost	13,293	12,823
Plan amendment	—	2,477
Actuarial gain	(108,630)	(16,446)
Disbursements	<u>(10,260)</u>	<u>(9,708)</u>
Benefit obligation at end of year	<u>398,754</u>	<u>490,013</u>
Fair value of plan assets at beginning of year	—	—
Employer contributions	10,260	9,708
Benefits paid	<u>(10,260)</u>	<u>(9,708)</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>398,754</u>	<u>490,013</u>

The accumulated postemployment benefit obligation was determined using a discount rate of 4.91% and 3.34% as of June 30, 2022 and 2021, respectively. Net periodic postemployment benefit costs were determined using a discount rate of 3.33% and 3.25% in 2022 and 2021, respectively. The healthcare cost trend rates used reflect the differences between pre-65 and post-65 claims were 7.00% and 6.75%, respectively, in 2022 and 6.50% and 6.25%, respectively, in 2021. This rate gradually decreases to 4.50% by the year 2033 for pre-65 and post-65 claims. The actuarial gains relate to changes in assumptions in discount rates, mortality, healthcare cost trends, and withdrawal rates.

At June 30, 2022, the University's expected future benefit payments for future service are as follows (in thousands):

Year ending June 30:	
2023	\$ 12,911
2024	13,919
2025	15,698
2026	16,572
2027	17,317
2028 through 2032	98,644



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#### **(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 (<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 postemployment 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 23.80% and 22.95% in 2022 and 2021. Expense recognized for the State Plan was \$13,369,000 and \$12,604,000 in 2022 and 2021, respectively.

The State Plan's financial statements and actuarial reports for June 30, 2021 (most recent available) indicate the following:

The University has 1,018 active participants in the State Plan. The State Plan, in total, has 73,589 participants, 38,206 of which are active participants.

The University's contribution to the State Plan in fiscal year June 30, 2021 of \$6,749,000 was approximately 2.5% of the \$269,467,000 total annual required plan employer contributions to the State Plan.

At June 30, 2021, the State Plan had an 89.1% 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 Other Postemployment Benefits (OPEB) Fund Trust Schedules of Employer Allocations and OPEB Amounts by the Employer Report for the year ended June 30, 2021 (most recent available), the State had a net liability of \$10.1 billion. The University's contribution to the OPEB Fund in fiscal year June 30, 2021, of \$6,340,000 was approximately 2.4% of the \$267,040,000 total annual required employer contributions to the plan.

**UNIVERSITY OF DELAWARE**

Notes to Consolidated Financial Statements

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**(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 2022 and 2021 was \$62,811,000 and \$65,148,000, respectively.

**(14) Net Assets**

The University's net assets as of June 30, 2022 and 2021 includes (in thousands):

	<b>2022</b>	<b>2021</b>
Without donor restrictions:		
Undesignated	\$ 411,132	401,201
Board designated endowment	435,126	479,597
Commitments for postemployment obligations	(474,677)	(582,143)
Commitments for interest rate swap agreements	(11,889)	(27,689)
Net investment in plant	1,189,717	1,182,886
Total net assets without donor restrictions	\$ 1,549,409	1,453,852
With donor restrictions:		
Contributions receivable:		
For operations, primarily instruction	\$ 5,263	7,302
For buildings	11,477	19,897
For endowment	7,562	7,527
Total contributions receivable	24,302	34,726
Amounts received subject to expenditures for specified purposes:		
Student aid and instruction	23,148	23,337
Research and other	17,958	10,592
Capital additions	24,548	11,940
Total expendable subject to purpose restrictions	65,654	45,869
Endowment earnings subject to future appropriations:		
General institutional support	561,122	626,369
Student aid	109,164	134,123
Instruction	167,574	201,838
Research and other	24,506	30,919
	862,366	993,249

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	<u>2022</u>	<u>2021</u>
Perpetual endowment funds – original gift corpus:		
General institutional support	\$ 71,637	71,472
Student aid and instruction	296,297	283,613
Research and other	<u>36,769</u>	<u>36,203</u>
	404,703	391,288
Other funds	2,544	2,582
Funds held in trust by others, primarily for general institutional support	<u>78,982</u>	<u>93,659</u>
Total net assets with donor restrictions	<u>\$ 1,438,551</u>	<u>1,561,373</u>

*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, 2022 and 2021 as follows (in thousands):

	<u>2022</u>	<u>2021</u>
Purpose restrictions accomplished – operating:		
Instruction and operations	\$ 8,983	6,953
Scholarships	3,489	3,172
Student services	281	97
Academic support	1,581	1,853
Other	<u>2,746</u>	<u>2,730</u>
Total purpose restrictions accomplished – operating	<u>\$ 17,080</u>	<u>14,805</u>
Purpose restrictions accomplished – non-operating:		
Capital asset additions	\$ 26,879	31,596

**(15) Endowment**

As of June 30, 2022, the University endowment consists of approximately 1,359 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 endowment funds with and without donor restrictions 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

## UNIVERSITY OF DELAWARE

### Notes to Consolidated Financial Statements

June 30, 2022 and 2021

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 University 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 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 4.00% and 3.91% at June 30, 2022 and 2021, 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.

**UNIVERSITY OF DELAWARE**

Notes to Consolidated Financial Statements

June 30, 2022 and 2021

**(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 \$475,000 and \$0 as of June 30, 2022 and June 30, 2021, respectively. These deficiencies resulted from unfavorable market fluctuations.

**(f) Net Asset Classification of Endowment Funds**

Endowment net assets by type of fund consist of the following as of June 30, 2022 and 2021 (in thousands):

	<b>2022</b>		
	<b>Without donor restrictions</b>	<b>With donor restrictions</b>	<b>Total</b>
Donor restricted	\$ —	1,263,822	1,263,822
Board designated	435,126	3,247	438,373
	\$ 435,126	1,267,069	1,702,195

  

	<b>2021</b>		
	<b>Without donor restrictions</b>	<b>With donor restrictions</b>	<b>Total</b>
Donor restricted	\$ —	1,380,961	1,380,961
Board designated	479,597	3,576	483,173
	\$ 479,597	1,384,537	1,864,134

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, 2022, 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 \$542,820,000. Additionally, \$316,299,000 as of June 30, 2022, is determined to be with purpose restrictions as set forth by the donors.

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Changes in endowment net assets for the years ended June 30, 2022 and 2021 (in thousands) are as follows:

	<u>Without donor restrictions</u>	<u>With donor restrictions</u>	<u>Total</u>
Endowment net assets, June 30, 2020	\$ 357,273	1,019,081	1,376,354
Investment return:			
Investment income, net	3,603	10,402	14,005
Net appreciation – realized and unrealized	<u>131,596</u>	<u>376,437</u>	<u>508,033</u>
Total investment return	135,199	386,839	522,038
Contributions	887	16,620	17,507
Endowment spending distribution	(13,864)	(39,531)	(53,395)
Other changes, including life income fund and other transfers	<u>102</u>	<u>1,528</u>	<u>1,630</u>
Endowment net assets, June 30, 2021	<u>479,597</u>	<u>1,384,537</u>	<u>1,864,134</u>
Investment return:			
Investment income, net	4,386	12,810	17,196
Net depreciation – realized and unrealized	<u>(34,648)</u>	<u>(101,680)</u>	<u>(136,328)</u>
Total investment return	(30,262)	(88,870)	(119,132)
Contributions	165	12,285	12,450
Endowment spending distribution	(14,603)	(42,123)	(56,726)
Other changes, including life income fund and other transfers	<u>229</u>	<u>1,240</u>	<u>1,469</u>
Endowment net assets, June 30, 2022	<u>\$ 435,126</u>	<u>1,267,069</u>	<u>1,702,195</u>

**(16) 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.

## UNIVERSITY OF DELAWARE

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June 30, 2022 and 2021

The table below identifies this financial assistance by source and by student classification for the years ended June 30, 2022 and 2021 (in thousands):

	2022			2021		
	Undergraduate	Graduate	Total	Undergraduate	Graduate	Total
Tuition:						
Unrestricted	\$ 129,437	33,162	162,599	108,656	62,786	171,442
Federal grants	1,338	2,669	4,007	937	2,065	3,002
State grants	15,335	830	16,165	15,295	823	16,118
Private gifts	4,258	1,294	5,552	3,727	1,508	5,235
Endow ment	5,414	221	5,635	4,717	208	4,925
Total	155,782	38,176	193,958	133,332	67,390	200,722
Student aid expenses	19,552	4,726	24,278	10,368	3,860	14,228
Total	\$ 175,334	42,902	218,236	143,700	71,250	214,950

#### (17) Related-Party Transactions

Per University policy, each member of the Board of Trustees and senior administration completes a conflict of interest policy disclosure statement on an annual basis and at such other times as a potential conflict of interest may arise. This policy requires, among other things, that senior administrators act in a manner consistent with their fiduciary duty and responsibilities to the University. Senior administrators and Trustees are to recuse themselves from participation in any University decision in which, by any reasonable standard, institutional or other connections could influence his or her independent judgement. Disclosure is required in writing of any association, relationship, business arrangement, or circumstance that might suggest to disinterested and objective observers that decisions were made contrary to the best interests of the University and for personal gain or the gain of family, affiliates, or non-University business associates at the expense of the University.

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 administrators. 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.

#### (18) 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, statements 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.

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**(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, 2022 through November 14, 2022, which was the date the consolidated financial statements were issued and determined no adjustments or disclosures were required.



**UNIVERSITY OF DELAWARE**  
Schedule of Expenditures of Federal Awards  
Year ended June 30, 2022

Federal grantor/pass-through grantor/program or cluster title	Assistance listing number	Pass-through entity identifying number	Pass-through to subrecipients	Federal expenditures
<b>Research and Development Cluster:</b>				
United States Department of Agriculture Programs:				
Direct:				
Agricultural Research Basic and Applied Research	10.001		\$ —	433,086
Plant and Animal Disease, Pest Control, and Animal Care	10.025		—	315,107
Cooperative Forestry Research	10.202		—	109,888
Payments to Agricultural Experiment Stations Under the Hatch Act	10.203		—	1,308,468
Animal Health and Disease Research	10.207		—	41,042
Biotechnology Risk Assessment	10.219		—	77,178
Agricultural and Rural Economic Research, Cooperative Agreements and Collaborations	10.250		—	87,008
Consumer Data and Nutrition Research	10.253		—	32,208
Agriculture and Food Research Initiative (AFRI)	10.310		413,275	1,720,770
Urban and Community Forestry Program	10.675		—	1,232
Partnership Agreements	10.699		—	10,406
Research Joint Venture and Cost Reimbursable Agreements	10.707		—	18,626
Subtotal: United States Department of Agriculture Programs - Direct			413,275	4,155,021
Pass-through:				
Purdue University	10.001	F9002701002007	—	17,635
Subtotal for AL No. 10.001			—	17,635
University of Georgia	10.156	SUB00002495	—	1,820
Subtotal for AL No. 10.156			—	1,820
Delaware Department of Agriculture	10.170	21SCBGPDE1065	—	4,676
Delaware Department of Agriculture	10.170	SCBGP-FB-21-06	—	1,110
Delaware Department of Agriculture	10.170	SCBGP-FB-21	—	(685)
Delaware Department of Agriculture	10.170	SCBGP-FB-20-03	—	17,193
Delaware Department of Agriculture	10.170	SCBGP-FB-18-01	—	12,514
Delaware Department of Agriculture	10.170	AM180100XXXXG043	—	1,004
Delaware Department of Agriculture	10.170	AM2001100XXXXG035	—	22,957
Subtotal for AL No. 10.170			—	58,769
University of Maryland	10.200	IR4SZ5208280KunkeDEL	—	12,099
University of Maryland Eastern Shore	10.200	22A00246	—	4,913
University of Maryland Eastern Shore	10.200	IR4SZ5208280vangesselDEL	—	6,360
University of Maryland	10.200	IR4SZ5208280owensDEL	—	8,876
Subtotal for AL No. 10.200			—	32,248
University of Maryland	10.215	88804-Q3173202	—	10,078
University of Vermont	10.215	GNE20-241-34268	—	11,058
University of Vermont	10.215	GNE19-219-33243	—	4,649
University of Vermont	10.215	GNE19-210-33243	—	5,251
University of Vermont	10.215	ONE19-344-33243	—	18,124
Subtotal for AL No. 10.215			—	49,160
Virginia State University	10.216	18A01168	—	806
Subtotal for AL No. 10.216			—	806
eXtension Foundation	10.229	EXC1-2021-2069	—	24,178
Subtotal for AL No. 10.229			—	24,178
Cornell University	10.304	80289-10771	—	12,799
Michigan State University	10.304	RC112910J	—	28,858
Subtotal for AL No. 10.304			—	41,657
University of Florida	10.309	SUB00002389	—	15,214
Pennsylvania State University	10.309	S000322-USDA	—	113,895
Subtotal for AL No. 10.309			—	129,109
Virginia Tech	10.310	545991-19650	—	24,755
The Ohio State University	10.310	60045852	15,208	22,202
North Carolina State University	10.310	2019-1507-27	—	14,108
National Institute of Food & Agriculture	10.310	2022-67011-36457	—	31,735
University of Maryland	10.310	65255-Z5062203	—	35,663
University of Connecticut	10.310	416949	—	11,355
University of California-Davis	10.310	A21-0253-S002	—	93,197
California State University - Institute	10.310	A21-0011-S001	—	101,109
Stroud Water Research Center	10.310	320106-55900	—	46,010
Subtotal for AL No. 10.310			15,208	380,134
Arkansas State University	10.326	20-082-20	—	28,685
Subtotal for AL No. 10.326			—	28,685
Pennsylvania State University	10.329	5002668-USDA	—	313
Virginia Polytechnic Institute	10.329	423616-19650	—	234
Subtotal for AL No. 10.329			—	547
University of Maryland	10.912	95758-Z51188201	—	152,238
Subtotal for AL No. 10.912			—	152,238
Subtotal: United States Department of Agriculture Programs - Pass-through			15,208	916,986
Total: United States Department of Agriculture Programs			428,483	5,072,007
<b>Department of Commerce Programs:</b>				
Direct:				
Integrated Ocean Observing System (IOOS)	11.012		2,090,916	2,739,421
Ocean Acidification Program (OAP)	11.017		—	7,457
Bipartisan Budget Act 2018	11.022		146,730	152,987
Sea Grant Support	11.417		125,076	1,353,236
Climate and Atmospheric Research	11.431		—	27,798
Special Oceanic and Atmospheric Projects	11.460		186,401	281,851
Center for Sponsored Coastal Ocean Research Coastal Ocean Program	11.478		38,905	312,207
Measurement and Engineering Research and Standards	11.609		—	2,573,098
Arrangements for Interdisciplinary Research Infrastructure - COVID 19	11.619		3,280,960	11,410,313
Arrangements for Interdisciplinary Research Infrastructure	11.619		3,786,894	19,166,436
Marine Debris Program	11.999		—	231,195
Subtotal: Department of Commerce Programs - Direct			9,655,882	38,255,999

**UNIVERSITY OF DELAWARE**  
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Federal grantor/pass-through grantor/program or cluster title	Assistance listing number	Pass-through entity identifying number	Pass-through to subrecipients	Federal expenditures
Pass-through:				
University of Michigan	11.000	21A00823	\$ —	77,883
Subtotal for AL No. 11.000			—	77,883
Cardinal Point Captains, Inc	11.011	1018-053-001-03	—	79,864
University of California-San Diego	11.011	703624	—	20,308
Subtotal for AL No. 11.011			—	100,172
Woods Hole Oceanographic Institute	11.012	24021906	—	7,353
Rutgers State University of New Jersey	11.012	6165	—	251,326
Rutgers State University of New Jersey	11.012	1775	—	8,977
Rutgers State University of New Jersey	11.012	1427	—	15,099
Rutgers State University of New Jersey	11.012	1157	—	86
Subtotal for AL No. 11.012			—	282,841
University of Mississippi	11.417	21-01-022	—	1,999
Subtotal for AL No. 11.417			—	1,999
Delaware Department of Natural Resources	11.419	21A00779	—	11,555
Delaware Department of Natural Resources	11.419	20A00382	—	24,845
Delaware Department of Natural Resources	11.419	19A01598	—	5,256
Delaware Department of Natural Resources	11.419	20A00934	—	3,173
Subtotal for AL No. 11.419			—	44,829
Delaware Department of Natural Resources	11.420	20A00559	—	4,195
Subtotal for AL No. 11.420			—	4,195
University of Michigan	11.432	SUBK00013407	—	32,555
University of South Florida	11.432	2500-1822-00-A	—	72,518
Subtotal for AL No. 11.432			—	105,073
Northeast States Emergency Consortium	11.467	NA21NWS4670007-SUD	—	36,064
Northeast States Emergency Consortium	11.467	NA20NWS4670061-SUUD	—	66,279
Northeast States Emergency Consortium	11.467	NA19NWS4670011-SUD	—	9,526
Subtotal for AL No. 11.467			—	111,869
Delaware Department of Natural Resources	11.474	20A01934	—	(65)
Delaware Department of Natural Resources	11.474	22A00343	—	6,175
Delaware Department of Natural Resources	11.474	20A01621	—	9,568
Subtotal for AL No. 11.474			—	15,678
University of Maryland	11.478	SA075258490	—	72,959
Subtotal for AL No. 11.478			—	72,959
STF Technologies, LLC	11.620	21A01799	—	25,549
Subtotal for AL No. 11.620			—	25,549
Subtotal: Department of Commerce Programs - Pass-through			—	843,047
Total: Department of Commerce Programs			9,655,882	39,099,046
Department of Defense Programs:				
Direct:				
Department of Defense Programs	12.000		47,936	311,751
Basic and Applied Scientific Research	12.300		143,708	3,754,086
Basic Research for Combating Weapons of Mass Destruction	12.351		—	(1,838)
Military Medical Research and Development	12.420		149,503	1,018,469
Basic Scientific Research	12.431		1,475,860	3,986,567
Basic, Applied, and Advanced Research in Science and Engineering	12.630		29,590	2,488,093
Air Force Defense Research Sciences Program	12.800		367,710	2,045,161
CyberSecurity Core Curriculum	12.905		—	68,972
Research and Technology Development	12.910		23,375	524,992
Subtotal: Department of Defense Programs - Direct			2,237,682	14,196,253
Pass-through:				
Phase Sensitive Innovations, Inc.	12.000	20A01959	—	156,064
Henry M. Jackson Foundation	12.000	65544	—	47,704
Oregon Health & Science University	12.000	1016202_DELAWARE	—	(7,835)
Phase Sensitive Innovations, Inc.	12.000	21A00790	—	156,825
Composites Automation LLC	12.000	2021-0013 UD-CCM	—	151,863
Chip Design Systems	12.000	C02021-01	—	409,180
Chip Design Systems	12.000	19A01014	—	871
University of South Alabama	12.000	A20-0011-S001	—	45,919
APTIM	12.000	206786 OS	—	72,459
TalosTech LLC	12.000	20A01943	—	14,680
Subtotal for AL No. 12.000			—	1,047,730
University of Iowa	12.114	17A00197	—	290,522
Subtotal for AL No. 12.114			—	290,522
Washington University, St Louis	12.300	WU-22-0372/PO # ST0000671	—	800
Delaware State University	12.300	21-111-HEH	—	14,280
University of California-San Diego	12.300	KR 704612	—	82,893
Subtotal for AL No. 12.300			—	97,973

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Federal grantor/pass-through grantor/program or cluster title	Assistance listing number	Pass-through entity identifying number	Pass-through to subrecipients	Federal expenditures
NextFlex	12.330	50010.000.00-07	\$ 19,920	70,131
Subtotal for AL No. 12.330			19,920	70,131
University of Iowa	12.420	S00429-01	—	27,918
University of Iowa	12.420	S00522-01	—	6,204
Subtotal for AL No. 12.420			—	34,122
University of Pittsburgh	12.431	AWD00004570 (418049-1)	—	383,925
University of Maryland-College Park	12.431	109359-Z8468202	—	4,968
Clemson University	12.431	2309-203-2013716	—	212,907
Subtotal for AL No. 12.431			—	601,800
Johns Hopkins University	12.630	2001518468 CLIN 26	—	1,015,328
University of Massachusetts	12.630	S5131000046072A	—	51,371
Johns Hopkins University	12.630	2001518468 CLIN 23.21	249,975	777,843
Johns Hopkins University	12.630	2001518468 CLIN 23	26,132	26,132
Research Foundation of CUNY	12.630	CM00005101-00	—	83,106
Subtotal for AL No. 12.630			276,107	1,953,780
University of California-San Diego	12.740	704417	—	559,540
Henry M. Jackson Foundation	12.740	5648	—	267,140
Subtotal for AL No. 12.740			—	826,680
Henry M. Jackson Foundation	12.750	5287	—	60,835
Subtotal for AL No. 12.750			—	60,835
University of Texas at Austin	12.800	UTA16-001296	—	213,707
Arizona State University	12.800	ASUB00000463	—	127,474
Rutgers, State University of New Jersey	12.800	1316	—	58,668
NextFlex	12.800	22A00103	24,454	112,110
University of California-San Diego	12.800	104170068	—	208,672
Subtotal for AL No. 12.800			24,454	720,631
Donald Danforth Plant Science Center	12.910	23107-DE	—	10,944
Iowa State University	12.910	022714B	—	524,110
Subtotal for AL No. 12.910			—	535,054
Subtotal: Department of Defense Programs - Pass-through			320,481	6,239,258
Total: Department of Defense Programs			2,558,163	20,435,511
Department of Interior Programs:				
Direct:				
Department of the Interior Programs	15.000		—	26,757
Bureau of Ocean Energy Management (BOEM) Environmental Studies Program (ESP)	15.423		63,450	121,405
Marine Minerals Activities - Hurricane Sandy Coastal Program	15.424		—	252,427
Coastal Program	15.630		—	34,864
Migratory Bird Monitoring, Assessment and Conservation	15.655		168,199	459,714
Assistance to State Water Resources Research Institutes	15.805		—	123,194
U.S. Geological Survey Research and Data Collection	15.808		—	71,000
National Center for Preservation Technology and Training	15.923		—	7,210
Cooperative Research and Training Programs - Resources of the National Park System	15.945		—	222,775
Subtotal: Department of Interior Programs - Direct			231,649	1,319,346
Pass-through:				
Delaware Department of Natural Resources	15.634	20A00985	—	16,023
Subtotal for AL No. 15.634			—	16,023
The Nature Conservancy	15.663	AJ_MDDC_01Nov2020	—	40,087
Subtotal for AL No. 15.663			—	40,087
Subtotal: Department of Interior Programs - Pass-through			—	56,110
Total: Department of Interior Programs			231,649	1,375,456
Department of Justice Programs:				
Direct:				
National Institute of Justice Research, Evaluation, and Development Project Grants	16.560		—	190,126
Subtotal: Department of Justice Programs - Direct			—	190,126
Pass-through:				
New Castle County Police	16.000	20A00908	—	40,154
Subtotal for AL No. 16.000			—	40,154
New Castle County Police	16.745	20A00910	—	20,958
Subtotal for AL No. 16.745			—	20,958
Subtotal: Department of Justice Programs - Pass-through			—	61,112
Total: Department of Justice Programs			—	251,238
Department of Transportation Programs:				
Direct:				
Railroad Research and Development	20.313		—	151,230
Subtotal: Department of Transportation Programs - Direct			—	151,230
Pass-through:				
Rutgers State University of New Jersey	20.000	0446	—	13,723
Subtotal for AL No. 20.000			—	13,723
National Academy of Sciences	20.200	NCHRP-211	—	(1,886)
Delaware Department of Transportation	20.200	Task 33-1929	—	73,088
Delaware Department of Transportation	20.200	Task 81-1929	—	29,998
Delaware Department of Transportation	20.200	Task 72-1929	—	71,722
Delaware Department of Transportation	20.200	Task 70-1929	—	81,709
Delaware Department of Transportation	20.200	Task 4-1891	—	(55)

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Federal grantor/pass-through grantor/program or cluster title	Assistance listing number	Pass-through entity identifying number	Pass-through to subrecipients	Federal expenditures
Delaware Department of Transportation	20.200	19A01068	\$ —	17,827
Delaware Department of Transportation	20.200	1921P1-Task 1	—	26,350
Delaware Department of Transportation	20.200	Task 27-1891	—	2,272
Delaware Department of Transportation	20.200	Task 31-1891	5,080	22,918
Delaware Department of Transportation	20.200	Task 13-1891	—	(1,232)
Delaware Department of Transportation	20.200	1921P5-Task 1	—	11,039
Delaware Department of Transportation	20.200	Task 28-1891	—	9,174
Subtotal for AL No. 20.200			5,080	342,924
Delaware Department of Transportation	20.515	Task 78-1929	—	100,000
Delaware Department of Transportation	20.515	Task 74-1929	—	285,000
Delaware Department of Transportation	20.515	Task 73-1929	—	175,000
Subtotal for AL No. 20.515			—	560,000
Delaware Department of Transportation	20.530	TASK 91-1929	—	4,658
Subtotal for AL No. 20.530			—	4,658
University of Nevada-Las Vegas	20.701	17-22GL-01	—	329,467
Pennsylvania State University	20.701	5903-UD-DOT-7103	—	526,922
Subtotal for AL No. 20.701			—	856,389
Subtotal: Department of Transportation Programs - Pass-through			5,080	1,777,694
Total: Department of Transportation Programs			5,080	1,928,924
General Services Administration Programs				
Direct:				
General Services Administration	39.000		—	8,505
Subtotal: General Services Administration Programs - Direct			—	8,505
Total: General Services Administration Programs			—	8,505
National Aeronautics and Space Administration Programs:				
Direct:				
National Aeronautics and Space Administration Programs	43.000		—	1,166,742
Science	43.001		195,175	2,002,682
Aeronautics	43.002		81,814	873,133
Education	43.008		75,754	511,147
Space Technology	43.012		—	30,514
Subtotal: National Aeronautics and Space Administration Programs - Direct			352,743	4,584,218
Pass-through:				
Woods Hole Oceanographic Institute	43.000	22A00228	—	23,841
Cornerstone Research Group, Inc.	43.000	2021-0696	—	33,627
TalosTech LLC	43.000	21A00882	—	37,033
Composites Automation LLC	43.000	2021-0050 UD-CCM	—	32,851
Phase Sensitive Innovations, Inc.	43.000	80NSSC21C0125	—	36,887
Princeton University	43.000	SUB0000165	—	45,267
Princeton University	43.000	SUB0000317	—	55,672
Subtotal for AL No. 43.000			—	265,178
Washington University, St Louis	43.001	WU-19-50	—	72,930
The University of Chicago	43.001	AWD101921 (SUB00000464)	—	245,909
Southwest Research Institute	43.001	N99054DS	—	17,821
Oregon State University	43.001	NS309A-A	—	39,419
New Mexico Consortium	43.001	655-001	—	56,497
University of Montana	43.001	PG22-26988-01	—	35,706
University of Maryland	43.001	98016-Z6338201	—	27,010
Subtotal for AL No. 43.001			—	495,292
Purdue University	43.007	12000309-018	—	25,693
Subtotal for AL No. 43.007			—	25,693
Subtotal: National Aeronautics and Space Administration Programs - Pass-through			—	786,163
Total: National Aeronautics and Space Administration Programs			352,743	5,370,381
National Science Foundation Programs:				
Direct:				
National Science Foundation Programs	47.000		—	456,101
Engineering Grants	47.041		340,347	4,926,122
Mathematical and Physical Sciences	47.049		316,313	10,967,783
Geosciences	47.050		—	4,159,690
Computer and Information Science and Engineering	47.070		2,370	2,994,947
Biological Sciences	47.074		—	1,957,772
Social, Behavioral, and Economic Sciences	47.075		92,819	502,291
Education and Human Resources	47.076		222,738	2,781,438
Polar Programs	47.078		—	216,497
Office of International and Integrative Activities	47.079		950,648	1,409,275
Office of Integrative Activities	47.083		2,449,911	6,860,539
Subtotal: National Science Foundation Programs - Direct			4,375,146	37,232,455
Pass-through:				
University of South Florida	47.000	2500-1748-00-A	—	4,857
Woods Hole Oceanographic Institute	47.000	A101425	—	9,529
Subtotal for AL No. 47.000			—	14,386
Johns Hopkins University	47.041	19A00357	—	1,586
Johns Hopkins University	47.041	2003598555	—	15,387
Johns Hopkins University	47.041	2004173884	—	21,767
Johns Hopkins University	47.041	2004638063	—	55,403
Johns Hopkins University	47.041	2005432336	—	20
Princeton University	47.041	SUB0000549	—	121,216

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Federal grantor/pass-through grantor/program or cluster title	Assistance listing number	Pass-through entity identifying number	Pass-through to subrecipients	Federal expenditures
Clemson University	47.041	1961-206-2012124	\$ —	298,637
Jackson State University	47.041	2016-633196UD	—	(5,721)
California-Berkeley, University of	47.041	2131111	—	23,408
Nebraska, University of	47.041	25-0521-0210-005a	—	(9,435)
Arizona, University of	47.041	573543	—	41,092
Arizona State University	47.041	22A00389	—	22,500
Arizona State University	47.041	19A00100	—	(29,291)
Subtotal for AL No. 47.041			—	556,569
Colorado, University of	47.048	1559525	—	55,625
Subtotal for AL No. 47.048			—	55,625
University of Pittsburgh	47.049	0056149 (12006-1)A	—	88,283
University of Wisconsin	47.049	19A00687	—	315,575
Subtotal for AL No. 47.049			—	403,858
Oregon State University	47.050	S1963A-A	—	24,688
University of Georgia	47.050	SUB00001905	—	3,545
Rutgers State University of New Jersey	47.050	21A00487	—	9,017
Columbia University	47.050	107(GG009393-04)	—	6,565
University of Wisconsin	47.050	0000001308	—	179,154
Subtotal for AL No. 47.050			—	222,969
University of Illinois	47.070	067846-17497	—	(55)
Yale University	47.070	GR109687(CON-80002379)	—	41,942
The Ohio State University	47.070	SPC-1000005606/GR124840	—	20,160
Oak Ridge National Laboratory	47.070	4000154744	—	75,794
Computing Research Association	47.070	CNS2123180-CRA-Delaware	—	38,319
Subtotal for AL No. 47.070			—	176,160
Purdue University	47.074	10001936-014	—	34,137
Donald Danforth Plant Science Center	47.074	23908-D	—	79,094
Cold Spring Harbor Laboratory	47.074	52650112	—	4,804
Subtotal for AL No. 47.074			—	118,035
Idaho State University	47.075	18-0008A	—	50,750
Subtotal for AL No. 47.075			—	50,750
University of California-Irvine	47.076	2019-1219	—	18,237
North Carolina State University	47.076	2019-0347-01	—	6,993
Arizona State University	47.076	17-193	—	5,431
Boys Town	47.076	96443-B	—	108,261
Drexel University	47.076	920085	—	66,213
Boston University	47.076	21A01425	—	29,396
Subtotal for AL No. 47.076			—	234,531
Rutgers, State University of New Jersey	47.078	20A01333	—	111,882
Subtotal for AL No. 47.078			—	111,882
South Dakota School of Mines & Technology	47.083	SDSMT-JD 21-09	—	455,670
University of Kansas	47.083	FY2022-038	—	161,057
Louisiana State University	47.083	PO-0000181868	—	132,987
Subtotal for AL No. 47.083			—	749,714
Subtotal: National Science Foundation Programs – Pass-through			—	2,694,479
Total: National Science Foundation Programs			4,375,146	39,926,934
Veterans Administration Programs:				
Direct:				
Department of Veterans Affairs Programs	64.000		—	37,657
Subtotal: Veterans Administration Programs – Direct			—	37,657
Total: Veterans Administration Programs			—	37,657
Environmental Protection Agency Programs:				
Direct:				
Wetland Program Grants	66.461		—	91,573
Pollution Prevention Grants Program	66.708		—	(2,252)
Subtotal: Environmental Protection Agency Programs – Direct			—	89,321
Pass-through:				
Delaware Department of Natural Resources	66.419	22A00523	—	39,824
Subtotal for AL No. 66.419			—	39,824
Subtotal: Environmental Protection Agency Programs – Pass-through			—	39,824
Total: Environmental Protection Agency Programs			—	129,145
Department of Energy Programs:				
Direct:				
Department of Energy Programs	81.000		—	30,277
Office of Science Financial Assistance Program	81.049		2,218,536	7,039,939
Conservation Research and Development	81.086		134,754	618,730
Renewable Energy Research and Development	81.087		335,833	1,336,746
Fossil Energy Research and Development	81.089		87,030	735,275
Advanced Research Projects Agency – Energy	81.135		305,186	2,147,306
Subtotal: Department of Energy Programs – Direct			3,081,339	11,908,273
Pass-through:				
Argonne National Lab	81.000	1F-60336	—	88,735
JC Solutions DBA RCAM Technologies	81.000	001	—	5,481
National Renewable Energy Laboratory	81.000	SUB-2021-10487	—	64,398
Sandia National Labs	81.000	2033134	—	11,087
Composites Automation LLC	81.000	2020-1085 UD-CCM	—	148,793
Pacific Northwest National Laboratory	81.000	520208	—	56,306
Sandia National Labs	81.000	2329400	—	38,148
UT-Battelle, LLC	81.000	4000159498	—	17,235
Lawrence Livermore National Laboratory	81.000	21A00804	—	34,016
Subtotal for AL No. 81.000			—	464,199

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Federal grantor/pass-through grantor/program or cluster title	Assistance listing number	Pass-through entity identifying number	Pass-through to subrecipients	Federal expenditures
STF Technologies, LLC	81.049	20A00609	\$ —	204,823
STF Technologies, LLC	81.049	20A00919	—	80,966
Northeastern University	81.049	21A01782	—	205,003
Energy 18H LLC	81.049	22A00258	—	129,323
RKarbon, Inc.	81.049	21A00571	—	59,999
University of California-Santa Barbara	81.049	KK1970	—	42,207
Subtotal for AL No. 81.049			—	722,321
Electric Power Research Institute	81.087	10013935	—	54,544
Giner, Inc	81.087	402546	—	(3,207)
American Institute of Chemical Engineers	81.087	DE-EE0007888-08-1A	—	(9,319)
American Institute of Chemical Engineers	81.087	DE-EE0007888-6.5	—	403,880
Rutgers, State University of New Jersey	81.087	1767	—	80,866
American Institute of Chemical Engineers	81.087	DE-EE0007888-7.6	—	140,658
Electrical Distribution Design	81.087	8768-005	—	103,408
American Institute of Chemical Engineers	81.087	DE-EE0007888-8.3	351,510	710,662
American Institute of Chemical Engineers	81.087	DE-EE0007888-9.5	78,882	274,913
Drexel University	81.087	950017	—	51,039
Electrical Distribution Design	81.087	8768-006	—	110,491
Subtotal for AL No. 81.087			430,392	1,917,935
University of Maryland, Baltimore	81.089	88901-Z7092201	—	62,484
Subtotal for AL No. 81.089			—	62,484
University of Rochester	81.112	SUB00000056	—	114,190
Subtotal for AL No. 81.112			—	114,190
Subtotal: Department of Energy Programs – Pass-through			430,392	3,281,129
Total: Department of Energy Programs			3,511,731	15,189,402
<b>Department of Education Programs:</b>				
<b>Direct:</b>				
Education Research, Development and Dissemination	84.305		400,167	2,249,355
Research in Special Education	84.324		—	552,640
Subtotal: Department of Education Programs – Direct			400,167	2,801,995
<b>Pass-through:</b>				
Abt Associates	84.000	50902	—	109,450
Subtotal for AL No. 84.000			—	109,450
Educational Testing Service	84.305	19A00111	—	183,822
Duke University	84.305	343-0810	—	89,886
University of California-Irvine	84.305	2021-1527	—	5,941
Temple University	84.305	263672-UoD	—	63,931
Subtotal for AL No. 84.305			—	343,580
Duquesne University	84.324	G1500085	—	85,766
Subtotal for AL No. 84.324			—	85,766
Subtotal: Department of Education Programs – Pass-through			—	538,796
Total: Department of Education Programs			400,167	3,340,791
<b>Department of Health and Human Services Programs:</b>				
<b>Direct:</b>				
Department of Health and Human Services Programs	93.000		—	11,526
Innovations in Applied Public	93.061		—	150,986
Food and Drug Administration Research	93.103		1,660,783	1,887,242
Maternal and Child Health Federal Consolidated Programs	93.110		23,177	432,637
Oral Diseases and Disorders Research	93.121		(443)	920,680
Research Related to Deafness and Communication Disorders	93.173		368,747	1,574,035
Research and Training in Complementary and Integrative Health	93.213		14,600	175,969
Mental Health Research Grants	93.242		141,211	2,827,013
Alcohol Research Programs	93.273		—	886
Drug Abuse and Addiction Research Programs	93.279		—	502,461
National Institutes of Health Loan Repayment Program for Clinical Researchers	93.280		—	548,416
National Institutes of Health Pediatric Research Loan Repayment Program	93.285		2,668,637	4,060,768
Discovery and Applied Research for Technological Innovations to Improve Human Health	93.286		494,991	827,064
Trans-NIH Research Support	93.310		—	(13,611)
Research Infrastructure Programs	93.351		—	1,456,901
Nursing Research	93.361		273,605	538,403
Cancer Cause and Prevention Research	93.393		241,267	860,955
Cancer Treatment Research	93.395		—	522,371
Cancer Biology Research	93.396		3,622	3,622
ACL National Institute on Disability, Independent Living, and Rehabilitation Research	93.433		40,201	109,379
ACL Assistive Technology	93.464		—	360,365
Provider Relief Fund	93.498		—	24
Child Care and Development Block Grant	93.575		—	93,214
University Centers for Excellence in Developmental Disabilities Education, Research, and Service	93.632		—	525,796
Heart and Vascular Diseases Research	93.837		44,346	2,393,719
Lung Diseases Research	93.838		—	311,072
Blood Diseases and Resources Research	93.839		—	101
Arthritis, Musculoskeletal and Skin Diseases Research	93.846		25	1,429,954
Diabetes, Digestive, and Kidney Diseases Extramural Research	93.847		—	179,302
Extramural Research Programs in the Neurosciences and Neurological Disorders	93.853		83,202	946,366
Allergy and Infectious Diseases Research	93.855		—	221,737
Biomedical Research and Research Training	93.859		1,661,183	18,772,351
Child Health and Human Development Extramural Research	93.865		267,233	2,404,819
Aging Research	93.866		657,485	1,791,788
Vision Research	93.867		7,088	2,397,117
Autism Collaboration, Accountability, Research, Education, and Support	93.877		—	17,776
Medical Library Assistance	93.879		88,713	232,284
Subtotal: Department of Health & Human Services Programs – Direct			8,739,673	49,475,488

**UNIVERSITY OF DELAWARE**  
Schedule of Expenditures of Federal Awards  
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Federal grantor/pass-through grantor/program or cluster title	Assistance listing number	Pass-through entity identifying number	Pass-through to subrecipients	Federal expenditures
Pass-through:				
Leidos Biomedical Research, Inc.	93.000	21X178F	\$ —	54,327
University of Connecticut	93.000	369814	—	83,459
DE Dept for Children Youth and Families	93.000	20-16039	—	64,663
Nemours/A. I. duPont Hosp for Children	93.000	22A00016	—	5,116
Delaware Dept of Health & Social Service	93.000	FY21-EVALUATION-UD	—	267,831
Rutgers, State University of New Jersey	93.000	1718	—	132,035
European Molecular Biology Laboratory	93.000	PIRDJ-4468-01	—	447,275
Assoc of Univ Centers on Disabilities	93.000	18A00945	—	12,434
Subtotal for AL No. 93.000			—	1,067,140
Freedom Center for Independent Living	93.044	FCIL-00001	—	582
Subtotal for AL No. 93.044			—	582
Education, Health, & Research International	93.048	21A00607	—	35,269
Subtotal for AL No. 93.048			—	35,269
Delaware Department of Health & Social Services	93.074	21-093	—	2,497
Subtotal for AL No. 93.074			—	2,497
Oklahoma Department of Mental Health and Substance Abuse Services	93.087	21A00518	—	1
Subtotal for AL No. 93.087			—	1
Children's Hospital of Philadelphia	93.103	3201480820	—	8,276
Delaware Department of Agriculture	93.103	21A01775	—	36,804
Delaware Department of Agriculture	93.103	20A01341	—	1,318
Subtotal for AL No. 93.103			—	46,396
Carroll County Health Department	93.104	21A01250	—	2,131
Subtotal for AL No. 93.104			—	2,131
Delaware Department for Children Youth and Families	93.110	UD-EVAL DCPAP 19-15651	—	47,997
Subtotal for AL No. 93.110			—	47,997
University of Wisconsin-Madison	93.113	0000000432	—	9,297
Michigan State University	93.113	RC105513UD	—	(22)
Subtotal for AL No. 93.113			—	9,275
Delaware Department of Health & Social Services	93.136	21-365	—	23,391
Delaware Department of Health & Social Services	93.136	22-347	—	10,120
Subtotal for AL No. 93.136			—	33,511
Texas A & M University	93.143	M2000977	—	17,306
Subtotal for AL No. 93.143			—	17,306
European Molecular Biology Laboratory	93.172	PIRUD-3068-01	—	95,977
Subtotal for AL No. 93.172			—	95,977
University of Michigan	93.173	SUBK00011924	—	(1)
Carnegie-Mellon University	93.173	1090585-445492	—	134,573
University of Washington	93.173	UWSC12818	—	11,758
Northeastern University	93.173	500775-78050	—	7,535
Temple University	93.173	263001-UD	—	93,331
Subtotal for AL No. 93.173			—	247,196
Stony Brook University	93.242	84780/2/1154076	—	118,507
Case Western Reserve University	93.242	19A01632	—	172,330
University of Illinois at Chicago	93.242	17208	—	3,005
Brown University	93.242	00001133	—	25,803
Subtotal for AL No. 93.242			—	319,645
Delaware Department of Education	93.243	S21-51	—	67,430
Delaware Department of Health & Social Services	93.243	22-292	—	46,391
Delaware Department of Education	93.243	S22-57	—	60,658
American Psychiatric Nurses Association	93.243	20A01008	—	4
Subtotal for AL No. 93.243			—	174,483
University of Arizona	93.279	582784	—	71,537
Subtotal for AL No. 93.279			—	71,537
Columbia University	93.280	1(GG008696)	—	15,419
Subtotal for AL No. 93.280			—	15,419
eXtension Foundation	93.283	2021-2101	—	245,708
Subtotal for AL No. 93.283			—	245,708
University of California-Davis	93.285	18A01576	—	224,604
Subtotal for AL No. 93.285			—	224,604
University of Texas at Arlington	93.307	19A01019	—	(3,156)
Temple University	93.307	261331-Delaware B	—	188,373
Subtotal for AL No. 93.307			—	185,217
NYU Grossman School of Medicine	93.310	21-A0-S2-1001476	—	23,503
Marquette University	93.310	2220-00002-01-01	—	33,301
Northwestern University	93.310	60054546 UD	—	88,550
University of Georgia	93.310	SUB000002057	—	12,505
Subtotal for AL No. 93.310			—	157,859
University of Maryland	93.361	17A00874	6,848	246,092
University of Maryland	93.361	19A01565	—	135
Subtotal for AL No. 93.361			6,848	246,227

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Federal grantor/pass-through grantor/program or cluster title	Assistance listing number	Pass-through entity identifying number	Pass-through to subrecipients	Federal expenditures
University of Pennsylvania	93.396	582312	\$ —	57,072
University of Virginia	93.396	GB10749.PO#2235323	—	(13,222)
Subtotal for AL No. 93.396			—	43,850
Association of University Centers on Disabilities	93.421	17-21-8814	—	37,565
Association of University Centers on Disabilities	93.421	07-8814-22	—	35,823
Subtotal for AL No. 93.421			—	73,388
TransCen, Inc.	93.433	20A01368	—	2,165
Subtotal for AL No. 93.433			—	2,165
Delaware Developmental Disabilities Council	93.630	20A01768	—	(46)
Florida Developmental Disabilities Council	93.630	1033SA20C	—	40,700
Subtotal for AL No. 93.630			—	40,654
Delaware Department of Health & Social Services	93.778	546049	—	32,247
Delaware Department of Health & Social Services	93.778	545710	—	15,186
Delaware Department of Health & Social Services	93.778	21A00020	—	7,320
Subtotal for AL No. 93.778			—	54,753
Delaware Department of Health & Social Services	93.788	FY21-AMBASSADOR-UD	—	1,964,298
Subtotal for AL No. 93.788			—	1,964,298
Baylor College of Medicine	93.838	7000001102	—	1,981
University of Texas at Dallas	93.838	1806479	—	74,797
Childrens Hospital of Philadelphia	93.838	22A00919	—	41,520
Subtotal for AL No. 93.838			—	118,298
University of Pennsylvania	93.846	1R01AR-071718-01A1	—	44,120
University of Pennsylvania	93.846	581539	—	15,463
Pennsylvania State University	93.846	S001800-DHHS	—	12,990
University of Pennsylvania	93.846	581971	—	40,834
Boston University	93.846	4500003239	—	98,101
Boston University	93.846	4500003181	—	1,272
Neuromuscular Dynamics	93.846	20A01424	—	1,601
Subtotal for AL No. 93.846			—	214,381
University of Pennsylvania	93.847	572700	—	19,612
Cincinnati Children's Hospital Medical Center	93.847	315780	—	15,850
University of Pennsylvania	93.847	574745	—	11,530
Subtotal for AL No. 93.847			—	46,992
Washington University, St Louis	93.853	WU-21-99/ PO # 2940390K	—	20,077
Washington University, St Louis	93.853	WU-22-0209	—	45,114
Washington University, St Louis	93.853	WU-22-0135	—	156,479
Subtotal for AL No. 93.853			—	221,670
University of Pittsburgh	93.855	22A00293	—	4,887
University of Massachusetts	93.855	21-016332	—	75,914
Boston Children's Hospital	93.855	GENFD0001923439	—	9,483
Vanderbilt University	93.855	VUMC81981	—	1,462
Vanderbilt University	93.855	VUMC93855	—	65,426
Maryland Baltimore County, University of	93.855	3002087-4442	—	497,186
Subtotal for AL No. 93.855			—	654,358
Delaware State University	93.856	21-750HEH	—	389,838
Subtotal for AL No. 93.856			—	389,838
University of Wyoming	93.859	1004774-UD	—	12,945
University of Pittsburgh	93.859	CNVA00056812 (133186-4)	—	248,481
University of Texas at San Antonio	93.859	164960/164956	—	10,981
Delaware State University	93.859	22-35HEH	—	546,139
Subtotal for AL No. 93.859			—	818,546
Washington University, St Louis	93.865	21A01797	—	111,758
Nemours Biomedical Research	93.865	3012482005	—	11,815
Washington University, St Louis	93.865	20A01900	—	22,316
Washington University, St Louis	93.865	WU-21-169	—	3,900
Cincinnati, University of	93.865	011445-002	—	141,803
Vanderbilt University	93.865	5R37HD095519-02	—	2,802
Northwestern University	93.865	60047828 UD	—	(45)
Nebraska, University of	93.865	44-1014-1002-202	—	1,057
Washington University, St Louis	93.865	21A01793	—	30,273
University of Pittsburgh	93.865	AWD00003672 (135957-1)	—	6,590
Monell Chemical Senses Center	93.865	NIH071A01MENNE	—	53,016
Subtotal for AL No. 93.865			—	385,285
University of Colorado	93.866	1557625	—	13,550
Banner Health	93.866	20A01676	—	393,623
Banner Health	93.866	20A00583	—	450,700
Northwestern University	93.866	60051680 UD	—	44,747
University of Pennsylvania	93.866	580755	—	6,666
Northwestern University	93.866	60046330 UD	—	61,101
Subtotal for AL No. 93.866			—	970,387
Delaware Department of Health & Social Services	93.898	21-078	—	12,003
Subtotal for AL No. 93.898			—	12,003
Delaware Department of Health & Social Services	93.913	22-233	—	15,708
Subtotal for AL No. 93.913			—	15,708



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Federal grantor/pass-through grantor/program or cluster title	Assistance listing number	Pass-through entity identifying number	Pass-through to subrecipients	Federal expenditures
Slate of Minnesota	93.958	173124	\$ —	57,564
Subtotal for AL No. 93.958			—	57,564
Delaware Department of Health & Social Services	93.959	FY21-SURVEYS-UD	—	55,044
Delaware Department for Children Youth and Families	93.959	PBH(UD-SA-PREV)21-16284	—	48,835
Delaware Department of Health & Social Services	93.959	35-06-22-115	—	30,811
Subtotal for AL No. 93.959			—	134,490
Delaware Coalition Against Domestic Violence	93.991	21A00566	—	919
Delaware Department of Health & Social Services	93.991	21-060	—	1,332
Subtotal for AL No. 93.991			—	2,251
Subtotal: Department of Health & Human Services Programs – Pass-through			6,848	9,466,856
Total: Department of Health & Human Services Programs			8,746,521	58,942,344
Department of Homeland Security Programs:				
Pass-through:				
Applied Technology Council	97.000	1502-00-GS-Udelaware	—	18,144
Subtotal for AL No. 97.000			—	18,144
Delaware Department of Natural Resources	97.041	21A00691	—	80,988
Delaware Department of Natural Resources	97.041	22A00711	—	52,895
Subtotal for AL No. 97.041			—	133,883
Subtotal: Department of Homeland Security Programs – Pass-through			—	152,027
Total: Department of Homeland Security Programs			—	152,027
R&D Cluster Total			30,265,565	191,259,368
Other Programs:				
United States Department of Agriculture Programs:				
Direct and pass-through:				
Agricultural Research Basic and Applied Research	10.001		—	105,295
1862 CES (Smith-Lever) and DCPPERA, 1862 Smith-Lever Special Needs, and Smith-Lever Special Needs-Competitive	10.511		—	881,281
Expanded Food and Nutrition Education Program	10.514		—	303,322
Renewable Resources Extension Act and National Focus Fund Projects	10.515		—	44,873
Agriculture Risk Management Education Partnerships Competitive Grants Program	10.520		8,144	19,219
Soil and Water Conservation	10.902		—	56,559
Soil Survey	10.903		—	1,397
Delaware Department of Agriculture	10.025	21A01505	—	177,865
Plant and Animal Disease, Pest Control, and Animal Care	10.025		—	278,724
Subtotal for AL No. 10.025			—	456,589
Delaware Department of Agriculture	10.170	SCBGP-FB-18-04	—	21,777
Delaware Department of Agriculture	10.170	SCBGP-FB-21-07	—	4,084
Delaware Department of Agriculture	10.170	SCBGP-FB-19-04	—	6,000
Delaware Department of Agriculture	10.170	SCBGP-FB-19-01	—	9,688
Delaware Department of Agriculture	10.170	SCBGP-FB-18-03	—	6,814
Delaware Department of Agriculture	10.170	SCBGP-FB-18-02	—	16,796
Delaware Department of Agriculture	10.170	21SCBGPDE1055	—	8,758
Delaware Department of Agriculture	10.170	SCBGP-FB-19-02	—	24,298
Subtotal for AL No. 10.170			—	98,215
University of Vermont	10.215	SNE20-002-DE-34268	—	12,012
Subtotal for AL No. 10.215			—	12,012
Michigan State University	10.304	RC106556AC	—	24,900
Subtotal for AL No. 10.304			—	24,900
Cornell University	10.329	86935-11347	—	12,672
Crop Protection and Pest Management Competitive Grants Program	10.329		6,441	150,834
Subtotal for AL No. 10.329			6,441	163,506
eXtension Foundation	10.500	21A00574	—	5,825
Kansas State University	10.500	A00-0983-S072	—	1,974
Kansas State University	10.500	A00-0983-S096	—	6,700
Kansas State University	10.500	A22-0394-S005	—	2,648
Cooperative Extension Service	10.500		1,204,549	1,671,620
Subtotal for AL No. 10.500			1,204,549	1,688,767
National Young Farmers Coalition	10.525	21A00553	—	93,149
Subtotal for AL No. 10.525			—	93,149
Delaware Department of Health & Social Services	10.557	DSS-21-038	214,303	571,534
Delaware Department of Health & Social Services	10.557	DSS-22-046	298,683	571,616
Subtotal for AL No. 10.557			512,986	1,143,150
Delaware Department of Education	10.558	21A00645	—	33,705
Delaware Department of Education	10.558	22A00428	—	90,812
Subtotal for AL No. 10.558			—	124,517
Subtotal: United States Department of Agriculture Programs – Pass-through			1,723,976	3,804,805
Total: United States Department of Agriculture Programs			1,732,120	5,216,751

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Federal grantor/pass-through grantor/program or cluster title	Assistance listing number	Pass-through entity identifying number	Pass-through to subrecipients	Federal expenditures
<b>Department of Commerce Programs:</b>				
<b>Direct:</b>				
Economic Development_Technical	11.303		\$ —	6,349
Sea Grant Support	11.417		—	138,550
Chesapeake Bay Studies	11.457		726	13,403
Subtotal: Department of Commerce Programs – Direct			726	158,302
<b>Pass-through:</b>				
Synoptic Data Corp.	11.000	Task Order S2020-145	—	130,813
Subtotal for AL No. 11.000			—	130,813
Consortium for Ocean Leadership	11.008	22A00982	—	8,790
Subtotal for AL No. 11.008			—	8,790
National Marine Sanctuary Foundation	11.011	22-01-B-416	—	248
Subtotal for AL No. 11.011			—	248
Rutgers State University of New Jersey	11.012	5930	—	364,454
Subtotal for AL No. 11.012			—	364,454
Delaware Department of Natural Resources	11.419	PO# 557026	—	35,501
Subtotal for AL No. 11.419			—	35,501
Subtotal: Department of Commerce Programs – Pass-through			—	539,806
Total: Department of Commerce Programs			726	698,108
<b>Department of Defense Programs:</b>				
<b>Direct:</b>				
Department of Defense Programs	12.000		—	18,142
Procurement Technical Assistance For Business Firms	12.002		—	277,299
Basic and Applied Scientific Research	12.300		—	1,181,060
Subtotal: Department of Defense Programs – Direct			—	1,476,501
<b>Pass-through:</b>				
Delaware Department of Transportation	12.610	Task 85-1929	—	14,760
Subtotal for AL No. 12.610			—	14,760
Subtotal: Department of Defense Programs – Pass-through			—	14,760
Total: Department of Defense Programs			—	1,491,261
<b>Department of Interior Programs:</b>				
<b>Direct:</b>				
Marine Minerals Activities - Hurricane Sandy	15.424		—	50,337
U.S. Geological Survey Research and Data Collection	15.808		—	122,384
National Cooperative Geologic Mapping Program	15.810		—	150,781
National Geological and Geophysical Data Preservation Program	15.814		—	88,531
Cooperative Research and Training Programs - Resources of the National Park System	15.945		—	17,712
National Ground-Water Monitoring Network	15.980		—	17,840
Subtotal: Department of Interior Programs – Direct			—	447,585
<b>Pass-through:</b>				
Historic and Cultural Affairs	15.000	21A00294	—	11,181
Subtotal for AL No. 15.000			—	11,181
National Fish & Wildlife Foundation	15.663	0403.18.063213	—	76,057
Subtotal for AL No. 15.663			—	76,057
America View	15.815	AV18-DE-01	—	20,440
Subtotal for AL No. 15.815			—	20,440
New Castle County	15.904	P20AF0010-01	—	22,904
The City of Lewes	15.904	P20AF00010-04	—	6,976
Subtotal for AL No. 15.904			—	29,880
Subtotal: Department of Interior Programs – Pass-through			—	137,558
Total: Department of Interior Programs			—	585,143
<b>Department of Justice Programs:</b>				
<b>Pass-through:</b>				
National 4-H Council	16.726	20A00626	—	22,508
National 4-H Council	16.726	21A00414	—	84,599
Subtotal for AL No. 16.726			—	107,107
Criminal Justice Council	16.812	2018-RE-P/T-2229 YR2	—	45,215
Criminal Justice Council	16.812	18A01673	—	10,871
Subtotal for AL No. 16.812			—	56,086
Subtotal: Department of Justice Programs – Pass-through			—	163,193
Total: Department of Justice Programs			—	163,193
<b>Department of State Programs:</b>				
<b>Direct:</b>				
Investing in People in The Middle East and North Africa	19.021		—	79,004
Subtotal: Department of State Programs – Direct			—	79,004
<b>Pass-through:</b>				
Georgetown University	19.000	21A01573	—	127,459
Subtotal for AL No. 19.000			—	127,459
IREX	19.009	FY22-YALI-CE-UD-08	—	36,891
University of Kansas	19.009	21A01370	—	138,047
IREX	19.009	FY20-YALI-CL-Delaware-07	—	63,145
Subtotal for AL No. 19.009			—	238,083
University of Montana	19.401	20A00845	—	148,323
University of Montana	19.401	PG22-26974-03	—	74,902
Subtotal for AL No. 19.401			—	223,225

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American Councils for International Education	19.415	S-ECAGD-20-CA-0027	\$ —	81,342
Subtotal for AL No. 19.415			—	81,342
American Councils for International Education	19.900	SKZ10020CA0029	—	36,232
Subtotal for AL No. 19.900			—	36,232
Subtotal: Department of State Programs – Pass-through			—	706,341
Total: Department of State Programs			—	785,345
Department of Transportation Programs:				
Pass-through:				
ICF Incorporated, L.L.C.	20.000	20SASK0047	—	22,192
Delaware Department of Transportation	20.200	Task 71-1929	—	46,859
Delaware Department of Transportation	20.200	Task 79-1929	—	432,810
Subtotal for AL No. 20.200			—	501,861
Delaware Department of Transportation	20.515	Task 75-1929	—	112,500
Delaware Department of Transportation	20.515	Task 76-1929	—	198,400
Delaware Department of Transportation	20.515	Task 77-1929	—	150,000
Subtotal for AL No. 20.515			—	460,900
Subtotal: Department of Transportation Programs: -- Pass-through			—	962,761
Total: Department of Transportation Programs:			—	962,761
Department of the Treasury Programs:				
Pass-through:				
Delaware Restaurant Association	21.019	22A00537	—	16,076
Delaware Restaurant Association	21.019	22A00011	—	16,960
Delaware Restaurant Association	21.019	21A01308	—	1,234
DE Office of Management and Budget – COVID 19 Coronavirus relief funds	21.019	21A01731	—	6,846,804
Subtotal for AL No. 21.019			—	6,881,074
DE Office of Management and Budget – COVID 19 Coronavirus State and Local Fiscal Recovery Funds	21.027	22A01137	—	6,069,092
Subtotal for AL No. 21.027			—	6,069,092
Subtotal: Department of the Treasury Programs: -- Pass-through			—	12,950,166
Total: Department of the Treasury Programs:			—	12,950,166
Federal Communications Commission Programs:				
Direct:				
Federal Communications Commission Programs	32.000		—	22,093
Subtotal: Federal Communications Commission Programs – Direct			—	22,093
Total: Federal Communications Commission Programs			—	22,093
Library of Congress Programs				
Direct:				
Teaching with Primary Sources	42.010		—	31,187
Subtotal: Library of Congress Programs – Direct			—	31,187
Total: Library of Congress Programs			—	31,187
National Aeronautics and Space Administration Programs:				
Direct:				
Education	43.008		—	685,222
Subtotal: National Aeronautics and Space Administration Programs – Direct			—	685,222
Total: National Aeronautics and Space Administration Programs			—	685,222
National Endowment for the Humanities Programs:				
Direct:				
Promotion of the Humanities Challenge Grants	45.130		—	63
Promotion of the Humanities Division of Preservation and Access	45.149		—	207,969
Subtotal: National Endowment for the Humanities Programs – Direct			—	208,032
Pass-through:				
Delaware Division of The Arts	45.025	22A00844	—	15,426
Mid-Atlantic Arts Foundation	45.025	32422	—	2,000
Delaware Division of The Arts	45.025	2022 - 10463	—	79,999
Delaware Division of The Arts	45.025	2022 - 10434	—	11,285
Delaware Division of The Arts	45.025	2021-10020	—	3,323
Delaware Division of The Arts	45.025	2021-9997	—	9,500
Subtotal for AL No. 45.025			—	121,533
Delaware Humanities Forum	45.129	19V152006	—	5,371
Subtotal for AL No. 45.129			—	5,371
Subtotal: National Endowment for the Humanities Programs – Pass-through			—	126,904
Total: National Endowment for the Humanities Programs			—	334,936
Small Business Administration Programs:				
Direct:				
Small Business Administration Programs	59.000		—	3,129
Small Business Development Centers, including COVID 19 Coronavirus Relief Funds	59.037		—	1,487,581
Federal and State Technology Partnership Program	59.058		—	137,530
Community Navigator Pilot Program	59.077		—	207,235
Subtotal: Small Business Administration Programs – Direct			—	1,835,475
Total: Small Business Administration Programs			—	1,835,475
Veterans Administration Programs:				
Direct:				
Department of Veterans Affairs Programs	64.000		—	(2,145)
Subtotal: Veterans Administration Programs – Direct			—	(2,145)
Pass-through:				
University of Pennsylvania	64.000	PO # 4642675	—	18,269
Subtotal for AL No. 64.000			—	18,269
Subtotal: Veterans Administration Programs – Pass-through			—	18,269
Total: Veterans Administration Programs			—	16,124

**UNIVERSITY OF DELAWARE**  
Schedule of Expenditures of Federal Awards  
Year ended June 30, 2022

Federal grantor/pass-through grantor/program or cluster title	Assistance listing number	Pass-through entity identifying number	Pass-through to subrecipients	Federal expenditures
<b>Environmental Protection Agency Programs:</b>				
<b>Direct:</b>				
Pollution Prevention Grants Program	66.708		\$ —	46,802
Subtotal: Environmental Protection Agency Programs – Direct			—	46,802
<b>Pass-through:</b>				
Partnership for Delaware Estuary, Inc.	66.000	PDE 384-01		10,000
Subtotal for AL No.66.000			—	10,000
Delaware Department of Natural Resources	66.466	19A01405		22
Subtotal for AL No.66.466			—	22
Delaware Department of Natural Resources	66.472	21A00454		68,791
Delaware Department of Natural Resources	66.472	22A00482		57,848
Subtotal for AL No.66.472			—	126,639
eXtension Foundation	66.716	SA-2022-02		6,811
eXtension Foundation	66.716	SA-2021-39		14,925
Subtotal for AL No. 66.716			—	21,736
Subtotal: Environmental Protection Agency Programs – Pass-through			—	158,397
Total: Environmental Protection Agency Programs			—	205,199
<b>Department of Energy Programs:</b>				
<b>Direct:</b>				
Energy Efficiency and Renewable Energy Information Dissemination, Outreach, Training and Technical Analysis/Assistance	81.117		—	171,755
Subtotal: Department of Energy Programs – Direct			—	171,755
Total: Department of Energy Programs			—	171,755
<b>Department of Education Programs:</b>				
<b>Direct:</b>				
Graduate Assistance in Areas	84.200		—	104,790
Education Stabilization Fund COVID 19	84.425E		—	16,680,027
Education Stabilization Fund COVID 19	84.425F		—	50,000
Subtotal: AL No.84.425			—	16,730,027
Subtotal: Department of Education Programs – Direct			—	16,834,817
<b>Pass-through:</b>				
Seaford School District	84.000	21A00068	—	584
Laurel School District	84.000	21A00237	—	6
Laurel School District	84.000	21A00240	—	8
Policy Studies Associates	84.000	21A00308	—	6,323
Eastside Charter School	84.000	21A00468	—	10
Red Clay Consolidated School District	84.000	22A00743	—	10,382
Milford School District	84.000	21A00135	—	3
Thomas Edison Charter School	84.000	21A00402	—	7
Woodbridge School District	84.000	21A00333	—	13
Red Clay Consolidated School District	84.000	21A00235	—	3,118
American Institutes For Research	84.000	430401430	—	10,000
Brandywine School District	84.000	21A00065	—	9
Brandywine School District	84.000	21A00290	—	7,240
Brandywine School District	84.000	21A00276	—	28,419
Brandywine School District	84.000	21A00504	—	13,529
Brandywine School District	84.000	21A00876	—	1,300
Brandywine School District	84.000	22A00070	—	298,870
Subtotal for AL No. 84.000			—	379,821
Delaware Department for Children Youth and Families	84.013	15721	—	41
Delaware Department for Children Youth and Families	84.013	21-16225	—	19,596
Subtotal for AL No. 84.013			—	19,637
Capital School District	84.287	21A01175	—	12,937
Woodbridge School District	84.287	21A01116	—	5,965
Capital School District	84.287	20A01209	—	3,891
Capital School District	84.287	21A01176	—	12,931
Capital School District	84.287	21A01173	—	14,938
Delaware Department of Education	84.287	S21-46	—	35,513
Delaware Department of Education	84.287	20A01267	—	18,196
Delaware Department of Education	84.287	20A01266	—	55,100
Delaware Department of Education	84.287	20A01238	—	6,442
Colonial School District	84.287	22A01040	—	98
Colonial School District	84.287	21A01195	—	106,651
Colonial School District	84.287	20A01239	—	3,425
Capital School District	84.287	20A01250	—	2,743
Subtotal for AL No. 84.287			—	278,830
East Carolina University	84.325	AWD-20-0512-S007	—	107,691
Subtotal for AL No. 84.325			—	107,691
Colonial School District	84.367	22A00737	—	10,000
New Castle County Vocational School District	84.367	22A00742	—	3,750
Subtotal for AL No. 84.367			—	13,750
Subtotal: Department of Education Programs – Pass-through			—	799,729
Total: Department of Education Programs			—	17,634,546
<b>Corporation for National and Community Service Programs:</b>				
<b>Pass-through:</b>				
Public Allies	94.006	OP004-94.006-20-PADE	—	77,031
Subtotal for AL No. 94.006			—	77,031
Subtotal: Corporation for National and Community Service Programs – Pass-through			—	77,031
Total: Corporation for National and Community Service Programs			—	77,031

**UNIVERSITY OF DELAWARE**  
Schedule of Expenditures of Federal Awards  
Year ended June 30, 2022

Federal grantor/pass-through grantor/program or cluster title	Assistance listing number	Pass-through entity identifying number	Pass-through to subrecipients	Federal expenditures
Department of Homeland Security Programs:				
Pass-through:				
Delaware Emergency Management Agency	97.042	EMPG-21-005	\$ —	74,820
Subtotal for AL No. 97.042			—	74,820
Delaware Emergency Management Agency	97.067	20A01835	—	4,738
Delaware Emergency Management Agency	97.067	CCP20-001	—	3,646
Subtotal for AL No. 97.067			—	8,384
Subtotal: Department of Homeland Security Programs – Pass-through			—	83,204
Total: Department of Homeland Security Programs			—	83,204
Miscellaneous Programs:				
Direct:				
Consumer Financial Protection Bureau - 21A00413			—	24,055
General Services Administration, OGP - 22A00075			—	12,194
Subtotal: Miscellaneous Programs – Direct			—	36,249
Total: Miscellaneous Programs			—	36,249
Other Programs Total			1,732,846	43,985,749
Drinking Water State Revolving Fund Cluster:				
Environmental Protection Agency Programs:				
Pass-through:				
Delaware Department of Natural Resources	66.468	21A00419	—	18,020
Subtotal for AL No. 66.468			—	18,020
Subtotal: Environmental Protection Agency Programs – Pass-through			—	18,020
Total: Environmental Protection Agency Programs			—	18,020
Drinking Water State Revolving Fund Cluster Total			—	18,020
Economic Development Cluster:				
Department of Commerce Programs:				
Direct:				
Economic Adjustment Assistance	11.307		—	178,301
Subtotal: Department of Commerce Programs – Direct			—	178,301
Total: Department of Commerce Programs			—	178,301
Economic Development Cluster Total			—	178,301
Federal Transit Cluster:				
Department of Transportation Programs:				
Direct:				
Federal Transit Capital Investment Grants	20.500		—	79,944
Subtotal: Department of Transportation Programs – Direct			—	79,944
Total: Department of Transportation Programs			—	79,944
Federal Transit Cluster Total			—	79,944
Fish and Wildlife Cluster:				
Department of Interior Programs:				
Pass-through:				
Delaware Department of Natural Resources	15.611	W-56-R-1 12282017	—	50,591
Subtotal for AL No. 15.611			—	50,591
Subtotal: Department of Interior Programs – Pass-through			—	50,591
Total: Department of Interior Programs			—	50,591
Fish and Wildlife Cluster Total			—	50,591
Head Start Cluster:				
Department of Health and Human Services Program:				
Direct:				
Head Start	93.600		927,112	2,722,147
Subtotal: Head Start Cluster - Direct			927,112	2,722,147
Pass-Through:				
Delaware Department of Education	93.600	20A01950	—	1,380
Subtotal: Delaware Department of Education - Pass-through			—	1,380
Total: Department of Health and Human Services Program			927,112	2,723,527
Head Start Cluster Total			927,112	2,723,527
Highway Planning and Construction Cluster:				
Department of Transportation Programs:				
Pass-through:				
Delaware Department of Transportation	20.205	Task 60-1929	—	173,129
Delaware Department of Transportation	20.205	Task 54-1929	—	9,084
Delaware Department of Transportation	20.205	Task 45-1929	—	186
Delaware Department of Transportation	20.205	Task 43-1929	—	1,975
Delaware Department of Transportation	20.205	Task 42-1929	—	(20)
Delaware Department of Transportation	20.205	Task 41-1929	—	1,331
Delaware Department of Transportation	20.205	Task 40-1929	19,947	27,526
Delaware Department of Transportation	20.205	Task 47-1929	—	1,500
Subtotal for AL No. 20.205			19,947	214,711
Subtotal: Department of Transportation Programs – Pass-through			19,947	214,711
Total: Department of Transportation Programs			19,947	214,711
Highway Planning and Construction Cluster Total			19,947	214,711
Special Education Cluster (IDEA):				
Department of Education Programs:				
Pass-through:				
Delaware Department of Education	84.027	S21-49	77,983	93,242
Delaware Department of Education	84.027	S22-81	—	472,455
Subtotal for AL No. 84.027			77,983	565,697
Subtotal: Department of Education Programs – Pass-through			77,983	565,697
Total: Department of Education Programs			77,983	565,697
Special Education Cluster (IDEA) Total			77,983	565,697

**UNIVERSITY OF DELAWARE**  
Schedule of Expenditures of Federal Awards  
Year ended June 30, 2022

<u>Federal grantor/pass-through grantor/program or cluster title</u>	<u>Assistance listing number</u>	<u>Pass-through entity identifying number</u>	<u>Pass-through to subrecipients</u>	<u>Federal expenditures</u>
Department of Education Programs:				
Direct:				
Federal Supplemental Education	84.007		—	1,269,882
Federal Work-Study Program	84.033		\$ —	863,478
Federal Perkins Loan Program	84.038		—	5,532,753
Federal Pell Grant Program	84.063		—	14,516,490
Federal Direct Student Loans	84.268		—	101,481,064
Subtotal: Department of Education Programs – Direct			—	123,663,667
Total: Department of Education Programs			—	123,663,667
Department of Health & Human Services Programs:				
Direct:				
Federal Nursing Student Loans	93.364		—	1,189,167
Subtotal: Department of Health & Human Services Programs – Direct			—	1,189,167
Total: Department of Health & Human Services Programs			—	1,189,167
Student Financial Assistance Cluster Total			—	124,852,834
TRIO Cluster:				
Department of Education Programs				
Direct:				
TRIO Student Support Services	84.042		—	247,639
TRIO Upward Bound	84.047		—	458,060
TRIO McNair Post-Baccalaureate Achievement	84.217		—	279,322
Subtotal: Department of Education Programs – Direct			—	985,021
Total: Department of Education Programs			—	985,021
TRIO Cluster Total			—	985,021
Grand Total			\$ 33,023,453	364,913,763

See accompanying independent auditors' report.

**UNIVERSITY OF DELAWARE**

Notes to Schedule of Expenditures of Federal Awards

Year ended June 30, 2022

**(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 and its subsidiaries (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, 2022 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, 2022 are summarized as follows:

Federal Perkins Loan Program Federal	\$	—
Federal Nursing Student Loans		269,159
		269,159
	\$	269,159
Federal Direct Student Loans	\$	101,481,064

**UNIVERSITY OF DELAWARE**

Notes to Schedule of Expenditures of Federal Awards

Year ended June 30, 2022

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, 2021 of \$5,532,753 and \$920,008, respectively, and new loans issued during fiscal year 2022. As of June 30, 2022, loans receivable for Federal Perkins and Nursing Student Loan programs amount to \$4,429,532 and \$962,146, 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 2022.





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 University's consolidated balance sheets as of June 30, 2022, 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 14, 2022.

**Report on Internal Control Over Financial Reporting**

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

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

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

**Report on Compliance and Other Matters**

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



**Purpose of This Report**

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

KPMG LLP

Philadelphia, Pennsylvania  
November 14, 2022



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**

Board of Trustees  
University of Delaware:

**Report on Compliance for Each Major Federal Program**

*Opinion on Each Major Federal Program*

We have audited University of Delaware and its subsidiaries (the University) compliance with the types of compliance requirements identified as subject to audit in the OMB Compliance Supplement that could have a direct and material effect on each of the University's major federal programs for the year ended June 30, 2022. The University's major federal programs are identified in the summary of auditors' results section of the accompanying schedule of findings and questioned costs.

In our opinion, the University complied, in all material respects, with the compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended June 30, 2022.

*Basis for Opinion on Each Major Federal Program*

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

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

*Responsibilities of Management for Compliance*

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



### *Auditors' Responsibilities for the Audit of Compliance*

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

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

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

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

### *Other Matters*

The results of our auditing procedures disclosed other instances of noncompliance which are required to be reported in accordance with the Uniform Guidance and which are described in the accompanying schedule of findings and questioned costs as items 2022-001, 2022-002, and 2022-004. Our opinion on each major federal program is not modified with respect to these matters.

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



## **Report on Internal Control Over Compliance**

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

A deficiency in internal control over compliance exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal program on a timely basis. A material weakness in internal control over compliance is a deficiency, or a combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal program will not be prevented, or detected and corrected, on a timely basis. A significant deficiency in internal control over compliance is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance. We consider the deficiencies in internal control over compliance described in the accompanying schedule of findings and questioned costs as items 2022-001, 2022-002, 2022-003, and 2022-004, to be significant deficiencies.

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

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

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



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

We have audited the consolidated financial statements of the University as of and for the year ended June 30, 2022, and have issued our report thereon dated November 14, 2022, which contained an unmodified opinion on those consolidated financial statements. Our audit was conducted for the purpose of forming an opinion on the consolidated financial statements as a whole. The accompanying schedule of expenditures of federal awards is presented for purposes of additional analysis as required by the Uniform Guidance and is not a required part of the consolidated financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the consolidated financial statements. The information has been subjected to the auditing procedures applied in the audit of the consolidated financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the consolidated financial statements or to the consolidated financial statements themselves, and other additional procedures in accordance with GAAS. In our opinion, the 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  
March 29, 2023

**UNIVERSITY OF DELAWARE**  
Schedule of Findings and Questioned Costs  
Year ended June 30, 2022

**(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: **2022-001, 2022-002, 2022-003, and 2022-004**
- (e) The type of report issued on compliance for its major program:
  - Research and Development: **Unmodified**
  - Education Stabilization Fund – Higher Education Emergency Relief Fund: **Unmodified**
  - Coronavirus State and Local Fiscal Recovery Funds: **Unmodified**
- (f) Any audit findings that are required to be reported in accordance with 2 CFR 200.516(a): **2022-001, 2022-002, 2022-003, and 2022-004**
- (g) Major program:
  - Research and Development Cluster: **Various**
  - Higher Education Emergency Relief Fund: **84.425E and 84.425F**
  - Education Stabilization Fund – Higher Education Emergency Relief Fund: **Unmodified**
  - Coronavirus State and Local Fiscal Recovery Funds: **21.027**
- (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

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**(3) Findings and Questioned Costs Related to Federal Awards**

**Finding 2022-001: Reporting**

*Federal Program*

COVID-19 Education Stabilization Fund – Higher Education Emergency Relief Fund (AL No.: 84.425E)

*Federal Agency*

U.S. Department of Education

*Federal Award Year*

July 1, 2021 through June 30, 2022

*Criteria or Requirement*

The objective of the Higher Education Emergency Relief Fund (HEERF) program is to use HEERF grant funds to “prevent, prepare for, and respond to coronavirus” through grants to eligible institutions. There are three components to reporting for HEERF: (1) public reporting on the (a)(1) Student Aid Portion;(2) public reporting on the (a)(1) Institutional Portion, (a)(2) and (a)(3) programs, as applicable; and the (3) the annual report. Beginning on May 6, 2020, ED required institutions that received a HEERF 18004(a)(1) Student Aid Portion award to publicly post certain information on their website no later than 30 days after award, and update that information every 45 days thereafter (by posting a new report). This was announced through an electronic announcement (EA). On August 31, 2020, ED revised the EA by decreasing the frequency of reporting after the initial 30-day period from every 45 days thereafter to every calendar quarter. Grantees posting a 45-day report on or after August 31, 2020, should instead post a report every calendar quarter, with the first calendar quarter report due by October 10, 2020, and covering the period from after their last 45-day or 30-day report through the end of the calendar quarter on September 30, 2020.

Sections 18004(a)(1) Institutional Portion, (a)(2), and (a)(3) Quarterly Public Reporting must be conspicuously posted on the institution’s primary website on the same page the reports of the Institution of Higher Education (IHE)’s activities as to the emergency financial aid grants to students made with funds from the IHE’s allocation under Section 18004(a)(1) of the CARES Act (Student Aid Portion) are posted.

A new, separate form must be posted covering each quarterly reporting period (September 30, December 31, March 31, June 30), concluding after either (1) posting the quarterly report ending September 30, 2022, or (2) when an institution has expended and liquidated all (a)(1) Institutional Portion, (a)(2), and (a)(3) funds and checks the “final report” box. IHEs must post this quarterly report form no later than 10 days after the end of each calendar quarter (October 10, January 10, April 10, July 10) apart from the first report, which is due October 30, 2020.

*Condition Found, Including Perspective*

In the review of the quarterly reporting requirement for the student aid portion, we noted the University did not modify its student aid portion reporting to the quarterly requirement, but rather the University provided updates every 45 days from the date of the first student award made. The University subsequently corrected the reporting in late fiscal year 2022 and posted the quarterly reports; however they were not posted timely, as required. In addition, we noted that the University’s annual report for the year ended December 31, 2021, reported certain data elements which did not agree with supporting documentation.



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*Possible Cause and Effect*

Management's review control over its reporting requirements for HEERF student was not operating effectively to ensure compliance with the quarterly reporting and accuracy of annual reporting. While management's reporting in connection with the student portion was more frequent than required, it was not initially in accordance with quarterly requirement, nor was it timely.

*Questioned Costs*

None identified.

*Statistical Validity*

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

*Repeat Finding in the Prior Year*

Yes – 2021-001.

*Recommendation*

Given the nature of the pandemic funding, and the evolving guidance of the compliance requirements, we recommend management enhance its process level controls over reporting requirements for HEERF to ensure timely and accurate reporting in accordance with the stated reporting requirements.

*View of Responsible Officials*

The University agrees that the evolving guidance created challenges in maintaining compliance. Controls over reporting requirements are expected to function effectively now that the reporting requirements are finalized.

The HEERF reporting guidelines final changes required schools to change student reporting from the 15/30-day requirement to quarterly reporting. The University continued to report on a more frequent basis for student reporting. Having conferred with the Department of Education (the Department) contact, the University was required to go back and add the quarterly reports. The required forms were completed and updated on the website in August 2022.

The University's annual report for the year ended December 31, 2021, was submitted in a timely manner. However, the University is required to review and update the reported enrollment and disbursements to students based on a review by the Department. Student Financial Services (SFS) has reviewed the final disbursements as of December 31, 2021, and will only report on those disbursements claimed by students. Unclaimed funds, which have been reallocated to other students, inflated the dollar amount actually provided to students, and will no longer be included. The Department has also provided guidance to the University on the enrollment reporting. The report has been updated and was submitted to the Department of Education during the open period in March 2023.

**Finding 2022-002: Equipment**

*Federal Program*

Research and Development Cluster (R&D) (AL No.: Various)

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*Federal Agencies*

Agencies included within the R&D cluster

*Federal Award Year*

July 1, 2021 through June 30, 2022

*Criteria or Requirement*

Non-federal entities other than states must follow 2 CFR sections 200.313(c) through (e) which require that:

1. Property records must be maintained that include a description of the property, a serial number or other identification number, the source of funding for the property (including the federal award identification number), who holds title, the acquisition date, cost of the property, percentage of federal participation in the project costs for the federal award under which the property was acquired, the location, use and condition of the property, and any ultimate disposition data including the date of disposal and sales price of the property (2 CFR section 200.313(d)(1)).
2. A physical inventory of the property must be taken and the results reconciled with the property records at least once every two years (2 CFR section 200.313(d)(2)).
4. A control system must be developed to ensure adequate safeguards to prevent loss, damage, or theft of the property. Any loss, damage, or theft must be investigated (2 CFR section 200.313(d)(3)). 5. Adequate maintenance procedures must be developed to keep the property in good condition (2 CFR section 200.313(d)(4))

Per 2 CFR Section 200.303, the non-Federal entity must establish and maintain effective internal control over the Federal award that provides reasonable assurance that the non-Federal entity is managing the Federal award in compliance with Federal statutes, regulations, and the terms and conditions of the Federal award.

*Condition Found, Including Perspective*

The University did not complete its physical inventory counts for 10 departments out of 15 sampled University departments. The University has a total of 70 departments monitoring federal equipment. In addition for one item in our sample of 40 physical inspections, we noted the property was not appropriately tagged for identification.

*Possible Cause and Effect*

The control that equipment purchased on federal grants is counted, and reconciled to property records, within a two-year period was not operating effectively. Further, the control regarding tagging and identifying equipment to the University's property records was not operating consistently through fiscal year 2022.

*Questioned Costs*

None identified.

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*Statistical Validity*

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

*Repeat Finding in the Prior Year*

No.

*Recommendation*

We recommend the University enhance its internal control over compliance around establishing property records of newly acquired federally funded equipment in accordance with applicable Federal regulations, and complete the necessary physical inventories and reconciliations, and tag all relevant equipment timely.

*Views of Responsible Officials*

The University agrees with the finding and will strengthen processes including unit and senior leadership accountability around the tagging and surveying of federally funded equipment. The University will implement management and escalation procedures with executive leadership to ensure that accountability for all completed surveys resides with the senior leader. The entire process is being evaluated and controls will be enhanced where needed and training will be expanded to include the importance of timely compliance.

**Finding 2022-003: Procurement: Suspended and Debarred**

*Federal Program*

Research and Development Cluster (R&D) (AL No.: Various)

*Federal Agencies*

Agencies included within the R&D Cluster

*Federal Award Number*

Award numbers: 1935956, 70NANB20H037, 70NANB17H002, OIA – 1757353, P20GM113125

*Federal Award Year*

July 1, 2021 through June 30, 2022

*Criteria or Requirement*

Non-federal entities are prohibited from contracting with or making subawards under covered transactions to parties that are suspended or debarred. Covered transactions include contracts for goods and services awarded under a non-procurement transaction (e.g., grant or cooperative agreement) that are expected to equal or exceed \$25,000 or meet certain other criteria as specified in 2 CFR section 180.220. All non-procurement transactions entered into by a pass-through entity (i.e., subawards to subrecipients), irrespective of award amount, are considered covered transactions, unless they are exempt as provided in 2 CFR section 180.215.

When a non-federal entity enters into a covered transaction with an entity at a lower tier, the non-federal entity must verify that the entity, as defined in 2 CFR section 180.995 and agency adopting regulations, is

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not suspended or debarred or otherwise excluded from participating in the transaction. This verification may be accomplished by (1) checking the System for Award Management (SAM) Exclusions maintained by the General Services Administration (GSA) and available at SAM.gov | Home (click on Search Record, then click on Advanced Search-Exclusions) (Note: The OMB guidance at 2 CFR Part 180 and agency implementing regulations still refer to the SAM Exclusions as the Excluded Parties List System (EPLS)), (2) collecting a certification from the entity, or (3) adding a clause or condition to the covered transaction with that entity (2 CFR section 180.300).

Per 2 CFR Section 200.303, the non-Federal entity must establish and maintain effective internal control over the Federal award that provides reasonable assurance that the non-Federal entity is managing the Federal award in compliance with Federal statutes, regulations, and the terms and conditions of the Federal award.

#### *Condition Found, including Perspective*

In our testing over suspension and debarment, we identified nine covered transactions in a sample of 40 procurement transactions for which the University was unable to provide supporting documentation that they verified the vendor was not suspended or debarred prior to entering into the procurement transaction with the vendor. It was determined that the related vendors were not suspended or debarred.

#### *Possible Cause and Effect*

The University's internal control over compliance with federal procurement suspension and debarment was not operating consistently through fiscal year 2022, including the maintaining of appropriate documentation.

Failure to implement sufficient internal controls to verify the University does not enter into covered transactions with parties that are suspended or debarred in accordance with federal regulations increases the risk of noncompliance.

#### *Questioned Costs*

No questioned costs were identified.

#### *Statistical Validity*

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

#### *Repeat Finding in the Prior Year*

No

#### *Recommendation*

We recommend the University enhance its internal control over compliance with the federal regulations related to suspension and debarment to ensure covered transactions are not entered into with parties that have been suspended or debarred.

#### *Views of Responsible Officials*

The University agrees with the finding. The University will ensure suspension and debarment language is included within the contracts of all new covered transactions effective July 1, 2023 and thereafter.

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Additionally, the University will investigate utilizing third-party verification software to screen existing and potential vendors against the System for Award Management (SAM.gov) Exclusions list daily with expected execution by July 1, 2024.

**Finding 2022-004:** Allowability

*Federal Program*

Research and Development Cluster (R&D) (AL No.: Various)

*Federal Agencies*

Agencies included within the R&D cluster

*Federal Award Number*

Award numbers: P20GM104316, 1935956

*Federal Award Year*

July 1, 2021 through June 30, 2022

*Criteria or Requirement*

The cost principles in 2 CFR Part 200, Subpart E (Cost Principles), prescribe the cost accounting requirements associated with the administration of federal awards by:

- a. States, local governments, and Indian tribes
- b. Institutions of higher education (IHEs)
- c. Nonprofit organizations

As provided in 2 CFR section 200.101, the cost principles requirements apply to all federal awards with the exception of grant agreements and cooperative agreements providing food commodities; agreements for loans, loan guarantees, interest subsidies, insurance; and programs listed in 2 CFR section 200.101(d) (see Appendix I of this Supplement). Federal awards administered by publicly owned hospitals and other providers of medical care are exempt from 2 CFR Part 200, Subpart E, but are subject to the requirements 45 CFR Part 75, Appendix IX, the Department of Health and Human Services (HHS) implementation of 2 CFR Part 200. The cost principles applicable to a Non-federal entity apply to all federal awards received by the entity, regardless of whether the awards are received directly from the federal awarding agency or indirectly through a pass-through entity. For this purpose, federal awards include cost-reimbursement contracts under the Federal Acquisition Regulation (FAR). The cost principles do not apply to federal awards under which a non-federal entity is not required to account to the federal awarding agency or pass-through entity for actual costs incurred.

The requirements for allowable costs/cost principles are contained in 2 CFR Part 200, Subpart E, program legislation, federal awarding agency regulations, and the terms and conditions of the award.

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*Basic Guidelines*

Except where otherwise authorized by statute, cost must meet the following general criteria in order to be allowable under federal awards;

1. Be necessary and reasonable for the performance of the federal award and be allocable thereto under the principles in 2 CFR Part 200, Subpart E.
2. Conform to any limitations or exclusions set forth in 2 CFR Part 200, Subpart E or in the federal award as to types or amount of cost items.
3. Be consistent with policies and procedures that apply uniformly to both federally financed and other activities of the non-federal entity.
4. Be accorded consistent treatment. A cost may not be assigned to a federal award as a direct cost if any other cost incurred for the same purpose in like circumstances has been allocated to the federal award as an indirect cost.
5. Be determined in accordance with generally accepted accounting principles (GAAP), except for state and local governments and Indian tribes only as otherwise provided for in 2 CFR Part 200.
6. Not be included as a cost or used to meet cost-sharing or matching requirements of any other federally financed program in either the current or a prior period.
7. Be adequately documented.

Per 2 CFR Section 200.303, the non-Federal entity must establish and maintain effective internal control over the Federal award that provides reasonable assurance that the non-Federal entity is managing the Federal award in compliance with Federal statutes, regulations, and the terms and conditions of the Federal award.

*Condition Found, including Perspective*

In our testing over allowability of cost, we identified one transaction in a sample of 40 non-payroll transactions for which the University paid and allocated the cost, however, the service contract period had not yet started. In addition, we identified a second transaction for an intergovernmental personnel agreement (in the same sample of 40 non-payroll transactions) which included an advance on future service.

*Possible Cause and Effect*

The University's internal control over compliance with allowability and allocability was not operating at a level of precision (period of service) consistently through fiscal year 2022.

*Questioned Costs*

Known questioned costs aggregated \$52,445 (direct cost + an allocation of indirect costs).

*Statistical Validity*

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

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*Repeat Finding in the Prior Year*

No

*Recommendation*

We recommend the University enhance the level of precision around its internal control over compliance related to the timing of allocating and charges costs.

*Views of Responsible Officials*

The University agrees with this finding. The questioned costs will be removed from the grant charged. Additionally, the University will provide additional education and awareness over the billing of federal awards to ensure that expenses relate to the period being billed and services being performed.