



DANA-FARBER CANCER INSTITUTE, INC. AND SUBSIDIARIES

Auditors' Reports as Required by Title 2 U.S. Code of Federal
Regulations Part 200, *Uniform Administrative Requirements, Cost
Principles, and Audit Requirements for Federal Awards and Government
Auditing Standards* and Related Information

Year ended September 30, 2019

DANA-FARBER CANCER INSTITUTE, INC. AND SUBSIDIARIES

Auditors' Reports as Required by Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards and Government Auditing Standards* and Related Information

Year ended September 30, 2019

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KPMG LLP
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Exhibit I

Independent Auditors' Report

The Board of Trustees
Dana-Farber Cancer Institute, Inc. and Subsidiaries:

Report on the Consolidated Financial Statements

We have audited the accompanying consolidated financial statements of Dana-Farber Cancer Institute, Inc. and Subsidiaries, which comprise the consolidated balance sheets as of September 30, 2019 and 2018, the related consolidated statements of operations and changes in net assets and cash flows for the years then ended, and the related notes to the consolidated financial statements.

Management's Responsibility for the Consolidated Financial Statements

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

Auditors' Responsibility

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

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

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

Opinion

In our opinion, the consolidated financial statements referred to above present fairly, in all material respects, the financial position of Dana-Farber Cancer Institute, Inc. and Subsidiaries as of September 30, 2019 and 2018, and the changes in its operations and net assets and its cash flows for the years then ended in accordance with U.S. generally accepted accounting principles.



Emphasis of Matters

As discussed in Note 2 to the consolidated financial statements, during the year ended September 30, 2019, Dana-Farber Cancer Institute and Subsidiaries adopted Financial Accounting Standards Board Accounting Standards Update (ASU) No. 2014-09, *Revenue from Contracts with Customers (Topic 606)*, as amended; ASU No. 2016-14, *Not-for-Profit Entities (Topic 958): Presentation of Financial Statements of Not-for-Profit Entities*; and ASU No. 2018-08, *Clarifying the Scope and the Accounting Guidance for Contributions Received and Contributions Made*. Our opinion is not modified with respect to these matters.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated January 24, 2020 on our consideration of Dana-Farber Cancer Institute, Inc. and Subsidiaries' 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 Dana-Farber Cancer Institute, Inc. and Subsidiaries' 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 Dana-Farber Cancer Institute, Inc. and Subsidiaries' internal control over financial reporting and compliance.

KPMG LLP

Boston, Massachusetts
January 24, 2020

DANA-FARBER CANCER INSTITUTE, INC. AND SUBSIDIARIES

Consolidated Balance Sheets

September 30, 2019 and 2018

(In thousands)

Assets	2019	2018
Current assets:		
Cash and cash equivalents	\$ 165,479	196,040
Patient accounts receivable, net	149,290	114,134
Contributions receivable, current portion	34,275	21,870
Research receivables	55,163	35,966
Prepaid expenses and other current assets	<u>108,884</u>	<u>111,264</u>
Total current assets	513,091	479,274
Investments	1,409,737	1,315,668
Property, plant, and equipment, net	1,013,563	956,643
Contributions receivable, less current portion	63,858	41,269
Other assets	<u>88,991</u>	<u>68,449</u>
Total assets	\$ <u><u>3,089,240</u></u>	\$ <u><u>2,861,303</u></u>
Liabilities and Net Assets		
Current liabilities:		
Accounts payable and accrued expenses	\$ 130,440	108,935
Accrued payroll, payroll taxes, and amounts withheld from employee compensation	29,969	26,790
Current portion of long-term debt and capital leases	6,102	5,741
Amounts due to third-party payors	49,158	53,458
Research advances	<u>119,683</u>	<u>125,586</u>
Total current liabilities	335,352	320,510
Other liabilities:		
Long-term debt and capital leases, less current portion	591,231	601,665
Other	<u>256,452</u>	<u>213,580</u>
Total liabilities	<u>1,183,035</u>	<u>1,135,755</u>
Net assets:		
Without donor restrictions	930,472	817,039
With donor restrictions	<u>975,733</u>	<u>908,509</u>
Total net assets	<u>1,906,205</u>	<u>1,725,548</u>
Total liabilities and net assets	\$ <u><u>3,089,240</u></u>	\$ <u><u>2,861,303</u></u>

See accompanying notes to consolidated financial statements.

DANA-FARBER CANCER INSTITUTE, INC. AND SUBSIDIARIES

Consolidated Statements of Operations and Changes in Net Assets

Years ended September 30, 2019 and 2018

(In thousands)

	<u>2019</u>	<u>2018</u>
Operating revenues:		
Net patient service revenue	\$ 1,302,991	1,166,614
Research revenues	542,805	457,967
Unrestricted contributions and bequests	82,696	77,711
Other operating revenues	<u>31,554</u>	<u>31,094</u>
Total operating revenues	<u>1,960,046</u>	<u>1,733,386</u>
Operating expenses:		
Patient Service		
Direct patient care	966,702	862,378
Depreciation and amortization	45,226	44,855
Interest	<u>4,445</u>	<u>4,787</u>
Total patient service expenses	<u>1,016,373</u>	<u>912,020</u>
Research		
Direct research/restricted gifts	446,932	373,255
Institute supported research	29,941	33,361
Depreciation and amortization	34,510	35,803
Interest	<u>16,358</u>	<u>15,519</u>
Total research expenses	<u>527,741</u>	<u>457,938</u>
General and administrative		
General and administrative	376,094	326,697
Depreciation and amortization	9,004	8,700
Interest	<u>192</u>	<u>174</u>
Total general and administrative expenses	<u>385,290</u>	<u>335,571</u>
Total operating expenses	<u>1,929,404</u>	<u>1,705,529</u>
Operating income	30,642	27,857
Non operating gains (losses):		
Investment gains, net	30,591	47,250
Loss on extinguishment of long-term debt (note 8)	(211)	—
Royalty income, net of expenses	23,588	—
Gain on sale (note 1)	—	23,802
Interest rate swap agreements:		
Net interest paid	(3,328)	(3,973)
Change in fair value	<u>(27,192)</u>	<u>11,797</u>
Total non operating gains	<u>23,448</u>	<u>78,876</u>
Excess of revenues over expenses	\$ <u>54,090</u>	<u>106,733</u>

DANA-FARBER CANCER INSTITUTE, INC. AND SUBSIDIARIES

Consolidated Statements of Operations and Changes in Net Assets

Years ended September 30, 2019 and 2018

(In thousands)

	<u>2019</u>	<u>2018</u>
Net assets without donor restrictions:		
Excess of revenues over expenses	\$ 54,090	106,733
Cumulative effect of changes in accounting principle	59,244	—
Net assets released from restrictions for capital	2,366	2,252
Pension adjustment	(4,575)	2,605
Other	<u>2,308</u>	<u>2,639</u>
Increase in net assets without donor restrictions	<u>113,433</u>	<u>114,229</u>
Net assets with donor restrictions:		
Contributions revenue, net	165,015	149,301
Cumulative effect of changes in accounting principle	(17,250)	—
Interest and dividend income, net	5,306	4,327
Realized and unrealized gains on investments, net	51,733	80,887
Net assets released from restrictions for capital	(2,366)	(2,252)
Net assets released from restrictions for operations	(133,952)	(123,427)
Transfers to other institutions	<u>(1,262)</u>	<u>(6,152)</u>
Increase in net assets with donor restrictions	<u>67,224</u>	<u>102,684</u>
Increase in net assets	180,657	216,913
Net assets at beginning of year	<u>1,725,548</u>	<u>1,508,635</u>
Net assets at end of year	\$ <u><u>1,906,205</u></u>	\$ <u><u>1,725,548</u></u>

See accompanying notes to consolidated financial statements.

DANA-FARBER CANCER INSTITUTE, INC. AND SUBSIDIARIES

Consolidated Statements of Cash Flows

Years ended September 30, 2019 and 2018

(In thousands)

	<u>2019</u>	<u>2018</u>
Operating activities:		
Increase in net assets	\$ 180,657	216,913
Adjustments to reconcile increase in net assets to net cash provided by operating activities:		
Depreciation and amortization	88,740	89,358
Net realized and unrealized gains on investments	(79,881)	(126,485)
Pension adjustment	4,575	(2,605)
Restricted contributions and investment income, net of restriction releases for operations	(49,201)	(33,799)
Transfers to other institutions	1,262	6,152
Loss on extinguishment of long-term debt	(211)	—
Changes in other assets and liabilities	10,424	37,524
Changes in certain elements of working capital:		
Patient accounts receivable, net	(35,156)	(14,138)
Research receivables and research advances	(25,100)	28,353
Prepaid expenses and other current assets	(2,917)	(43,922)
Accounts payable and accrued expenses, including employee compensation	13,692	(7,102)
Amounts due to third-party payors	(4,300)	10,742
Net cash provided by operating activities	<u>102,584</u>	<u>160,991</u>
Investing activities:		
Additions to property, plant, and equipment, net	(127,969)	(81,729)
Purchases of investments	(187,836)	(330,679)
Proceeds from sales of investments	173,648	315,615
Changes in assets whose use is limited	13,739	2,909
Net cash used in investing activities	<u>(128,418)</u>	<u>(93,884)</u>
Financing activities:		
Proceeds from issuance of long-term debt	60,255	—
Payments on extinguishment of long-term debt	(71,025)	—
Payments of bond issuance costs	(1,160)	—
Payments on long-term debt	(4,160)	(3,960)
Payments on capital lease obligations	(1,582)	(1,467)
Restricted contributions and investment income, net of restriction releases for operations	49,201	33,799
Change in contributions receivable	(34,994)	(18,666)
Transfers to other institutions	(1,262)	(6,152)
Net cash (used in) provided by financing activities	<u>(4,727)</u>	<u>3,554</u>
(Decrease) increase in cash and cash equivalents	(30,561)	70,661
Cash and cash equivalents at beginning of year	<u>196,040</u>	<u>125,379</u>
Cash and cash equivalents at end of year	\$ <u>165,479</u>	\$ <u>196,040</u>
Noncash financing activities:		
Assets acquired pursuant to capital lease (note 8)	\$ 9,112	—
Noncash investing activities:		
Construction in progress included in accounts payable and accrued expenses	\$ 10,992	—

See accompanying notes to consolidated financial statements.

DANA-FARBER CANCER INSTITUTE, INC. AND SUBSIDIARIES

Notes to Consolidated Financial Statements

September 30, 2019 and 2018

(Dollar amounts in thousands)

(1) Corporate Organization

Dana-Farber Cancer Institute, Inc. (the Institute) is a comprehensive cancer center dedicated to basic and clinical cancer research and treatment. The Institute primarily serves patients in the New England region. Dana-Farber, Inc. is a controlled affiliate of the Institute, and is responsible for its investment management activities. In August 2003, the Institute formed the Dana-Farber Trust, Inc. for the purpose of acquiring, holding, developing, managing, maintaining, or disposing of real and personal property for the benefit of the Institute and its affiliated organizations. On July 1, 2014, the Institute acquired Commonwealth Hematology-Oncology (CHO) physician practice, the largest community-based cancer care program in New England with eight sites located throughout eastern Massachusetts. The CHO sites now operate as Dana-Farber Cancer Care Network, Inc. (DFCCN) physician practices.

The Institute's inpatient hospital is physically located within the Brigham & Women's Hospital, Inc. (BWH). The Institute reimburses BWH for related patient care expenses. Net patient service revenue related to the inpatient hospital was \$46,655 and \$48,727 in 2019 and 2018, respectively.

The Institute, BWH, The General Hospital Corporation (the General) and Partners HealthCare System, Inc. (Partners) have formed Dana-Farber/Partners CancerCare, Inc. (DF/PCC), a not-for-profit corporation. During the years ended September 30, 2019 and 2018, DF/PCC provided the Institute with \$53,226 and \$49,721, respectively, in research funding. Among its roles, DF/PCC is responsible for the management of cancer-related clinical trials at the Institute, BWH and the General. The Institute, BWH, and the General provide DF/PCC with funds to meet its annual operating and capital needs. At present, the Institute's portion of these funds is not material to the consolidated financial statements.

The Institute obtains electricity, steam and chilled water from the Medical Area Total Energy Plant (MATEP), which is located in the Longwood Medical and Academic Area of Boston and also provides utilities to a number of neighboring hospitals and medical institutions. In May 2017, the Institute together with two other MATEP customers, formed BCD Hospital Energy Collaborative, LLC (BCD), which obtained the rights to acquire MATEP. On March 30, 2018, BCD assigned its rights to acquire MATEP to an unrelated entity. The Institute's share of the proceeds amounted to \$23,802, which is reflected as a nonoperating gain in the accompanying consolidated statement of operations and changes in net assets for the year ended September 30, 2018.

(2) Summary of Significant Accounting Policies

(a) Basis of Presentation

The consolidated financial statements include the accounts of Dana-Farber Cancer Institute, Inc.; Dana-Farber Cancer Care Network, Inc.; Dana-Farber, Inc.; and Dana-Farber Trust, Inc. (collectively, the Institute). Intercompany balances and transactions have been eliminated in consolidation. The consolidated financial statements have been prepared in accordance with U.S. generally accepted accounting principles (GAAP) applied on a basis consistent with that of the 2018 audited consolidated financial statements of the Institute.

(b) Reclassifications

Certain amounts in the 2018 consolidated financial statements have been reclassified to conform with the 2019 presentation.

DANA-FARBER CANCER INSTITUTE, INC. AND SUBSIDIARIES

Notes to Consolidated Financial Statements

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(c) New Accounting Pronouncements

Implemented

On October 1, 2018 the Institute adopted *Accounting Standards Update (ASU) 2014-09, Revenue from Contracts with Customers*, which replaces most existing revenue recognition guidance in U.S. GAAP and is intended to improve and converge with international standards the financial reporting requirements for recognizing revenue from contracts with customers. The core principle of ASU 2014-09 is that an entity should recognize revenue for the transfer of goods or services equal to the amount that it expects to be entitled to receive for those goods or services. ASU 2014-09 also requires additional disclosures about the nature, timing and uncertainty of revenue and cash flows arising from customer contracts, including significant judgements and changes in judgments. See note 10. The Institute has elected to adopt the standard using a modified retrospective approach and has applied ASU 2014-09 to customer contracts that were not completed at the date of initial application, on the portfolio basis for assessing revenue recognition. In accordance with the transition guidance and the Institute's election, the 2018 consolidated balance sheet was not retrospectively adjusted to reflect these changes. Periods prior to adoption have been presented to conform to the net presentation of a single net patient service revenue total in the consolidated statements of operations and changes in net assets. Previously, the consolidated statement of operations and changes in net assets for the year ended September 30, 2018 presented separate lines for net patient service revenue prior to provision for bad debts of \$1,178,151, provision for bad debts of \$11,537, and net patient service revenue, less provision for bad debts of \$1,166,614. The related presentation of "allowances for doubtful accounts" on the consolidated balance sheet has also been eliminated as a result of the adoption of the standard. The cumulative effect of applying ASU 2014-09 resulted in an increase to the opening balances of net assets without donor restrictions of \$59.2 million and a corresponding reduction to research advances and net assets with donor restrictions of \$29.2 million and \$30.0 million, respectively, on the Institute's consolidated balance sheet.

On October 1, 2018, the Institute adopted *ASU 2018-08, Not-for-Profit Entities (Topic 958): Clarifying the Scope and Accounting Guidance for Contributions Received and Contributions Made*, which amends the accounting guidance related to (1) evaluating whether transactions should be accounted for as contributions or exchange transactions, and (2) determining whether a contribution is conditional or unconditional. The cumulative effect of applying ASU 2018-08 resulted in an increase to the opening balances of net assets with donor restrictions on the consolidated statements of operations and changes in net assets and a reduction to research advances of \$7.8 million, as well as a \$5.0 million increase to contribution receivable on the Institute's consolidated balance sheet. In accordance with the transition requirements, the 2018 consolidated statement of operations and changes in net assets and consolidated balance sheet were not retrospectively adjusted to reflect these changes.

On October 1, 2018, the Institute adopted *ASU 2016-14, Not-for-Profit Entities (Topic 958): Presentation of Financial Statements of Not-for-Profit Entities*. The new guidance replaces the three classes of net assets with two classes (net assets with donor restrictions and net assets without donor restrictions), eliminates the requirement to present or disclose the indirect method reconciliation if using the direct method on the cash flows statement, and requires enhanced disclosures about governing board designations and appropriations, composition of net assets with donor restrictions, management of liquidity, expenses, methods of cost allocation, and underwater endowment funds. There were no

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(Dollar amounts in thousands)

material changes to the consolidated balance sheets, statements of operations and changes in net assets, or cash flows as a result of the adoption. Periods prior to adoption have been displayed to conform to the new presentation of a single classification of net assets with donor restrictions. Previously, the September 30, 2018 consolidated balance sheet displayed temporarily restricted net assets of \$703,235 and permanently restricted net assets of \$205,274.

(d) Use of Estimates

The preparation of the consolidated financial statements in conformity with GAAP requires management to make estimates and assumptions that affect the reported amounts in the consolidated financial statements and accompanying notes. Actual results could differ from those estimates.

(e) Cash Equivalents

The Institute considers all highly liquid investments with a maturity of three months or less when purchased to be cash equivalents.

(f) Investments

Investments in equity securities with readily determinable fair values and all investments in debt securities are measured at fair value in the consolidated balance sheets. All of this portion of the portfolio is classified as trading with investment gain or loss (including realized and unrealized gains and losses on investments, interest, and dividends) included in the excess of revenues over expenses, unless restricted by donor or law.

Alternative investments consist of investments in limited partnerships and limited liability companies. Except for alternative investments held by the defined benefit pension plan, the Institute accounts for alternative investments (hedge funds, private equity funds, etc.) using the equity method of accounting or at fair value, using the net asset value of each fund as a practical expedient, and reports its share of the increase or decrease in the fund's value as investment gain or loss. Alternative investments held by the defined benefit pension plan are held at fair value using net asset value as a practical expedient. These carrying values for alternative investments are determined based upon information from the funds' General Partners. The General Partners' estimates and assumptions of fair values of nonmarketable investments may differ significantly from the values that would have been used had a ready market existed, and may also differ significantly from the values at which such investments may be sold, and the differences could be material.

Unrestricted investment gains (losses) (including realized and unrealized gains and losses on investments, interest, and dividends from all other investments) is reported as nonoperating gains (losses), except for investment income equal to the Institute's spending policy, which is reported as operating income.

(g) Assets Whose Use is Limited

Assets whose use is limited represent proceeds from bonds and operations which are invested and restricted under bond indenture agreements for construction, debt repayment, an investment deposit requirement under a certain bond purchase agreement, and investments placed in trust for payment of self-insured claims.

DANA-FARBER CANCER INSTITUTE, INC. AND SUBSIDIARIES

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(Dollar amounts in thousands)

(h) Contributions Receivable

Unconditional contributions receivable, received in writing in amounts of \$1,000 or more and payable in regular installments, are recorded at net present value as direct additions to temporarily or permanently restricted net assets, net of any allowances for uncollectible amounts.

(i) Property, Plant, and Equipment

Property, plant, and equipment are stated at cost, less accumulated depreciation. Donated equipment is recorded at fair value, determined as of the date of donation. Depreciation is computed using the straight-line method at rates intended to amortize the costs of the related assets over their estimated useful lives. Amortization of assets recorded under capital leases is included in depreciation. Equipment purchased under the terms of research grants is charged as a direct research expenditure.

(j) Interest Rate Swap Agreements

The Institute utilizes interest rate swap agreements to reduce risks associated with changes in interest rates. The Institute is exposed to credit loss in the event of nonperformance by the counterparties to its interest rate swap agreements. The Institute is also exposed to the risk that the swap receipts may not offset its variable rate debt service. To the extent these variable interest swap receipts do not equal variable interest payments on the bonds, there will be a net loss or net benefit to the Institute.

The Institute recognizes all derivative instruments as either assets or liabilities in the consolidated balance sheets at their respective fair value with changes in fair value reflected in the consolidated statements of operations and changes in net assets as a component of non-operating gains (losses).

(k) Net Assets

Net assets are classified based on the existence or absence of donor-imposed restrictions. Accordingly, net assets and changes therein are classified and reported as follows:

Net assets without donor restrictions – net assets available for use in general operations and not subject to donor restrictions.

Net assets with donor restrictions – net assets subject to donor-imposed restrictions. Some donor-imposed restrictions are temporary in nature, such as those that will be met by the passage of time or other events specified by the donor. Other donor-imposed restrictions are perpetual in nature, where the donor stipulates that resources be maintained in perpetuity. Donor-imposed restrictions are released when a restriction expires, that is, when the stipulated time has elapsed, when the stipulated purpose for which the resource was restricted has been fulfilled, or both. When a donor restriction expires, net assets with donor restrictions are reclassified as net assets without donor restrictions and reported in the consolidated statements of operations and changes in net assets as revenues (for noncapital-related items), or as a direct increase to net assets without donor restrictions (for capital-related items).

Net assets with perpetual donor restrictions include assets with restrictions that require investment to provide a perpetual source of income to the Institute. Generally, donors of these assets require the Institute to maintain and invest the original contribution in perpetuity but permit the use of some or all

DANA-FARBER CANCER INSTITUTE, INC. AND SUBSIDIARIES

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(Dollar amounts in thousands)

investment returns for general or specific purposes. The Institute has interpreted state law as requiring realized and unrealized gains of these perpetual contributions to be retained in net assets with donor restrictions until appropriated by the board and expended. State law allows the board to appropriate so much of the net appreciation of perpetual contributions as is prudent considering the Institute's long and short-term needs, present and anticipated financial requirements, expected total return on its investments, price level trends, and general economic conditions. Annually, the board appropriates an amount based upon a spending policy as described in paragraph (m) below.

(l) Operating Revenues and Expenses

Operating income from operations includes revenues generated from direct patient care activities, research activities from grantors and donors, unrestricted contributions, royalties, trademark income, and sundry revenues related to the operation of the Institute's facilities, and all related expenses. The Institute has a spending policy allowing approximately 7.5% of the average market value of certain donor-restricted investments over the past nine quarters to be spent annually to fund operating and capital needs. Investment income equal to the annual spending policy amount on donor-restricted investments whose income is unrestricted is reported in other operating revenue.

(m) Net Patient Service Revenue

Net patient service revenues are recorded at the amounts that reflect the consideration to which the Institute expects to be entitled to in exchange for providing patient care. These amounts are due from patients, third-party payors, and others and include an estimate of variable consideration for retroactive revenue adjustments due to settlement of audits, reviews, and investigations. Generally, the Institute bills patients and third-party payors several days after the services are performed and/or the patient is discharged from the facility.

Revenue is recognized as performance obligations are satisfied. Performance obligations are determined based on the nature of the services provided by the Institute. Revenue for performance obligations satisfied over time is recognized based on actual charges incurred in relation to total expected (or actual) charges. The Institute believes that this method provides a reasonable representation of the transfer of services over the term of the performance obligation based on the inputs needed to satisfy the obligation. The Institute measures the performance obligation for inpatient services from admission into the hospital to the point when it is no longer required to provide services to that patient, which is generally at the time of discharge. The Institute's performance obligations related to outpatient services are generally satisfied over a period of one day or less. Revenue for performance obligations satisfied at a point in time is recognized when goods or services are provided, and the Institute does not believe it is required to provide any additional goods or services to the patient. Since all performance obligations relate to contracts with a duration of less than one year, the Institute has elected to apply the optional exemption in ASC 606-10-50-14(a) and, therefore, is not required to disclose the aggregate amount of the transaction price allocated to performance obligations that are unsatisfied or partially unsatisfied at the end of the reporting period. The performance obligations for these contracts will be satisfied when the patient is discharged from the hospital, which generally occurs within days or weeks of the end of the reporting period.

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Notes to Consolidated Financial Statements

September 30, 2019 and 2018

(Dollar amounts in thousands)

The Institute determines the transaction price based on standard charges for goods and services provided, reduced by contractual adjustments provided to third-party payors, discounts provided to uninsured patients in accordance with the Institute's policy, and/or implicit price concessions provided to uninsured patients. Estimates of contractual adjustments and discounts are based on contractual agreements, its discount policy (or policies), and historical experience. Estimates of implicit price concessions are based on historical collection experience with this class of patients. Any revision in estimates is recognized in the period in which the estimates are revised. Amounts are billed to patients and third-party payors after the performance obligation is satisfied and payment is expected within a reasonable period of time, though settlement may occur well after the healthcare service is provided. See note 11.

Consistent with the Institute's mission, care is provided to patients regardless of their ability to pay. The Institute has determined it has provided implicit price concessions to uninsured patients and patients with other uninsured balances (e.g. copays and deductibles). The implicit price concessions included in estimating the transaction price represent the difference between amounts billed to patients and the amounts the Institute expects to collect based on its collection history with those patients. Patients who meet the Institute's criteria for charity care are provided care without charge or at amounts less than established rates. The Institute has determined that it has provided sufficient implicit price concessions for these accounts. Price concessions, including charity care, are not reported as revenue.

(n) Research Revenue and Expense

Research revenues include research grants and contracts, license and royalty, and contribution-related income.

Direct and Indirect Research Revenue and Related Expenses:

Research revenues from grants and contracts are accounted for either as an exchange transaction or contribution.

Revenue related to exchange transactions is recognized as the costs are incurred for the purpose specified by the grantor or in accordance with the terms of the agreement. Amounts received related to exchange transactions in advance of incurring the related expenditures are recorded as research advances in the accompanying consolidated balance sheets.

Contributions are either conditional or unconditional based on the award terms. A contribution is considered conditional if the award contains both a specific barrier that must be overcome for the Institute to be entitled to the funds and a right of return of the grantors obligation to provide the promised funds. If both conditions are not present, the award is unconditional. Unconditional contributions are recognized as restricted revenue and released upon expenditure. Contracts that include both a barrier and a right of return (or right of release) are considered conditional contributions and revenue is recognized once the conditions are met.

Performance obligations related to research grants, contracts, gifts and contributions are satisfied over time and recognized using an input method for costs incurred as the research services are performed

DANA-FARBER CANCER INSTITUTE, INC. AND SUBSIDIARIES

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(Dollar amounts in thousands)

by the Institute. The transaction price for research revenues related to grants and contracts is based on the contracted award received from third-parties.

Indirect costs related to certain government grants and contracts are reimbursed at fixed rates negotiated with the government agencies.

Royalty and License Revenue:

Royalty and license revenue results from the development and commercialization of new technologies. For the year ended September 30, 2018, royalty and license revenue was initially recorded as research advances on the consolidated balance sheet until expended, when it was then recognized as royalty and license revenue.

Upon the adoption of ASU 2014-09 on October 1, 2018, royalty and license related revenues are recorded when the sales occur.

Performance obligations related to license and royalties are satisfied at a point in time when the Institute transfers the rights to the Institute's intellectual property and as associated variable consideration is no longer constrained. There were no unsatisfied performance obligations related to license and royalties as of September 30, 2019.

The transaction price for research revenues related to license and royalties is determined based on contractual prices negotiated with the commercial third-parties.

The Institute records milestone payments when performance obligation is satisfied.

In accordance with the Institute's policy, royalty and license revenue are distributed to the inventor, the laboratory, and department where the research was performed, and the Institute. The portion distributed to the inventor, laboratory, and department is recorded as research expense on the consolidated statements of operations and changes in net assets when expended. The portion distributed to the Institute is recorded on the consolidated statements of operations and changes in net assets as other operating revenues.

In accordance with ASC 958, *Presentation of Financial Statements for Not-for-Profit-Entities*, for income designated for future research expenses pursuant to the overall mission of the Institute, the Institute designates a portion of the revenues as board-designated net assets without donor restriction. The funds related to board designated net assets without donor restrictions are included in the non-operating gain (loss) section of the consolidated statements of operations and changes in net assets as royalty income and will be appropriated for expenses incurred related to research programs for innovative cancer treatment.

(o) Excess of Revenue over Expenses

The consolidated statements of operations and changes in net assets include the excess of revenues over expenses as the performance indicator. Changes in net assets without donor restrictions which are excluded from the excess of revenues over expenses include changes in net assets related to the

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pension adjustment, net assets released from restrictions for capital, and net unrealized gains or losses on endowment funds.

(p) Income Taxes

The Internal Revenue Service has ruled that the Institute and its subsidiaries qualify as tax exempt organizations under Section 501(c)(3) of the Internal Revenue Code, and are exempt from federal income taxes on related income. The Institute is considered a public charity, qualifying under IRC Section 170(b)(1)(A)(vi), which is an organization that receives substantial support from grants, governmental units, and the public. Dana-Farber Trust, Inc. and Dana-Farber, Inc. are not private foundations, but qualify for public charity status under IRC Section 509(a)(3), as Type I supporting organizations. Dana-Farber, Inc. has a nominal amount of unrelated business income that is not material to the consolidated financial statements. Dana-Farber Cancer Care Network, Inc. has been determined to be a public charity under IRC Section 509(a)(2). The Institute is considered a hospital facility as defined under the Affordable Care Act, because it is subject to hospital licensure requirements in Massachusetts. As a result, the Institute monitors its compliance with the new requirements under Section 501(r) of the Internal Revenue Code for tax-exempt hospitals, although it does not depend on IRC Section 170(b)(1)(a)(iii) for its public charity status but qualifies as a public charity under IRC Section 170(b)(1)(a)(vi) as a publicly supported organization.

(q) Subsequent Events

The Institute evaluates the impact of subsequent events, which are events that occur after the consolidated balance sheet date but before the consolidated financial statements are issued, for potential recognition in the consolidated financial statements as of the balance sheet date. For the year ended September 30, 2019, the Institute evaluated the impact of subsequent events through January 24, 2020, representing the date which the consolidated financial statements were issued. No events have occurred that require disclosure in or adjustment to the consolidated financial statements.

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(3) Investments

Investments, which are reported at fair value or using the equity method, consisted of the following as of September 30:

	<u>2019</u>	<u>2018</u>
Donor-restricted for research and capital	\$ 548,057	535,670
Donor-restricted endowment corpus	211,849	198,411
Accumulated realized and unrealized appreciation on endowment funds	96,606	96,304
Board-designated for various purposes	<u>553,225</u>	<u>485,283</u>
	\$ <u>1,409,737</u>	<u>1,315,668</u>
U.S. government money market funds	\$ 1,106	7,721
U.S. government securities	98,700	92,860
U.S. equity securities	91,841	80,377
U.S. equity mutual funds	170,369	161,398
International equity securities	41,390	41,301
International equity mutual funds	270,886	278,592
Alternative investments	<u>735,445</u>	<u>653,419</u>
	\$ <u>1,409,737</u>	<u>1,315,668</u>

Investment income consisted of the following for the years ended September 30:

	<u>2019</u>	<u>2018</u>
Investment income, net	\$ 7,749	5,979
Realized and unrealized gains	<u>79,881</u>	<u>126,485</u>
	\$ <u>87,630</u>	<u>132,464</u>

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Investment return was reported as follows in the consolidated statements of operations and changes in net assets for the years ended September 30:

	<u>2019</u>	<u>2018</u>
Excess of revenues over expenses:		
Investment gains, net (nonoperating)	\$ 30,591	47,250
Changes in net assets with donor restrictions:		
Interest and dividend income, net and realized and unrealized gains, net	57,039	85,214
	<u>\$ 87,630</u>	<u>132,464</u>

(4) Liquidity and Availability of Resources

Financial assets available within one year of the balance sheet date for general expenditures such as operating expenses and construction costs not financed with debt are as follows:

	<u>2019</u>	<u>2018</u>
Cash and cash equivalents	\$ 165,479	196,040
Patient accounts receivable	149,290	114,134
Research receivables	55,163	54,108
	<u>\$ 369,932</u>	<u>364,282</u>

In addition, the Institute maintains unrestricted investments of \$553,225 and \$485,283 as of September 30, 2019 and 2018, respectively, that can be liquidated within one year if needed, subject to liquidity of underlying investments.

In the event of an unanticipated liquidity need, the Institute could also draw upon a \$60,000 available line of credit.

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(5) Fair Value Measurements

Fair value is based on the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. In order to increase consistency and comparability in fair value measurements, the Institute has implemented a fair value hierarchy that prioritizes observable and unobservable inputs used to measure fair value into three broad levels, which are described below:

Level 1: Quoted prices (unadjusted) in active markets that are accessible at the measurement date for identical assets or liabilities. The fair value hierarchy gives the highest priority to Level 1 inputs.

Level 2: Observable inputs that are based on inputs not quoted in active markets, but corroborated by market data.

Level 3: Unobservable inputs are used when little or no market data is available. The fair value hierarchy gives the lowest priority to Level 3 inputs.

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. In determining fair value, the Institute utilizes valuation techniques that maximize the use of observable inputs and minimize the use of unobservable inputs to the extent possible. The Institute also considers counterparty credit risk in its assessment of fair value.

Financial assets and liabilities carried at fair value as of September 30, 2019, are classified in the table below in one of the three categories as described above:

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	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>	<u>Fair value investments</u>	<u>Equity method investments</u>	<u>Total</u>
Investments:						
U.S. government money market funds	\$ 1,106	—	—	1,106	—	1,106
U.S. government securities	98,700	—	—	98,700	—	98,700
U.S. equity securities	91,841	—	—	91,841	—	91,841
U.S. equity mutual funds	25,296	—	—	25,296	—	25,296
International equity securities	41,390	—	—	41,390	—	41,390
International equity mutual funds	45,014	—	—	45,014	—	45,014
Alternative investments	—	—	—	—	735,445	735,445
	<u>\$ 303,347</u>	<u>—</u>	<u>—</u>	<u>303,347</u>	<u>735,445</u>	1,038,792
Investments at net asset value						<u>370,945</u>
Total investments						<u>\$ 1,409,737</u>
Assets whose use is limited by indenture agreement or other (classified as other assets):						
U.S. government securities	\$ 10	—	—	10	—	10
U.S. government money market funds	1,137	—	—	1,137	—	1,137
Bank deposit account	1,000	—	—	1,000	—	1,000
U.S. corporate bond mutual fund	3,000	—	—	3,000	—	3,000
	<u>\$ 5,147</u>	<u>—</u>	<u>—</u>	<u>5,147</u>	<u>—</u>	<u>5,147</u>
Defined benefit plan assets:						
U.S. government money market fund	\$ 1,492	—	—	1,492	—	1,492
U.S. government mutual funds	5,621	—	—	5,621	—	5,621
U.S. corporate bond mutual fund	2,226	—	—	2,226	—	2,226
U.S. equity mutual funds	277	—	—	277	—	277
International equity mutual funds	1,492	—	—	1,492	—	1,492
	<u>\$ 11,108</u>	<u>—</u>	<u>—</u>	<u>11,108</u>	<u>—</u>	11,108
Investments at net asset value						<u>24,247</u>
Total defined benefit plan assets						<u>\$ 35,355</u>
Liabilities:						
Interest rate swap agreements	\$ —	61,650	—	61,650	—	\$ 61,650

Financial assets and liabilities carried at fair value as of September 30, 2018, are classified in the table below in one of the three categories as described above:

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	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>	<u>Fair value investments</u>	<u>Equity method investments</u>	<u>Total</u>
Investments:						
U.S. government money market funds	\$ 7,721	—	—	7,721	—	7,721
U.S. government securities	92,860	—	—	92,860	—	92,860
U.S. equity securities	80,377	—	—	80,377	—	80,377
U.S. equity mutual funds	23,003	—	—	23,003	—	23,003
International equity securities	41,301	—	—	41,301	—	41,301
International equity mutual funds	52,485	—	—	52,485	—	52,485
Alternative investments	—	—	—	—	653,419	653,419
	<u>\$ 297,747</u>	<u>—</u>	<u>—</u>	<u>297,747</u>	<u>653,419</u>	<u>951,166</u>
Investments at net asset value						<u>364,502</u>
Total investments						<u>\$ 1,315,668</u>
Assets whose use is limited by indenture agreement or other (classified as other assets):						
U.S. government securities	\$ 8,982	—	—	8,982	—	8,982
U.S. government money market funds	5,904	—	—	5,904	—	5,904
Bank deposit account	1,000	—	—	1,000	—	1,000
U.S. corporate bond mutual fund	3,000	—	—	3,000	—	3,000
	<u>\$ 18,886</u>	<u>—</u>	<u>—</u>	<u>18,886</u>	<u>—</u>	<u>18,886</u>
Defined benefit plan assets:						
U.S. government money market fund	\$ 331	—	—	331	—	331
U.S. government mutual funds	3,528	—	—	3,528	—	3,528
U.S. corporate bond mutual fund	3,029	—	—	3,029	—	3,029
U.S. equity mutual funds	266	—	—	266	—	266
International equity mutual funds	722	—	—	722	—	722
	<u>\$ 7,876</u>	<u>—</u>	<u>—</u>	<u>7,876</u>	<u>—</u>	<u>7,876</u>
Investments at net asset value						<u>27,942</u>
Total defined benefit plan assets						<u>\$ 35,818</u>
Liabilities:						
Interest rate swap agreements	\$ 34,458	—	—	34,458	—	\$ 34,458

The Institute's alternative investments, excluding alternative investments in the defined benefit plan, are reported using the equity method of accounting (see note 2).

The following is a description of the Institute's valuation methodologies for assets measured at fair value. Fair value for Level 1 is based upon quoted market prices. Fair value for Level 2 is based on quoted prices

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for similar instruments in active markets, quoted prices for identical, or similar instruments in markets that are not active, and model-based valuation techniques for which all significant assumptions are observable in the market, or can be corroborated by observable market data for substantially the full term of the assets. Inputs are obtained from various sources, including market participants, dealers, and brokers.

There were no significant transfers between Levels 1 and 2 during the years ended September 30, 2019 and 2018, respectively.

The following tables include a summary of fair values and redemption features related to investments (excluding split interest agreements) for which estimated fair value was based upon NAV for the years ended September 30, 2019 and 2018:

	2019		
	<u>NAV</u>	<u>Redemption frequency</u>	<u>Redemption notice periods</u>
International equity mutual funds	\$ 225,872	Weekly, semi-monthly, monthly	7-60 days
U.S. equity mutual funds	<u>139,542</u>	Quarterly	60 days
	365,414		
Charitable gift annuities	<u>5,531</u>		
	<u>\$ 370,945</u>		

	2018		
	<u>NAV</u>	<u>Redemption frequency</u>	<u>Redemption notice periods</u>
International equity mutual funds	\$ 226,107	Weekly, semi-monthly, monthly	7-60 days
U.S. equity mutual funds	<u>132,386</u>	Quarterly	60 days
	358,493		
Charitable gift annuities	<u>6,009</u>		
	<u>\$ 364,502</u>		

There were no unfunded commitments associated with investments for which fair value was based upon NAV.

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(6) Property, Plant, and Equipment

Property, plant, and equipment consisted of the following as of September 30:

	<u>2019</u>	<u>2018</u>
Land	\$ 7,640	7,640
Buildings and improvements	1,401,200	1,320,606
Equipment	415,398	397,757
Construction-in-progress	<u>101,842</u>	<u>53,891</u>
	1,926,080	1,779,894
Less accumulated depreciation	<u>912,517</u>	<u>823,251</u>
	<u>\$ 1,013,563</u>	<u>956,643</u>

Included within the table above in buildings and improvements are assets recorded under capital leases of \$45,859 and \$36,748 as of September 30, 2019 and 2018, respectively, together with accumulated depreciation of \$19,594 and \$17,840 as of September 30, 2019 and 2018, respectively. During the years ended September 30, 2019 and 2018, retirements of fully depreciated equipment assets were undertaken, representing \$635 and \$639 of equipment cost and associated accumulated depreciation, respectively.

(7) Contributions

Unrestricted contributions and restricted contributions used on a current basis for research are recorded as operating revenues. Other restricted contributions are recorded as additions to net assets with donor restrictions. Contributions received and pledged (at net discounted value) were as follows for the years ended September 30:

	<u>2019</u>		
	<u>Cash</u>	<u>Pledges</u>	<u>Total</u>
Unrestricted contributions and bequests	\$ 82,696	—	82,696
Net assets with donor restrictions	81,783	83,232	165,015
Research gifts for current use	<u>8,199</u>	<u>—</u>	<u>8,199</u>
	<u>\$ 172,678</u>	<u>83,232</u>	<u>255,910</u>

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	2018		
	Cash	Pledges	Total
Unrestricted contributions and bequests	\$ 77,711	—	77,711
Net assets with donor restrictions	76,252	73,049	149,301
Research gifts for current use	8,430	—	8,430
	<u>\$ 162,393</u>	<u>73,049</u>	<u>235,442</u>

Of the total contributions raised during the years ended September 30, 2019 and 2018, the Jimmy Fund raised \$97,750 and \$94,102, respectively, in restricted and unrestricted contributions.

In addition, the Institute was awarded a total of \$73,706 and \$44,096 in foundation grants for the years ended September 30, 2019 and 2018, respectively.

Gifts in kind totaling \$1,315 and \$1,553 were recorded by the Institute as both revenue and expense for the years ended September 30, 2019 and 2018, respectively.

Direct fundraising expenses were \$40,535 and \$36,143 for the years ended September 30, 2019 and 2018, respectively, and were included as a component of general, administrative, and plant expenses on the consolidated statements of operations and changes in net assets.

Contributions receivable as of September 30 were as follows:

	2019	2018
Amounts due in less than one year for use in operations	\$ 35,417	22,930
Amounts due in less than one year for capital use	1,358	1,440
Amounts due in one to five years	66,207	32,721
Amounts due in more than five years	50	10,967
	<u>103,032</u>	<u>68,058</u>
Less discount to net present value	2,399	2,419
Less allowance for uncollectible pledges	2,500	2,500
	<u>\$ 98,133</u>	<u>63,139</u>

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(8) Long-Term Debt and Capital Lease Obligations

Long-term debt consisted of the following as of September 30:

	<u>2019</u>	<u>2018</u>
Massachusetts Health and Educational Facilities Authority (MHEFA) revenue bonds:		
Series K	\$ —	75,185
Series L	185,000	185,000
Massachusetts Development Finance Agency (MDFA) revenue bonds:		
Series M	50,860	50,860
Series N	233,195	233,195
Series O	51,130	—
Capital lease obligations (note 9)	<u>29,638</u>	<u>22,108</u>
	549,823	566,348
Unamortized premium	52,365	45,597
Unamortized cost of issuance	<u>(4,855)</u>	<u>(4,539)</u>
	597,333	607,406
Less current portion	<u>6,102</u>	<u>5,741</u>
	<u>\$ 591,231</u>	<u>601,665</u>

(a) Bonds Payable

On May 22, 2008, the Institute issued, through MHEFA, successor by merger to MDFA, \$107,320 Revenue Bonds, Dana-Farber Cancer Institute Issue, Series K (2008). The Series K bonds are tax-exempt bonds. The proceeds of the bonds were used to: (i) pay bridge financing incurred by the Institute to refund the MHEFA Revenue Bonds, Dana-Farber Cancer Institute Issue, Periodic Auction Reset Securities Series H (2004), (ii) pay fees in connection with the termination of certain swap agreements, (iii) fund a required Debt Service Reserve Fund and (iv) pay an amount, together with funds provided by the Institute, to fund the cost of issuance of the Series K bonds. The Series K bonds bear interest at fixed rates ranging from 4.00% to 5.25%, and mature in varying annual amounts from 2008 to 2037. The bonds were issued at an original premium of \$4,170, which is amortized over the related terms.

On May 22, 2008, the Institute issued, through MHEFA, \$185,000 Variable Rate Revenue Bonds, Dana-Farber Cancer Institute Issue, Series L (2008) (Series L-1 and L-2). The Series L bonds are tax-exempt bonds. The proceeds of the bonds were used to: (i) pay bridge financing incurred by the Institute to refund the MHEFA Revenue Bonds, Dana-Farber Cancer Institute Issue, Periodic Auction Reset Securities Series I (2007), and MHEFA Capital Asset Program Loans Series J, (ii) pay MHEFA

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Capital Asset Program Loans Pool M, and (iii) pay an amount, together with funds provided by the Institute, to fund the cost of issuance of the Series L bonds.

On June 1, 2012, the Institute served a notice of change in mode and mandatory tender to the holders of its Series L-2 bonds. On July 2, 2012, upon such mandatory tender and conversion, the Series L-2 bonds were reissued in two subseries comprised of \$57,500 Series L-2A bonds and \$35,000 Series L-2B bonds which were purchased by Century Subsidiary Investments, Inc. III and TD Bank, N.A., respectively. On July 1, 2015, the Institute served a notice of change in mode and mandatory tender to the holders of its Series L-1 bonds. On August 3, 2015, upon such mandatory tender and conversion, the Series L-1 bonds were purchased by DNT Asset Trust, a wholly owned subsidiary of JPMorgan Chase Bank, N.A.

The Series L bonds bear interest at an average variable rate (2.98% and 2.43% for the years ended September 30, 2019 and 2018, respectively), and mature in varying annual amounts from 2028 to 2046. The Series L-1 and L-2 bonds were collateralized by an irrevocable direct pay letter of credit issued by JPMorgan Chase Bank, N.A. that terminated on August 3, 2015 and July 2, 2012, respectively, upon completion of the mandatory tender. The reissued Series L bonds are not required to be collateralized by an irrevocable direct pay letter of credit when in the bank purchase mode.

On August 7, 2013, the Institute issued, through MDFA, \$50,860 Revenue Bonds, Dana-Farber Cancer Institute Issue, Series M (2013). The Series M bonds are federally taxable bonds. The proceeds of the bonds were used to: (i) renovate and fit out approximately 154,100 rentable square feet of leased research space in the Longwood Center, which will be used for high-tech research laboratories, (ii) other corporate purposes, and (iii) pay an amount needed to fund the cost of issuance of the Series M Bonds. The Series M bonds bear interest at a fixed rate of 5.35% and mature December 1, 2028. The bonds were issued at par.

On June 23, 2016, the Institute issued, through MDFA, \$233,195 Revenue Bonds, Dana-Farber Cancer Institute Issue, Series N (2016). The Series N bonds are tax-exempt bonds, and were used in July 2017 to: (i) finance the acquisition of approximately 203,000 square feet of research space in the Longwood Center, (ii) finance the partial fit-out of an additional 50,983 square feet of research space under a separate lease at the Longwood Center, (iii) replace a 20-year old HVAC system, (iv) relocate and reconstruct the Institute's Cell Manipulation Core Facility, (v) payment of cost of issuance and interest during the purchase and construction periods and (vi) various other capital projects. The Series N bonds bear interest at fixed rates of 5.00%, and mature in varying annual amounts from 2029 to 2046. The bonds were issued at an original premium of \$48,591, which is amortized over the related terms.

On September 3, 2019, the Institute issued, through MDFA, \$51,130 Revenue Bonds, Dana-Farber Cancer Institute Issue, Series O (2019) bonds. The Series O bonds are tax-exempt bonds. The proceeds of the bonds were used to: (i) retire the Series K bonds along with funds released from the series K debt service reserve fund and (ii) payment of cost of issuance of the Series O bonds. The Series O bonds bear interest at a fixed rate of 5.0% and mature in varying annual amounts from 2019 to 2035. The bonds were issued at an original premium of \$9,125, which is amortized over the related terms. The extinguishment of the Series K bonds resulted in a loss of \$211.

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The Series K, Series L, Series M, Series N, and Series O bonds are equally and ratably collateralized by a lien on the unrestricted gross receipts of the Institute, and a mortgage granted upon the Yawkey Center for Cancer Care, the Richard A. and Susan F. Smith Research Laboratories, the Dana Building, and the Louis B. Mayer Research Laboratories.

Effective September 1, 2015, the Institute entered into a bank credit agreement for a revolving line of credit commitment in the amount of \$40,000 for working capital purposes. In 2019, the credit agreement was amended to increase the commitment to \$60,000 and extend the expiration date to April 30, 2021. No amounts were outstanding under the current or previous credit agreements as of September 30, 2019 and 2018.

The Institute is required to comply with certain financial covenants under its long-term debt agreements.

Scheduled maturities and sinking fund requirements for the next five fiscal years are as follows:

2020	\$	4,755
2021		4,295
2022		4,515
2023		4,745
2024		4,985

Interest cost on long-term debt and capital lease obligations totaled \$23,073 and \$22,238 for the years ended September 30, 2019 and 2018, respectively. Of this, \$20,995 and \$20,067 was reported as interest expense, and \$2,079 and \$2,171 was capitalized as part of construction-in-progress for the years ended September 30, 2019 and 2018, respectively. Cash paid for interest amounted to \$26,108 and \$23,489 for the years ended September 30, 2019 and 2018, respectively.

(b) Interest Rate Swaps

In connection with the issuance of the 2008 Series L bonds, the Institute amended two interest rate swap agreements of \$75,000 each with Morgan Stanley Capital Services, Inc. Under these agreements, the Institute effectively converted this variable rate debt to a fixed rate basis of 3.84% for the term of the bonds.

The Institute reported the fair value of interest rate swap agreements as \$61,650 and \$34,458 in other liabilities on the consolidated balance sheets as of September 30, 2019 and 2018, respectively. The Institute reported the change in the fair value of the interest rate swap agreements as a nonoperating loss of \$27,192 and a nonoperating gain of \$11,797 in the accompanying consolidated statements of operations and changes in net assets for the years ended September 30, 2019 and 2018, respectively.

The valuation of the interest rate swaps is determined using widely accepted valuation techniques, including discounted cash flow analysis on the expected cash flows of each derivative. This analysis reflects the contractual terms of the derivatives, including the period to maturity, and uses observable market-based inputs, including interest rate curves and implied volatilities.

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(c) Capital Lease Obligations

The Institute has two capital leases for certain leased spaces in outpatient satellite clinics. The capital lease that expires in 2030 bears interest at an average variable rate of 5.54% and 5.35% for the years ended September 30, 2019 and 2018, respectively. The capital lease that expires in 2028 bears interest at a fixed rate of 4.75%. Interest expense related to the capital leases was \$1,130 and \$1,193 for the years ended September 30, 2019 and 2018, respectively.

(9) Leases

The Institute has noncancelable capital and operating leases for certain buildings and equipment. Rent expense under these operating and other lease contracts approximated \$54,000 in 2019 and \$50,000 in 2018. Minimum future lease commitments under noncancelable leases are as follows:

	<u>Capital leases</u>	<u>Operating leases</u>
2020	\$ 2,732	48,020
2021	2,865	45,998
2022	3,250	43,541
2023	3,306	41,326
2024	3,333	37,586
Thereafter	<u>24,475</u>	<u>267,655</u>
Total minimum lease payments	39,961	\$ <u><u>484,126</u></u>
Less amount representing interest	<u>(10,323)</u>	
Capital lease obligations	\$ <u><u>29,638</u></u>	

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(10) Net Assets With Donor Restrictions

Net assets with donor restrictions are restricted for the following as of September 30:

	<u>2019</u>	<u>2018</u>
Subject to expenditure for specific purpose:		
Research	\$ 661,040	603,743
Capital	1,673	3,188
Realized and unrealized gains on perpetual gifts	<u>96,606</u>	<u>96,304</u>
	759,319	703,235
Endowments:		
Perpetual in nature		
Unrestricted as to use of income	\$ 7,596	7,596
Restricted as to use of income	<u>208,818</u>	<u>197,678</u>
	216,414	205,274
Total net assets with donor restrictions	<u>\$ 975,733</u>	<u>908,509</u>

During the years ended September 30, 2019 and 2018, net assets of \$133,952 and \$123,427, respectively, were released from donor restrictions to fund research. In addition, \$756 and \$785, respectively, were released to fund operating needs in accordance with the annual spending policy amount on donor-restricted investments described in note 2. These amounts are included in research revenues and other operating revenues, respectively.

For the years ended September 30, 2019 and 2018, the Institute transferred \$1,262 and \$6,152, respectively, to BWH, Harvard University and other institutions in accordance with the terms of certain gifts.

The Institute's endowments consist of numerous individual funds established for a variety of purposes. These endowments consist solely of donor-restricted endowment funds. As required by GAAP, net assets associated with endowment funds are classified and reported based on the existence or absence of donor-imposed restrictions.

The Institute requires the preservation of the fair value of the original gift as of the gift date of the donor-restricted endowment funds, absent explicit donor stipulations to the contrary. As a result of this interpretation, the Institute classifies as donor restricted endowment funds (a) the original value of gifts donated to the permanent endowment, (b) the original value of subsequent gifts to the permanent endowment, and (c) accumulations to the permanent endowment made in accordance with the direction of the applicable donor gift instrument at the time the accumulation is added to the fund. The Institute considers the following factors in making a determination to appropriate or accumulate donor-restricted endowment funds: (a) the duration and preservation of the fund, (b) the purpose of the Institute and the donor-restricted endowment fund, (c) general economic conditions, (d) the possible effect of inflation and

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deflation, (e) the expected total return from income and the appreciation of investments, (f) the investment policies of the Institute, and (g) other resources of the Institute.

Endowment net asset composition by type of fund as of September 30, 2019, consisted of the following:

	<u>Purpose restricted</u>	<u>Perpetually restricted</u>	<u>Total</u>
Donor-restricted endowment funds	\$ 96,606	216,414	313,020

For the year ended September 30, 2019, the Institute had the following endowment-related activities:

	<u>Purpose restricted</u>	<u>Perpetually restricted</u>	<u>Total</u>
Endowment net assets at October 1, 2018	\$ 96,304	205,274	301,578
Investment return:			
Investment income, net	3,252	—	3,252
Net realized and unrealized gains on investments	15,202	—	15,202
Total investment return	18,454	—	18,454
Contributions to perpetual endowment	—	11,140	11,140
Amounts appropriated for expenditure/transfer	(18,152)	—	(18,152)
Total change in endowment funds	302	11,140	11,442
Endowment net assets at September 30, 2019	\$ 96,606	216,414	313,020

Endowment net asset composition by type of fund as of September 30, 2018, consisted of the following:

	<u>Purpose restricted</u>	<u>Perpetually restricted</u>	<u>Total</u>
Donor-restricted endowment funds	\$ 96,304	205,274	301,578

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For the year ended September 30, 2018, the Institute had the following endowment-related activities:

	Purpose restricted	Perpetually restricted	Total
Endowment net assets at October 1, 2017	\$ 83,262	192,986	276,248
Investment return:			
Investment income, net	1,120	—	1,120
Net realized and unrealized gains on investments	29,011	—	29,011
Total investment return	30,131	—	30,131
Contributions to perpetual endowment	—	12,288	12,288
Amounts appropriated for expenditure/transfer	(17,089)	—	(17,089)
Total change in endowment funds	13,042	12,288	25,330
Endowment net assets at September 30, 2018	\$ 96,304	205,274	301,578

The overall financial objectives of the Institute are to provide a sustainable and increasingly upward trend in the endowment distribution dollars to support the annual operating budget, to preserve and enhance the real (inflation-adjusted) purchasing power of the Institute, and to provide support for capital investment needs as they arise.

The long-term investment objectives of the Institute are to attain an inflation-adjusted or real total return (net of investment management fees) at least equal to the Institute's spending rate, as measured over a full market cycle (or rolling five- to seven-year periods); achieve annualized returns in excess of the strategic policy portfolio blended benchmark, as measured over a full market cycle; and outperform the median return of a pool of endowment funds with broadly similar investment objectives and policies.

From time to time, the fair value of assets associated with individual donor-restricted endowment funds may fall below the level that the donor requires the Institute to retain as a fund of perpetual duration. There are no deficiencies of this nature as of September 30, 2019 and 2018.

(11) Revenue Related to Contracts with Customers

Patient Service Revenue

The Institute has a reimbursement agreement with various Massachusetts Commercial insurance companies that provide for product-specific payment rates. The Institute also participates in the Medicare Program. This program provides outpatient reimbursement based on Ambulatory Payment Classifications. Cancer centers were granted a hold harmless exemption that allows for a final settlement based on a percentage of actual outpatient costs incurred. Inpatient reimbursement is limited to the lower of cost or a fixed target rate per discharge. The Institute also has an agreement with the Commonwealth of

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Massachusetts, under the Medicaid program, which provides a pre-determined reimbursement per inpatient discharge and a per encounter amount for outpatient services.

Laws and regulations governing the Medicare and Medicaid programs are complex and subject to interpretation. As a result, there is a possibility that recorded estimates will change by a material amount in the future. The Institute believes it is in compliance with all applicable laws and regulations and is not aware of any pending or threatened investigations involving allegations of potential wrongdoing. While no such regulatory inquiries have been made, compliance with such laws and regulations can be subject to future government review and interpretation, as well as significant regulatory action, including fines, penalties, and exclusion from the Medicare and Medicaid programs.

As described in note 2(m), the transaction price for the Institute's healthcare services is variable due to the existence of price concessions due to various adjustments with insurance, governmental payors, and self-pay patients. The Institute recorded changes in estimates related to prior year settlements and denials which increased net patient service revenue by \$11,283 and \$14,926 in 2019 and 2018, respectively.

The composition of net patient service revenues for the years ended September 30 are as follows:

	<u>2019</u>	<u>2018</u>
Medicare	31 %	31 %
Medicaid	5	6
Blue Cross	22	21
Harvard Pilgrim Health care	10	11
Commercial and other	31	30
Patients	1	1
	<u>100 %</u>	<u>100 %</u>

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The Institute grants credit without collateral to its patients, most of whom are local residents and are insured under third party payor agreements. The mix of receivables from patients and third party payors was as follows as of September 30:

	<u>2019</u>	<u>2018</u>
Medicare	30 %	31 %
Medicaid	10	11
Blue Cross	18	18
Harvard Pilgrim Health care	5	6
Commercial and other	32	30
Patients	5	4
	<u>100 %</u>	<u>100 %</u>

Research Revenues

The composition of research revenues for the years ended September 30 are as follows:

	<u>2019</u>	<u>2018</u>
Federal grants and contracts revenue	\$ 180,696	174,006
Non federal grants and contracts revenue	155,876	127,123
License and royalty revenue	64,846	29,285
Gift revenue	141,387	127,553
Total research revenue	<u>\$ 542,805</u>	<u>457,967</u>

Unsatisfied performance obligations as of September 30, 2019 approximate \$265,000.

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Research receivables and research advances related to grants and contracts are comprised of the following balances as of September 30:

	<u>2019</u>	<u>2018</u>
Research receivables:		
Exchange transaction under 606	\$ 19,423	15,706
Conditional contributions under ASU 2018-08	<u>35,740</u>	<u>38,402</u>
Total research receivables	<u>\$ 55,163</u>	<u>54,108</u>
Research advances:		
Exchange transaction under 606	\$ 92,511	83,682
Conditional contributions under ASU 2018-08	27,172	29,643
Royalties	—	30,403
Total research advances	<u>\$ 119,683</u>	<u>143,728</u>

Other Operating Revenues

Other operating revenue includes among other things, management services, rent, royalty and other ancillary Institute services such as parking, cafeteria and gift shop.

Unrestricted Contributions and Bequests

Unrestricted contributions and bequests represent donations that are given to support the Institute's mission.

(12) Charity Care

(a) Community Benefit

The Institute provides a wide variety of services to the community in order to ensure access to appropriate care for populations in need. The Institute supports services which target not only the general population, but also particular populations with special health care needs, including the poor, the elderly, children, and minority populations. Supported services include various clinics, health screening programs, health education programs, and support area groups operated in the local area. The Institute works actively with other service providers to ensure the development of an effective community health network. The Institute also participates in activities designed to foster a vital local economic and civic environment.

(b) Uncompensated Care

The Commonwealth of Massachusetts operates a "health safety net" to reimburse hospitals for the cost of uncompensated care, defined as charity care, and bad debts associated with emergency services. Amounts are paid to the health safety net based on a percentage of assessed payor charges.

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Payments from the health safety net are determined on a per visit or discharge basis according to Medicare reimbursement rates adjusted for overall shortfalls in the statewide funding for the health safety net.

(c) Charity Care

The Institute provides care without charge or at amounts less than established rates to patients who meet certain criteria under the Institute's charity care policies. Because the Institute does not pursue collection of amounts determined to qualify as charity care, they are not reported as revenue. During the years ended September 30, 2019 and 2018, the Institute provided \$11,200 and \$11,371, respectively, at standard charges of charity care. The cost of this charity care was \$4,079 and \$4,305. In addition, the Institute had net payments to the Commonwealth of Massachusetts "health safety net" of \$17,559 and \$19,017 for the years ended September 30, 2019 and 2018, respectively. The equivalent percentage of charity care patients to all patients served was approximately 1% in 2019 and 2018. Such amounts and percentages are determined using charges foregone based on established rates. The cost of charity care is estimated using the cost-to-charge ratio for the Institute.

(13) Pension Plans

(a) Defined Contribution Plan

Substantially all employees are covered by a defined contribution plan to which the Institute contributes a fixed percentage of employees' salaries. The amounts contributed for the years ended September 30, 2019 and 2018, were \$32,441 and \$30,356, respectively.

(b) Defined Benefit Pension Plan

(i) Obligations and Funded Status

The Institute has a defined benefit pension plan, which was frozen for years of service credited through June 30, 1992. The Board of Trustees of the Institute adopted a resolution to freeze the salary component of the defined benefit pension plan effective March 31, 2010. On September 30, 2010, as a result of this resolution, the plan liabilities were remeasured. The elimination of future salary increases was calculated as a prior service credit related to these employees of \$3,295 and is being amortized over the future working lifetime of the current active population.

Unrecognized actuarial losses of \$23,152 and \$18,577 are included in net assets without restrictions as of September 30, 2019 and 2018, respectively. The actuarial loss included in net assets without restrictions and expected to be recognized in net periodic pension cost during the year ending September 30, 2020 is \$746.

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The following table summarizes information about the funded status of the plan as of September 30:

	<u>2019</u>	<u>2018</u>
Projected benefit obligation at beginning of year	\$ 38,008	41,313
Interest cost	1,452	1,402
Net benefit payments and transfers	(1,569)	(2,536)
Actuarial (gains) losses	<u>4,081</u>	<u>(2,171)</u>
Projected benefit obligation at end of year	\$ <u>41,972</u>	<u>38,008</u>
	<u>2019</u>	<u>2018</u>
Fair value of plan assets at beginning of year	\$ 35,818	36,370
Actual return on plan assets	1,290	2,186
Net benefit payments and expenses	<u>(1,753)</u>	<u>(2,738)</u>
Fair value of plan assets at end of year	<u>35,355</u>	<u>35,818</u>
Funded status of the plan	\$ <u>(6,617)</u>	<u>(2,190)</u>

The funded status of the plan is recorded within other liabilities on the consolidated balance sheets.

The measurement date for the Institute's fiscal 2019 consolidated financial statements is September 30, 2019.

The accumulated benefit obligation was \$41,972 and \$38,008 as of September 30, 2019 and 2018, respectively.

(c) Net Periodic Pension Income

Net periodic pension income consists of the following for the years ended September 30:

	<u>2019</u>	<u>2018</u>
Interest cost	\$ 1,452	1,402
Service cost	275	285
Expected return on plan assets	(2,456)	(2,496)
Net amortization and deferral	<u>581</u>	<u>661</u>
Net periodic pension income	\$ <u>(148)</u>	<u>(148)</u>

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(d) Assumptions

Assumptions used to measure the projected benefit obligation and net periodic pension cost include the following as of September 30:

	<u>2019</u>	<u>2018</u>
Discount rate (projected benefit obligation)	2.98 %	4.14 %
Discount rate (net periodic pension cost)	4.14	3.62
Expected long-term return on plan assets	7.40	7.40
Average increase in compensation levels	N/A	N/A

The expected rate of return on plan assets was determined based on the expected return of each asset class using a model that estimates returns over at least a 20-year period without regard to current market valuations.

(e) Plan Assets

The Institute's pension plan asset allocations as of September 30, by asset category, are as follows:

	<u>2019</u>	<u>2018</u>
U.S. government money market fund	4 %	1 %
U.S. government mutual funds	16	10
U.S. corporate bond mutual funds	7	8
U.S. equity mutual funds	34	32
International equity mutual funds	23	22
Alternative investments	16	27
	<u>100 %</u>	<u>100 %</u>

Pension plan assets are managed by outside managers with a long-term outlook. Long-term investment results are measured over rolling periods of three to five years. The investment objective for plan assets is to achieve a total annual return, net of fees, that meaningfully exceeds the returns possible in the index markets by investing passively in index funds.

Assets invested in the defined benefit pension plan are reported at fair value. Debt and equity securities with readily determinable values are carried at fair value as determined based on independent published sources. Alternative investments, as described in note 2, are stated at fair value using net asset value as a practical expedient.

(f) Contributions

The Institute did not make a contribution to its pension plan during the year ended September 30, 2019. It does not expect to contribute to its pension plan in 2020.

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(g) Estimated Future Benefit Payments

Benefit payments are expected to approximate the following:

2020	\$	2,554
2021		2,800
2022		2,699
2023		2,788
2024		2,747
2025–2029		11,872

(14) Concentrations of Credit Risk

Financial instruments that potentially subject the Institute to concentration of credit risk consist of cash and cash equivalents, patient accounts receivable, research receivables, contributions receivable, certain investments and interest rate swaps.

The Institute maintains its cash accounts at various financial institutions. As of September 30, 2019, the Institute had cash balances of \$165,479 in uninsured accounts. The Institute has not experienced any losses in such accounts and evaluates the creditworthiness of the financial institutions with which it conducts business. Management believes the Institute is not exposed to any significant credit risk with respect to its cash balances.

Contributions receivable are due from multiple donors. The Institute assesses the credit risk for pledges based on history and the financial wherewithal of donors, most of whom are individuals or organizations well known to the Institute.

Investments, which include government and agency securities, stocks and corporate bonds, and private partnerships and other investments are not concentrated in any corporation or industry or with a single counterparty. The reported values of alternative investments may differ significantly from the values that would have been used had a ready market for those securities existed. These instruments may contain elements of both credit and market risk.

The Institute minimizes the credit risk it is exposed to under interest rate swap agreements by monitoring the counterparty credit rating on a monthly basis.

(15) Contingencies

(a) Medical Malpractice

The Institute insures its medical malpractice risks under a claims-made policy issued by a multiprovider captive insurance company, of which the Institute is a 10% owner. Premiums are accrued based on the captive insurance company's experience to date. The Institute provides reserves (in addition to those maintained by its affiliated insurance company) for claims incurred but not reported to the insurance company at the consolidated balance sheet date. These reserves have been estimated by consulting actuaries on a discounted basis using a discount rate of 3% as of September 30, 2019 and 2018. The

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discounted liability for unasserted claims as of September 30, 2019 and 2018, was \$1,399 and \$1,335, respectively. The Institute has recorded anticipated insurance recoveries and estimated liabilities for asserted medical malpractice claims of \$10,306 and \$9,839 as of September 30, 2019 and 2018, respectively and are reported on the consolidated balance sheet as other liabilities.

(b) Legal Matters

The Institute is subject to complaints, claims, and litigation, which have risen in the normal course of business. In addition, the healthcare industry as a whole is subject to numerous laws and regulations of federal, state, and local governments. Compliance with these laws and regulations can be subject to future government review and interpretation, as well as regulatory actions unknown or unasserted at the time. Government investigations and allegations concerning possible violations by healthcare providers of regulations could result in the imposition of significant fines and penalties, as well as significant repayments of previously billed and collected revenue from patient services.

(16) Royalty Monetizations

On July 29, 2016, the Institute executed a Royalty Purchase Agreement with the Canada Pension Plan Investment Board (CPPIB), whereby the Institute will distribute all future royalty payments under three license agreements to CPPIB in return for a \$100,000 upfront payment (the payment). The payment was recorded as deferred revenue, a component of other liabilities on the consolidated balance sheet, and will be recognized as income by the Institute when royalty payments are received over the remaining five-year patent duration. Income of \$20,206 and \$7,024 was recognized during the years ended September 30, 2019 and 2018, respectively. There is \$69,472 in deferred revenue as of September 30, 2019.

In 2018 the Institute entered into two monetizations. These were related to PD-L1 Europe and Rydapt. Income of \$6,255, related to the Rydapt monetization, was recognized during the year end September 30, 2019. There is \$34,000 related to the PD-L1 Europe transaction, and \$17,600 related to the Rydapt transaction in deferred revenue as of September 30, 2019.

In 2019 the Institute entered into one monetization. This was related to PD-L1 Japan. There is \$34,000 related to the PD-L1 Japan transaction in deferred revenue as of September 30, 2019.

Deferred revenue related to royalty monetizations is reported as a component of other liabilities on the consolidated balance sheets.

(17) Functional Expenses

The consolidated statements of operations presents expense by functional classification. The Institute also summarizes its expenses by natural classification. Salaries, supplies and other expenses are classified based on the type of service provided or performed. Fringe benefits are allocated based on salary expense. Depreciation and amortization is allocated based on services supported by the related assets. Interest is allocated by the assets supported by the related debt.

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Expenses by both their nature and their function for the year ended September 30, 2019 are as follows:

	Patient Service	Research	General and Administrative	Total
Salaries	\$ 199,222	216,686	125,221	541,129
Fringe Benefits	46,222	4,784	28,630	79,636
Supplies and Other	721,258	255,403	222,243	1,198,904
Depreciation and Amortization	45,226	34,510	9,004	88,740
Interest	4,445	16,358	192	20,995
	<u>\$ 1,016,373</u>	<u>527,741</u>	<u>385,290</u>	<u>1,929,404</u>

Expenses by both their nature and their function for the year ended September 30, 2018 are as follows:

	Patient Service	Research	General and Administrative	Total
Salaries	\$ 179,595	200,490	109,564	489,649
Fringe Benefits	42,135	4,559	25,356	72,050
Supplies and Other	640,648	201,567	191,777	1,033,992
Depreciation and Amortization	44,855	35,803	8,700	89,358
Interest	4,787	15,519	174	20,480
	<u>\$ 912,020</u>	<u>457,938</u>	<u>335,571</u>	<u>1,705,529</u>

DANA-FARBER CANCER INSTITUTE, INC. AND SUBSIDIARIES

Supplementary Schedule of Expenditures of Federal Awards

Year ended September 30, 2019

<u>Federal grantor/pass-through grantor</u>	<u>Program title</u>	<u>Federal CFDA number</u>	<u>Pass-through grantor identifying number</u>	<u>Federal expenditures</u>	<u>Expenditures passed through to subrecipients</u>
Research and Development Cluster:					
U.S. Department of Health and Human Services:					
Agency for Healthcare Research and Quality					
	Research on Healthcare Costs, Quality & Outcomes	93.226	5K01HS023680-04	\$ 120,031	—
	Research on Healthcare Costs, Quality & Outcomes	93.226	5K01HS023680-05	27,969	—
	Subtotal Direct Program			<u>148,000</u>	<u>—</u>
Pass-Through Programs From:					
Beckman Research Institute	Research on Healthcare Costs, Quality & Outcomes	93.226	R21HS024984	(2,972)	—
Boston Children's Hospital	Research on Healthcare Costs, Quality & Outcomes	93.226	5K12HS022986-05	115,722	—
Harvard Medical School	Research on Healthcare Costs, Quality & Outcomes	93.226	1R01HS026498-01	11,876	—
National Bureau of Economic Research, Inc.	Research on Healthcare Costs, Quality & Outcomes	93.226	5U19HS024072-04	38,576	—
	Research on Healthcare Costs, Quality & Outcomes	93.226	5U19HS024072-05	1,077	—
	Subtotal Pass-Through Programs			<u>164,280</u>	<u>—</u>
	Total Agency for Healthcare Research and Quality			<u>312,279</u>	<u>—</u>
Centers for Disease Control and Prevention					
	Cntrs for Disease Control – Investigations & Tech'l Assistance	93.283	5U58 DP005385-04	2,028	—
	Cntrs for Disease Control – Investigations & Tech'l Assistance	93.283	5U58 DP005385-05	304,266	—
	Occupational Safety & Health Program	93.262	5R01OH010811-02	(863)	—
	Occupational Safety & Health Program	93.262	5R01OH010811-03	510,821	—
	Occupational Safety & Health Program	92.362	5R01OH010811-04	97,454	—
	Subtotal Direct Programs			<u>913,706</u>	<u>—</u>
Pass-Through Programs From:					
Harvard School of Public Health	Occupational Safety & Health Program	93.262	2U19OH008861-12	22,279	—
	Occupational Safety & Health Program	93.262	5U19OH008861-11	(2,569)	—
	Occupational Safety & Health Program	93.262	5U19OH008861-12	427,162	—
	Occupational Safety & Health Program	93.262	5U19OH008861-13	17,610	—
	Occupational Safety & Health Program	93.262	5U19OH008861-13-00	16,173	—
	Prevention of Disease, Disability, and Death by Infection	93.084	6NU38PS004644-02-04	(2,035)	—
	Prevention of Disease, Disability, and Death by Infection	93.084	6NU38PS004644-02-05	24,382	—
	Subtotal Pass-Through Programs			<u>503,000</u>	<u>—</u>
	Total Centers for Disease Control and Prevention			<u>1,416,707</u>	<u>—</u>
Food and Drug Administration:					
	Food & Drug Administration – Research	93.103	1R01FD005740-01	85,298	85,299
	Food & Drug Administration – Research	93.103	5R01FD005740-02	(7,426)	-
	Subtotal Direct Programs			<u>77,872</u>	<u>85,299</u>
Pass-Through Programs From:					
New York Medical College	Food & Drug Administration - Research	93.103	5R01FD004090-06	10,361	—
	Subtotal Pass-Through Programs			<u>10,361</u>	<u>—</u>
	Total Food and Drug Administration			<u>88,233</u>	<u>85,299</u>

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Supplementary Schedule of Expenditures of Federal Awards

Year ended September 30, 2019

Federal grantor/pass-through grantor	Program title	Federal CFDA number	Pass-through grantor identifying number	Federal expenditures	Expenditures passed through to subrecipients
National Institutes of Health (NIH):					
	21st Century Cures Act – Beau Biden Cancer Moonshot	93.353		\$ 14,427,391	5,287,544
	Aging Research	93.866		931,325	512,136
	Allergy, Immunology & Transplantation Research	93.855		9,256,567	2,355,838
	Biomedical Research and Research Training	93.859		2,720,930	196,803
	Blood Diseases & Resources Research	93.839		1,292,588	15,868
	Cancer Biology Research	93.396		15,493,219	1,693,409
	Cancer Cause & Prevention Research	93.393		20,386,055	5,822,209
	Cancer Centers Support Grants	93.397		18,813,408	6,890,939
	Cancer Control	93.399		422,994	-
	Cancer Detection & Diagnosis Research	93.394		4,661,199	1,581,214
	Cancer Research Manpower	93.398		6,680,891	89,819
	Cancer Treatment Research	93.395		29,319,510	7,482,711
	Child Health and Human Development Extramural Research	93.865		169,772	-
	Diabetes, Endocrinology & Metabolism Research	93.847		4,940,912	3,931
	Drug Abuse and Addiction Research Programs	93.279		1,634	-
	Extramural Res Prgms in Neurosciences & Neurological Disease	93.853		730,016	-
	Human Genome Research	93.172		1,221,068	353,605
	Lung Diseases Research	93.838		3,650,124	902,515
	Mental Health Research Grants	93.242		652,909	-
	Microbiology & Infectious Diseases Research	93.856		593,481	345,158
	Nursing Research	93.361		851,157	176,730
	Oral Diseases & Disorders Research	93.121		799,619	133,990
	Trans-NIH Research Support	93.310		2,586,450	164,276
	Vision Research	93.867		374,801	-
	Subtotal Direct Programs			140,978,021	34,008,694
Pass-Through Programs From:					
Akrivis Technologies, LLC.	NIH Contract	CONTRACT	HHSN26120140026C	(45,000)	-
Benaroya Research Institute at Virginia	Allergy and Infectious Diseases Research	93.855	5UM1AI09565-05	33,940	-
	Allergy and Infectious Diseases Research	93.855	5UM1AI09565-06	104,603	-
Beth Israel Deaconess Medical Center	Allergy and Infectious Diseases Research	93.855	5UM1AI109565-04	(1,153)	-
	Allergy and Infectious Diseases Research	93.855	5UM1AI109565-05	3,155	-
	Blood Diseases & Resources Research	93.839	1R34HL135226-01	(185)	-
	Blood Diseases & Resources Research	93.839	5R34HL127156-02	(48)	-
	Blood Diseases & Resources Research	93.839	5R34HL127156-03	2,634	-
	Blood Diseases & Resources Research	93.839	5R34HL135226-02	6,499	-
	Blood Diseases & Resources Research	93.839	5R34HL135226-03	2,100	-
	Cancer Biology Research	93.396	1 R01 CA229784-01	1,325	-
	Cancer Biology Research	93.396	2P01CA163227-06A1	106,422	-
	Cancer Biology Research	93.396	5P01CA163227-05	14,557	-
	Cancer Biology Research	93.396	5R01CA229784-02	682	-
	Cancer Biology Research	93.396	7R01CA185137-03	(123)	-
	Cancer Cause & Prevention Research	93.393	5R01CA136512-08	64,735	-
	Cancer Cause & Prevention Research	93.393	5R01CA136512-09	137,956	-
	Cancer Cause & Prevention Research	93.393	7R01CA185137-04	(13,582)	-
	Cancer Centers Support Grants	93.397	5 P50 CA101942-14	41,619	-
	Cancer Centers Support Grants	93.397	5P50CA101942-13	(15,126)	-
	Cancer Centers Support Grants	93.397	5P50CA101942-14	628,767	-

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	Cancer Centers Support Grants	93.397	5P50CA101942-15	\$ 17,153	-
	Cancer Treatment Research	93.395	1R01CA212649-01	(2,852)	-
	Cancer Treatment Research	93.395	1R37CA218707-01A1	4,092	-
	Cancer Treatment Research	93.395	5R01CA142874-08	2,261	-
	Cancer Treatment Research	93.395	5R01CA142874-09	8,654	-
	Cancer Treatment Research	93.395	5R01CA205153-02	25,088	-
	Cancer Treatment Research	93.395	5R01CA205153-03	78,695	-
	Cancer Treatment Research	93.395	5R01CA212649-02	12,356	-
	Cancer Treatment Research	93.395	5R01CA212649-03	73,427	-
	Heart & Vascular Disease Research	93.837	4U01HL069294-16	32,139	-
	Heart & Vascular Disease Research	93.837	5T32HL007374-39	45,052	-
	Heart & Vascular Disease Research	93.837	5T32HL007374-40	9,734	-
Boston Children's Hospital	Blood Diseases & Resources Research	93.839	1DP2HL137300-01	11,838	-
	Blood Diseases & Resources Research	93.839	1R01HL137848-01	94,554	-
	Blood Diseases & Resources Research	93.839	5DP2HL137300-02	1,839	-
	Blood Diseases & Resources Research	93.839	5R01HL137848-02	35,600	-
	Blood Diseases & Resources Research	93.839	5R01HL137848-03	6,564	-
	Blood Diseases & Resources Research	93.839	5T32HL007574-36	267,837	-
	Blood Diseases & Resources Research	93.839	5T32HL007574-37	56,235	-
	Blood Diseases & Resources Research	93.839	5T32HL007574-38	28,440	-
	Blood Diseases & Resources Research	93.839	R01HL137848	18,838	-
	Cancer Biology Research	93.396	1R01CA227576-01	10,077	-
	Cancer Biology Research	93.396	5R01CA227576-02	780	-
	Cancer Biology Research	93.396	5R21CA219352-02	71,584	-
	Cancer Detection & Diagnosis Research	93.394	5 U24 CA184407-06	12,418	-
	Cancer Treatment Research	93.395	1R01CA227576-01	17,614	-
	Cancer Treatment Research	93.395	5R01CA227576-02	1,607	-
	Diabetes, Endocrinology & Metabolism Research	93.847	5P30DK034854-34	4,561	-
	Diabetes, Endocrinology & Metabolism Research	93.847	5R01DK107568-03	242	-
	Heart & Vascular Disease Research	93.837	1R01HL146634-01	10,497	-
	Heart & Vascular Disease Research	93.837	5R01HL138571-02	20,636	-
	Heart & Vascular Disease Research	93.837	UM1HL098166	202	-
	National Center for Advancing Translational Sciences	93.350	1UL1TR002541-01	28,302	-
	National Center for Advancing Translational Sciences	93.350	1ULTR002541-01	28,314	-
	National Center for Advancing Translational Sciences	93.350	5UL1TR002541-02	20,542	-
	NIH Contract	CONTRACT	HHSN272201400052C	37,440	-
	NIH Contract	CONTRACT	HHSN272201400052C	(1,602)	-
Boston Medical Center	National Center for Advancing Translational Sciences	93.350	5U01TR002070-02	60,984	-
	National Center for Advancing Translational Sciences	93.350	5U01TR002070-03	20,518	-
Boston University	Cancer Cause & Prevention Research	93.393	5U01CA187508-04	37,424	-
Boston University - School of Medicine	21st Century Cures Act - Beau Biden Cancer Moonshot	93.353	1U2CCA233238-01	9,723	-
	21st Century Cures Act - Beau Biden Cancer Moonshot	93.353	1U2CCA233238-02	3,258	-
Brigham & Women's Hospital	Aging Research	93.866	1R21AG057388-01	(47)	-
	Aging Research	93.866	5R21AG057388-02	22,988	-
	Aging Research	93.866	5R21AG057388-03	2,208	-
	Allergy, Immunology & Transplantation Research	93.855	5 R01 AI08538-05	21,013	-
	Biomedical Research and Research Training	93.859	5T32GM007748-39	40,463	-
	Biomedical Research and Research Training	93.859	R35GM127131	32,045	-
	Blood Diseases & Resources Research	93.839	4T32HL116324-02	83,249	-

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	Blood Diseases & Resources Research	93.839	5R01HL082945-12	\$ 11,637	-
	Blood Diseases & Resources Research	93.839	5T32EB016652-03	(3,938)	-
	Blood Diseases & Resources Research	93.839	5T32EB016652-04	28,456	-
	Blood Diseases & Resources Research	93.839	5T32HL116324-03	14,775	-
	Blood Diseases & Resources Research	93.839	5T32HL116324-05	8,943	-
	Cancer Biology Research	93.396	1R01CA216922-01A1	6,415	-
	Cancer Biology Research	93.396	2P01CA120964-11A1	23,182	-
	Cancer Biology Research	93.396	5P01CA120964-12	2,969	-
	Cancer Biology Research	93.396	5R01CA124633-12	9,654	-
	Cancer Biology Research	93.396	5R01CA190383-02	19,794	-
	Cancer Biology Research	93.396	5R01CA190383-03	2,787	-
	Cancer Biology Research	93.396	5R01CA216922-02	2,221	-
	Cancer Cause & Prevention Research	93.393	1R01CA227190-01	61,079	-
	Cancer Cause & Prevention Research	93.393	2P01CA163205-06A1	153,919	-
	Cancer Cause & Prevention Research	93.393	5P01CA087969-18	(330)	-
	Cancer Cause & Prevention Research	93.393	5P01CA087969-19	254,077	-
	Cancer Cause & Prevention Research	93.393	5P01CA163205-07	15,220	-
	Cancer Cause & Prevention Research	93.393	5R01CA194302-02	(38,035)	-
	Cancer Cause & Prevention Research	93.393	5R01EB017722-03	2,623	-
	Cancer Cause & Prevention Research	93.393	5R37CA227190-02	129,393	-
	Cancer Cause & Prevention Research	93.393	5U01CA209414-02	16,811	-
	Cancer Cause & Prevention Research	93.393	5U01CA214846-02	132,579	-
	Cancer Cause & Prevention Research	93.393	5U01CA214846-03	57,478	-
	Cancer Cause & Prevention Research	93.393	5UM1CA186107-04	(33)	-
	Cancer Cause & Prevention Research	93.393	5UM1CA186107-05	36,236	-
	Cancer Centers Support Grants	93.397	1 P50 CA206963-01A1	45,618	-
	Cancer Centers Support Grants	93.397	1P50CA206963-01	(28)	-
	Cancer Centers Support Grants	93.397	1P50CA206963-01A	60	-
	Cancer Centers Support Grants	93.397	1P50CA206963-01A1	(1,045)	-
	Cancer Centers Support Grants	93.397	5P01CA066996-19	803	-
	Cancer Centers Support Grants	93.397	5P01CA066996-20	188,791	-
	Cancer Centers Support Grants	93.397	5P50CA206963-02	469,962	-
	Cancer Centers Support Grants	93.397	5P50CA206963-02A1	156,363	-
	Cancer Centers Support Grants	93.397	P50CA206963	10,181	-
	Cancer Centers Support Grants	93.397	P50CA206963-02	10,209	-
	Cancer Detection & Diagnosis Research	93.394	5R01CA203636-02A1	8,315	-
	Cancer Detection & Diagnosis Research	93.394	5R01CA203636-03A1	15,990	-
	Cancer Treatment Research	93.395	3U10CA180821-05S2	126,764	-
	Cancer Treatment Research	93.395	5P01CA036996-18	895,445	128,769
	Cancer Treatment Research	93.395	5P01CA036996-19	1,099,787	-
	Cancer Treatment Research	93.395	5P01CA036996-20	468	-
	Cancer Treatment Research	93.395	5P01CA066996-18	395,082	-
	Cancer Treatment Research	93.395	5P01CA066996-19	(2,156)	-
	Cancer Treatment Research	93.395	5P01CA066996-20	956,312	-
	Cancer Treatment Research	93.395	5U10CA180821-04	86,539	-
	Cancer Treatment Research	93.395	5U10CA180821-05	18,588	-
	Diabetes, Endocrinology & Metabolism Research	93.847	2T32DK007526-31	35,236	-
	Diabetes, Endocrinology & Metabolism Research	93.847	2T32DK007529-30	926	-
	Diabetes, Endocrinology & Metabolism Research	93.847	5R24DK099808-05	4,646	-

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	Discovery & Applied Res for Tech Innovations	93.286	5R01EB017722-04	\$ 4,898	-
	Heart & Vascular Disease Research	93.837	5R01HL130563-03	9,884	-
	Heart & Vascular Disease Research	93.837	5-R01HL130563-03	25,482	-
	Heart & Vascular Disease Research	93.837	5R01HL130563-04	9,362	-
	Heart & Vascular Disease Research	93.837	5-R01HL130563-04	10,861	-
	Human Genome Research	93.172	2U01HG007890-05	13,699	-
	Human Genome Research	93.172	5U01HG007890-06	3,485	-
	Nursing Research	93.361	5R01NR014502-04	23,036	-
	Nursing Research	93.361	5R01NR014502-05	9,735	-
	Research & Training in Complementary & Alternative Medicine	93.213	R34AT008923	3,557	-
	Trans-NIH Research Support	93.310	5U01HG007690-04	(261)	-
The Broad Institute	Cancer Biology Research	93.396	5U01CA199253-03	(35)	-
	Cancer Biology Research	93.396	5U01CA199253-04	42,549	-
	Cancer Detection & Diagnosis Research	93.394	5R33CA202820-02	64,687	-
	Cancer Detection & Diagnosis Research	93.394	5U24CA210978-02	9,235	-
	Cancer Detection & Diagnosis Research	93.394	5U24CA210978-03	47,351	-
	Cancer Detection & Diagnosis Research	93.394	U24CA210978	(44)	-
	Cancer Treatment Research	93.395	5R01CA219943-02	178,183	-
	Cancer Treatment Research	93.395	5R01CA219943-03	14,269	-
	Cancer Treatment Research	93.395	R01CA219943	132	-
	NIH Contract	CONTRACT	HHSN2612015000031	159,802	-
	NIH Contract	CONTRACT	HHSN2612015000031	286,035	-
	NIH Contract	CONTRACT	HHSN2612016000031	10,397	-
	NIH Contract	CONTRACT	IDIQ17X149	1,171,265	-
California Institute of Technology	Trans-NIH Research Support	93.310	1UG3HL145609-01	86,845	-
	Trans-NIH Research Support	93.310	5UG3HL145609-02	40,545	-
Cedars-Sinai Medical Center	Cancer Cause & Prevention Research	93.393	5R01CA211707-02	13,857	-
	Cancer Cause & Prevention Research	93.393	5R01CA211707-03	53,399	-
CEDES-Center of Study of State and Society	21st Century Cures Act - Beau Biden Cancer Moonshot	93.353	1R01CA218306-01	(136)	-
	21st Century Cures Act - Beau Biden Cancer Moonshot	93.353	5R01CA218306-02	25,665	-
	21st Century Cures Act - Beau Biden Cancer Moonshot	93.353	5R01CA218306-03	1,767	-
Children's Hospital of Los Angeles	Cancer Treatment Research	93.395	1P01CA217959-01	91,738	-
	Cancer Treatment Research	93.395	1R01CA172067-01	1,951	-
	Cancer Treatment Research	93.395	5P01CA217959-02	234,163	-
	Cancer Treatment Research	93.395	5P01CA217959-03	4,735	-
Children's Hospital of Philadelphia	Cancer Cause & Prevention Research	93.393	5R01CA180692-03	(237)	-
	Cancer Cause & Prevention Research	93.393	5R01CA180692-04	110,899	-
	Cancer Cause & Prevention Research	93.393	5R01CA180692-05	171,656	-
	Cancer Treatment Research	93.395	1R01CA211996-01	27,304	-
	Cancer Treatment Research	93.395	1U10CA098543-01	301	-
	Cancer Treatment Research	93.395	1U10CA180886-01	63,810	-
	Cancer Treatment Research	93.395	1UG1CA189955-01	33,427	-
	Cancer Treatment Research	93.395	2UM1CA097452-11	894	-
	Cancer Treatment Research	93.395	4UM1CA097452-15	19,647	-
	Cancer Treatment Research	93.395	5U10CA180886-02	12,445	-
	Cancer Treatment Research	93.395	5U10CA180886-03	46,907	-
	Cancer Treatment Research	93.395	5U10CA180886-04	15,170	-
	Cancer Treatment Research	93.395	5U10CA180886-04S1	367	-
	Cancer Treatment Research	93.395	U10CA180886	24,395	-

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	NIH Contract	CONTRACT	N02-CM-62212	\$ 7,715	-
	Nursing Research	93.361	5R01NR016223-03	63,799	-
	Nursing Research	93.361	5R01NR016223-04	31,727	-
City of Hope	Cancer Treatment Research	93.395	4-R01CA077544-15	301	-
Columbia University	Cancer Cause & Prevention Research	93.393	5R35CA210088-02	21,225	-
	Cancer Cause & Prevention Research	93.393	5R35CA210088-03	8,188	-
	Cancer Cause & Prevention Research	93.393	7R01CA140574-10	42,985	-
	Cancer Centers Support Grants	93.397	2U54CA163004-06	1	-
	Cancer Centers Support Grants	93.397	5U54CA163004-07	4,461	-
	Cancer Treatment Research	93.395	5R01CA212086-03	3,620	-
	Cancer Treatment Research	93.395	7R01CA212086-02	21,443	-
Drexel University	Biomedical Research and Research Training	93.859	2 P01 GM056550-22	353,155	-
	Biomedical Research and Research Training	93.859	2P01GM056550-23	36,600	-
	Biomedical Research and Research Training	93.859	4P1GM056550-20	(669)	-
	Biomedical Research and Research Training	93.859	5P01GM056550-21	(54,837)	-
Dropworks, Inc.	Cancer Detection & Diagnosis Research	93.394	1R41CA228854-01	43,133	-
Duke University	Allergy, Immunology & Transplantation Research	93.855	5UM1-AI-100645-06	(4,017)	-
	Allergy, Immunology & Transplantation Research	93.855	5UM1-AI-100645-07	271,750	-
	Cancer Cause & Prevention Research	93.393	1U2CCA233254-01	2,522	-
	Cancer Cause & Prevention Research	93.393	5U2CCA233254-02	2,496	-
	Cancer Treatment Research	93.395	7R01CA175759-06	39,948	-
	Cancer Treatment Research	93.395	7R01CA175759-06 REV	13,342	-
Ecog-Acrin Medical Research Foundation	Cancer Treatment Research	93.395	5U10CA180820-05	47,883	-
	Cancer Treatment Research	93.395	5UG1CA189828-05	183,516	-
	NIH Contract	CONTRACT	HHSN2682014000021	8,792	-
	Cancer Cause & Prevention Research	93.393	5U24CA196172-03	97	-
	Cancer Detection & Diagnosis Research	93.394	5U24CA196172-04	14,331	-
	Cancer Detection & Diagnosis Research	93.394	5U25CA196172-05	8,998	-
Emory University	Allergy, Immunology & Transplantation Research	93.855	5P01AI080192-05	193	-
	Allergy, Immunology & Transplantation Research	93.855	5R37AI112787-05	26,007	-
	Allergy, Immunology & Transplantation Research	93.855	5U19AI057266-14	(840)	-
	Allergy, Immunology & Transplantation Research	93.855	5U19AI057266-15	160,140	-
	Allergy, Immunology & Transplantation Research	93.855	5U19AI090023-09	52,001	-
	Cancer Cause & Prevention Research	93.393	5U01HL128566-04	14,250	-
	Cancer Treatment Research	93.395	5U10CA180950-05	14,225	-
	Heart & Vascular Disease Research	93.837	5U01HL128566-03	(1,047)	-
Fred Hutchinson Cancer Research Center	21st Century Cures Act - Beau Biden Cancer Moonshot	93.353	5UM1CA154967-08	2,788	-
	Cancer Cause & Prevention Research	93.393	5R01CA211996-02	10,894	-
	Cancer Cause & Prevention Research	93.393	5U01CA137088-08	37,189	-
	Cancer Cause & Prevention Research	93.393	5U01CA137088-09	71,592	-
	Cancer Treatment Research	93.395	5R01CA118953-10	2,351	-
	Heart & Vascular Disease Research	93.837	4P01HL110787-05	55,528	-
Georgetown University	Cancer Cause & Prevention Research	93.393	5U01CA199218-03	56,867	-
	Cancer Cause & Prevention Research	93.393	5U01CA199218-04	267,665	-
	Cancer Cause & Prevention Research	93.393	5U01CA199218-05	35,076	-
Harvard Medical School	Allergy, Immunology & Transplantation Research	93.855	1U19AI133524-01	(11,672)	-
	Allergy, Immunology & Transplantation Research	93.855	51U19AI133524-01	(3,129)	-
	Allergy, Immunology & Transplantation Research	93.855	51U19AI133524-02	39,930	-
	Allergy, Immunology & Transplantation Research	93.855	5P01AI056299-015	347,244	-
	Allergy, Immunology & Transplantation Research	93.855	5P01AI056299-14	(17,223)	-
	Allergy, Immunology & Transplantation Research	93.855	5P01AI112521-05	32,508	-

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	Allergy, Immunology & Transplantation Research	93.855	5P30AI060354-14	\$ (1,505)	-
	Allergy, Immunology & Transplantation Research	93.855	5P30AI060354-15	129,415	-
	Allergy, Immunology & Transplantation Research	93.855	5P30AI060354-16	34,677	-
	Allergy, Immunology & Transplantation Research	93.855	5R01AI026077-03	5,233	-
	Allergy, Immunology & Transplantation Research	93.855	5R01AI026077-04	7,420	-
	Allergy, Immunology & Transplantation Research	93.855	5U19AI109740-05	423,311	-
	Allergy, Immunology & Transplantation Research	93.855	5U19AI133524-02	33,246	-
	Biomedical Research and Research Training	93.859	1R01 GM120574-01	8,381	-
	Biomedical Research and Research Training	93.859	2U41HG003751-12S1	14,259	-
	Biomedical Research and Research Training	93.859	5P01GM107618-05	5,534	-
	Biomedical Research and Research Training	93.859	5P0GM04047467-25	(75)	-
	Biomedical Research and Research Training	93.859	5P50GM107618-05	46,934	-
	Biomedical Research and Research Training	93.859	5R01GM046498-27	6,150	-
	Biomedical Research and Research Training	93.859	5R01GM046498-28	5,161	-
	Biomedical Research and Research Training	93.859	5R01GM095567-08	107,105	-
	Biomedical Research and Research Training	93.859	5R01GM106303-02	3,438	-
	Biomedical Research and Research Training	93.859	5R01GM106303-03	506	-
	Biomedical Research and Research Training	93.859	5R01GM120574-02	(1,012)	-
	Biomedical Research and Research Training	93.859	5R01GM129026-02	3,267	-
	Biomedical Research and Research Training	93.859	5R01HL098316	43,985	-
	Biomedical Research and Research Training	93.859	5U54GM094608-05	(242)	-
	Biomedical Research and Research Training	93.859	R01GM129026	17,490	-
	Blood Diseases & Resources Research	93.839	5R01HL131768-04	123,618	-
	Blood Diseases & Resources Research	93.839	5R01HL131768-05	117,026	-
	Cancer Cause & Prevention Research	93.393	5R21CA220147-02	33,452	-
	Cancer Cause & Prevention Research	93.393	5R21CA220147-03	7,020	-
	Cancer Cause & Prevention Research	93.393	5ULTR001102-05	(17,190)	-
	Cancer Centers Support Grants	93.397	1U54CA225088-01	21,130	-
	Cancer Centers Support Grants	93.397	5U54CA225088-02	17,953	-
	Cancer Research Manpower	93.398	5K24CA181510-05	18,898	-
	Human Genome Research	93.172	5 U41HG006623-07	26,562	-
	Human Genome Research	93.172	5R01HG007118-05	(6,089)	-
	Human Genome Research	93.172	5U41HG006623-08	(6,814)	-
	Microbiology & Infectious Diseases Research	93.856	5P30AI060354-15	269,114	-
	National Center for Advancing Translational Sciences	93.350	1 KL2 TR002542-01	20,569	-
	National Center for Advancing Translational Sciences	93.350	1 UL1 TR002541-01	140,092	-
	National Center for Advancing Translational Sciences	93.350	1KL2TR002542-01	68,328	-
	National Center for Advancing Translational Sciences	93.350	1UL1TR002541-01	210,465	-
	National Center for Advancing Translational Sciences	93.350	4UL1TR001102-05	(40,448)	-
	National Center for Advancing Translational Sciences	93.350	5 UL1 TR002541-02	59,736	-
	National Center for Advancing Translational Sciences	93.350	5KL2TR002542-02	51,517	-
	National Center for Advancing Translational Sciences	93.350	5L1TR001857-03	14,157	-
	National Center for Advancing Translational Sciences	93.350	5L1TR001857-04	6,420	-
	National Center for Advancing Translational Sciences	93.350	5UL1TR001102-03	21,235	-
	National Center for Advancing Translational Sciences	93.350	5UL1TR001102-04	15,359	-
	National Center for Advancing Translational Sciences	93.350	5UL1TR001102-05	(35,391)	-
	National Center for Advancing Translational Sciences	93.350	5UL1TR001102-06	37,215	-
	National Center for Advancing Translational Sciences	93.350	5UL1TR002541-02	59,276	-
	National Center for Advancing Translational Sciences	93.350	ULTR001414	3,640	-

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	Trans-NIH Research Support	93.310	5U54HL127365-04	\$ (5)	-
	Trans-NIH Research Support	93.310	5U54HL127365-05	91,263	-
	Trans-NIH Research Support	93.310	5U54HL127365-06	31,448	-
Harvard School of Public Health	Cancer Biology Research	93.396	1R35CA220523-01A1	65,554	-
	Cancer Biology Research	93.396	5R35CA220523-02	11,672	-
	Cancer Cause & Prevention Research	93.393	1R21CA222940-01	15,559	-
	Cancer Cause & Prevention Research	93.393	1R21CA230873-01	58,648	-
	Cancer Cause & Prevention Research	93.393	5R03CA212544-02	16,106	-
	Cancer Cause & Prevention Research	93.393	5R21CA222940-02	16,162	-
	Cancer Cause & Prevention Research	93.393	5R35CA197449-02	32	-
	Cancer Cause & Prevention Research	93.393	5U01CA167552-07	84,689	-
	Cancer Cause & Prevention Research	93.393	5U01CA209414-02	86,819	-
	Cancer Cause & Prevention Research	93.393	5U01CA209414-03	73,808	-
	Cancer Cause & Prevention Research	93.393	5UH2CA191284-02	(51)	-
	Cancer Research Manpower	93.398	5T32CA009337-37	20,244	-
	Environmental Health	93.113	1R01ES028033-01A1	32,934	-
	Environmental Health	93.113	1U01ES029520-01	28,310	-
	Trans-NIH Research Support	93.310	5R25GM114818-03	13,962	-
Harvard University	Diabetes, Endocrinology & Metabolism Research	93.847	3 UC 4DK104165-01S1	157,406	-
	National Center for Advancing Translational Sciences	93.350	5UL1TR001102-05	798	-
	Research & Training in Complementary & Alternative Medicine	93.213	5R33CA225344-02	284,175	-
Indiana University	Cancer Treatment Research	93.395	1R01CA224342-01	8,344	-
	Cancer Treatment Research	93.395	1R01CA224342-02	10,062	-
Institute for Clinical Effectiveness	Cancer Center Support Grants	93.397	5P50CA217231-02	79,655	-
	Cancer Center Support Grants	93.397	5P50CA217231-03	3,220	-
The Johns Hopkins University	Cancer Treatment Research	93.395	5UM1CA137433-07	8,468	-
Kaiser Foundation Research Institute	Human Genome Research	93.172	5U01HG00792-06	28,524	-
	Human Genome Research	93.172	5U01HG00792-07	10,162	-
Kaiser Permanente	Cancer Biology Research	93.396	1UM1CA221939-01	10,526	-
	Cancer Biology Research	93.396	5UM1CA221939-02	6,983	-
	Cancer Cause & Prevention Research	93.393	5R01CA175011-05	14,376	-
	Cancer Cause & Prevention Research	93.393	5R01CA184953-04	6,107	-
	Cancer Detection & Diagnosis Research	93.394	5R01CA206196-02	75,029	-
	Cancer Detection & Diagnosis Research	93.394	5R01CA206196-03	41,781	-
Klesis LLC	Cancer Treatment Research	CONTRACT	HHSN26120180002C	79,331	-
Leidos Biomedical Research, Inc.	NIH Contract	CONTRACT	LBR 19X016Q TO-01	161,562	-
	NIH Contract	CONTRACT	LBR 19X016Q TO-02	28,520	-
	NIH Contract	CONTRACT	HHSN261200800001E	(4)	-
Massachusetts General Hospital	Allergy, Immunology & Transplantation Research	93.855	5U19AI082630-09	(154)	-
	Allergy and Infectious Diseases Research	93.855	5U19AI082630-10	122,343	-
	Cancer Cause & Prevention Research	93.855	1R21CA234708-01	19,808	-
	Cancer Cause & Prevention Research	93.839	5R01CA137178-07	11	-
	Cancer Cause & Prevention Research	93.393	5R01CA137178-08	46	-
	Cancer Cause & Prevention Research	93.393	5R01CA137178-09	54,569	-
	Cancer Cause & Prevention Research	93.393	5R01CA137178-10	15,321	-
	Cancer Centers Support Grants	93.397	5P0CA165962-05	95,060	-
	Cancer Centers Support Grants	93.397	5P50CA165962-05	30,961	-
	Cancer Detection & Diagnosis Research	93.394	1R01CA227156-01	165,123	-
	Cancer Detection & Diagnosis Research	93.394	1R01CA237133-01A1	5,793	-

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	Cancer Detection & Diagnosis Research	93.394	1R21CA220253-01A1	\$ 68,453	-
	Cancer Detection & Diagnosis Research	93.394	1UH2CA207355-01A1	7,447	-
	Cancer Detection & Diagnosis Research	93.394	5R01CA178908-04	1,912	-
	Cancer Detection & Diagnosis Research	93.394	5R01CA227156-02	66,714	-
	Cancer Detection & Diagnosis Research	93.394	5R21CA220253-02A1	5,076	-
	Cancer Detection & Diagnosis Research	93.394	5U01CA182367-02	2,466	-
	Cancer Detection & Diagnosis Research	93.394	5U01CA182367-04	147,723	-
	Cancer Detection & Diagnosis Research	93.394	5U01CA182367-05	24,403	-
	Cancer Detection & Diagnosis Research	93.394	5UH2CA207355-02	3,314	-
	Cancer Research Manpower	93.398	5R25CA181000-05	39,303	-
	Cancer Research Manpower	93.398	KL2CA090354	69,120	-
	Cancer Treatment Research	93.395	1R01CA229851-01	16,418	-
	Cancer Treatment Research	93.395	5R01CA193970-03	9,730	-
	Cancer Treatment Research	93.395	5R01CA193970-04	11,340	-
	Cancer Treatment Research	93.395	5R01CA211238-02	13,226	-
	Cancer Treatment Research	93.395	5R01CA211238-03	1,189	-
	Cancer Treatment Research	93.395	5R01CA229851-02	9,549	-
	Cancer Treatment Research	93.395	U01CA220323	10,467	-
	Discovery & Applied Res for Tech Innovations	93.286	5R01EB022077-03	55,148	-
	Discovery & Applied Res for Tech Innovations	93.286	5R01EB022077-04	153,368	-
	Extramural Res Prgms in Neurosciences & Neurological Disease	93.853	5R21NS099844-02	(427)	-
	Heart & Vascular Disease Research	93.837	2T32HL007208-41	48,011	-
	Heart & Vascular Disease Research	93.837	5R01HL130539-03	43,360	-
	Heart & Vascular Disease Research	93.837	5R01HL130539-04	12,220	-
	Heart & Vascular Disease Research	93.837	5T32HL007208-31	12,297	-
	Nursing Research	93.361	5R01NR016694-02	60,062	-
	Nursing Research	93.361	5R01NR016694-02	156,605	-
	Vision Research	93.867	1U01AI074575-01	65,501	-
Massachusetts Institute of Technology	Allergy, Immunology & Transplantation Research	93.855	1U01AI074575-01	1,508	-
	Cancer Biology Research	93.396	1U01CA214381-01A1	(4,664)	-
	Cancer Biology Research	93.396	1U01CA215798-01	1	-
	Cancer Biology Research	93.396	5U01CA214381-02	287,184	-
	Cancer Biology Research	93.396	5U01CA214381-03	20,422	-
	Cancer Biology Research	93.396	5U01CA215798-02	14,739	-
	Cancer Biology Research	93.396	5U01CA215798-03	9,139	-
	Cancer Centers Support Grants	93.397	5 U54 CA217377-02	270,807	-
	Cancer Centers Support Grants	93.397	5 U54 CA217377-03	163,004	-
	Cancer Centers Support Grants	93.397	5 U54CA217377-02	25,946	-
	Cancer Centers Support Grants	93.397	5 U54CA217377-03	53,566	-
	Cancer Detection & Diagnostic Research	93.394	5 R33 CA191143-03	328	-
	Cancer Detection & Diagnosis Research	93.394	5R01CA220468-02	68,138	-
	Cancer Detection & Diagnostic Research	93.394	5R01CA220468-03	5,981	-
Mayo Clinic College of Medicine	Cancer Treatment Research	93.395	5UG1CA189823-05	160,484	-
Mayo Foundation	Cancer Detection & Diagnosis Research	93.394	5R01CA193541-04	16,656	-
	Cancer Detection & Diagnosis Research	93.394	5R01CA193541-05	539	-
Medical College of Wisconsin	Cancer Cause & Prevention Research	93.393	5R01CA184798-04	(469)	-
	Cancer Treatment Research	93.395	5R01CA184798-03	(66)	-
	Cancer Treatment Research	93.395	5R01CA184798-05	14,093	-
	Heart & Vascular Disease Research	93.837	5U01HL128568-04	28,591	-

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Memorial Sloan-Kettering Cancer Center	Heart & Vascular Disease Research	93.837	5U01HL128568-05	\$ 11,215	-
	Cancer Biology Research	93.396	5U24CA220457-02	376,439	-
	Cancer Biology Research	93.396	5U24CA220457-03	52,679	-
	Cancer Centers Support Grants	93.397	5R01HL129472-05	1,787	-
Montefiore Medical Center	Cancer Treatment Research	93.395	5U01CA202939-03	118,664	-
	Heart & Vascular Diseases Research	93.837	5R01HL129472-04	2,478	-
	Cancer Cause & Prevention Research	93.393	5U01CA180827-05	15,216	-
	Cancer Cause & Prevention Research	93.393	5R01CA202956-03	14,620	-
Mount Sinai School of Medicine	Cancer Cause & Prevention Research	93.393	5R01CA202956-04	4,408	-
	Blood Diseases & Resources Research	93.839	1U01HL69249-01	180,536	-
National Marrow Donor Program	Blood Diseases & Resources Research	93.839	2U01HL069249-06	1,054	-
	Blood Diseases & Resources Research	93.839	5U01HL069249-09	16,384	-
	Blood Diseases & Resources Research	93.839	5U01HL069249-13	17,959	1,305
	Blood Diseases & Resources Research	93.839	5U01HL69249-10	6,686	-
	Blood Diseases & Resources Research	93.839	5U10HL069249-13	25,031	-
	Heart & Vascular Disease Research	93.837	5U10HL069249-12	8,734	-
	Cancer Treatment Research	93.395	5R01CA205150-03	12,170	-
	Cancer Treatment Research	93.395	5R01CA205150-04	11,164	-
New York University	Cancer Treatment Research	93.395	5U01CA213333-03	145,323	-
	Cancer Treatment Research	93.395	5U01CA213333-04	69,241	-
	Biomedical Research and Research Training	93.859	1R01GM121612-01	160	-
	Biomedical Research and Research Training	93.859	5R01GM120272-03	63,387	-
Northeastern University	Biomedical Research and Research Training	93.859	5R01GM120272-04	1,795	-
	Biomedical Research and Research Training	93.859	5R01GM121612-02	57,904	-
	Blood Diseases & Resources Research	93.839	5R01HL124315-04	16,499	-
	Cancer Research Manpower	93.398	2R25CA174650-06	3,839	-
	Cancer Research Manpower	93.398	5R25CA174650-05	18,736	-
	Allergy and Infectious Diseases Research	93.855	5U01AI035039-26	11,970	-
	Cancer Cause & Prevention Research	93.393	1R01CA218436-01	848	-
	Cancer Cause & Prevention Research	93.393	5R01CA218436-02	21,578	-
Northwestern University	Cancer Cause & Prevention Research	93.393	5R01CA218436-03	4,122	-
	Medical Library Assistance	93.879	1R21LM013097-01	10,417	-
	Cancer Treatment Research	93.395	5U10CA180868-05	7,000	-
	Cancer Treatment Research	93.395	5U10CA180868-06	13,827	-
NRG Oncology Foundation, Inc.	Cancer Treatment Research	93.395	5UG1CA189867-05	15,572	-
	Cancer Treatment Research	93.395	5U10CA180861-05	115,336	-
	Blood Diseases & Resources Research	93.839	2P01HL048546-21A1	(757)	-
	Blood Diseases & Resources Research	93.839	5P01HL048546-22	4,115	-
	Blood Diseases & Resources Research	93.839	5P01HL048546-23	327,637	-
	Blood Diseases & Resources Research	93.839	5P01HL048546-23A1	134,392	-
	Cancer Treatment Research	93.395	5P01HL048546-24	69,301	-
	Cancer Treatment Research	93.395	5U10CA180888-05	(178)	-
	National Center for Research Resources	93.389	5P01HL048546-24A1	76,365	-
	Trans-NIH Research Support	93.310	1R01AI145057-01	46,512	-
Pennsylvania State University	Trans-NIH Research Support	93.310	5R01AI145057-02	167	-
	Cancer Cause & Prevention Research	93.393	5R01CA204639-03	74,493	-
Rockefeller University	Cancer Cause & Prevention Research	93.393	5R01CA204639-04	131,697	-
	Cancer Biology Research	93.396	1R01CA207757-01	(1,636)	-
Roswell Park Cancer Institute	Cancer Biology Research	93.396	5R01CA207757-03	156,059	-

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	Cancer Biology Research	93.396	5R01CA207757-04	\$ 11,997	-
	Cancer Treatment Research	93.395	1R21CA202358-01A1	28	-
	Human Genome Research	93.172	5U41HG004059-14	50,631	-
	Human Genome Research	93.172	5U41HG004059-15	91,331	-
Rutgers University	Cancer Cause & Prevention Research	93.393	5R01CA149705-08	55,378	-
	Cancer Cause & Prevention Research	93.393	5R01CA149705-09	9,690	-
Saic Frederick	NIH Contract	CONTRACT	HHSN261200800001E	(19,500)	-
Salk Institute for Biological Studies	Extramural Res Prgms in Neurosciences & Neurological Disease	93.853	5R01NS086372-05	97,146	-
Sarcoma Alliance for Research Through Collaboration	Cancer Centers Support Grants	93.397	4U54CA168512-06	8,578	-
Scripps Research Institute	Biomedical Research and Research Training	93.859	2U54GM103368-06	(8,006)	-
	Biomedical Research and Research Training	93.859	5P50GM103368-04	(233)	-
	Biomedical Research and Research Training	93.859	5U54GM103368-07	334,242	-
	Biomedical Research and Research Training	93.859	5U54GM103368-08	23,694	-
St. Jude Children's Research Hospital	Cancer Cause & Prevention Research	93.393	1R01CA216391-01A1	157,854	-
The Johns Hopkins University	Cancer Cause & Prevention Research	93.393	5U01CA210170-03	33,937	-
	Cancer Cause & Prevention Research	93.393	5U01CA210170-04	12,966	-
	Cancer Treatment Research	93.395	5UM1CA137443-07	9,355	-
	Cancer Treatment Research	93.395	5UM1CA137443-09	59	-
	Cancer Treatment Research	93.395	5UM1CA137443-10	37,161	-
	Cancer Treatment Research	93.395	UM1CA137443-08	3,608	-
The University of Tennessee	Nursing Research	93.361	1R01NR017848-01	14,278	-
	Nursing Research	93.361	5R01NR017848-02	9,568	-
Transgenomic, Inc.	Cancer Centers Support Grants	93.397	1R41CA180389-01	30,000	-
U.Kansas Center for Research Inc.	Allergy, Immunology & Transplantation Research	93.855	5 R01 AI125093-03	130,126	-
	Allergy, Immunology & Transplantation Research	93.855	5 R01 AI125093-04	58,230	-
University of Massachusetts Medical School	Human Genome Research	93.172	1U24HG009446-01	(62)	-
	Human Genome Research	93.172	5R01HG009446-03	48,613	-
	Human Genome Research	93.172	5U24HG009446-02	19,151	-
	Human Genome Research	93.172	5UHG009446-03	53,752	-
University of California, Los Angeles (UCLA)	Cancer Treatment Research	93.395	5 R01 CA213133-02	28,847	-
	Cancer Treatment Research	93.395	5R01CA200977-03	110,131	-
	Cancer Treatment Research	93.395	5R01CA200977-04	32,861	-
	Cancer Treatment Research	93.395	5R01CA213133-03	5,518	-
University of Alabama, Birmingham	Cancer Centers Support Grants	93.397	2P50CA107399-11A1	44,194	-
	Cancer Treatment Research	93.395	1R21CA218973-01A1	25,239	-
University of California, San Francisco	Extramural Res Prgms in Neurosciences & Neurological Disease	93.393	5R01NS088355-02	226	-
	Extramural Res Prgms in Neurosciences & Neurological Disease	93.395	5R01NS088355-04	135,502	-
	Extramural Res Prgms in Neurosciences & Neurological Disease	93.853	5R01NS088355-05	62,955	-
	Mental Health Research Grants	93.242	1R01MH115676-01A1	38,804	-
	Mental Health Research Grants	93.242	5R01MH115676-02	135,801	-
University of California, San Diego	Biomedical Research and Research Training	93.859	5P41GM103504-08	127,053	-
	Biomedical Research and Research Training	93.859	5P41GM103504-10	89,033	-
	Cancer Treatment Research	93.395	5P01CA081534-16	(302)	-
University of Colorado	Heart & Vascular Disease Research	93.837	5R01HL27240-04	50,557	-
University of Connecticut	Human Genome Research	93.172	5R21HG009021-02	50,243	-
University of Florida	Cancer Biology Research	93.396	R01CA180475-05	28,635	-
University of Louisville Hospital	Allergy, Immunology & Transplantation Research	93.855	1R21AI142590-01	121,949	-
University of Michigan	Blood Diseases & Resources Research	93.839	5R01HL128046-03	(121)	-
	Cancer Centers Support Grants	93.397	2U54CA163059-06	1	-

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	Cancer Centers Support Grants	93.397	5U54CA163059-07	\$ (316)	-
	Cancer Detection & Diagnostic Research	93.394	5U01CA086400-18	21,112	-
	Cancer Detection & Diagnostic Research	93.394	5U01CA086400-19	21,436	-
	Cancer Detection & Diagnostic Research	93.394	U01CA086400	15,740	-
University of Minnesota	Cancer Treatment Research	93.395	5P01CA065493-23	(7,962)	-
	Child Health and Human Development Extramural Research	93.865	5U54HD093540-02	251,532	-
	Child Health and Human Development Extramural Research	93.865	5U54HD093540-03	97,112	-
University of North Carolina	Cancer Treatment Research	93.395	5R01CA199064-03	1,420	-
	Cancer Treatment Research	93.395	5R01CA199064-04	717	-
	Cancer Treatment Research	93.395	5R01CA201225-02	(255)	-
	Cancer Treatment Research	93.395	5R01CA201225-03	4,833	-
	Cancer Treatment Research	93.395	5R01CA201225-04	38,111	-
	Cancer Treatment Research	93.395	5UG1CA189823-02	10,749	-
University of Pennsylvania	Cancer Biology Research	93.396	5P01CA098101-15	189,014	-
University of Pittsburgh	Biomedical Research and Research Training	93.859	5P50GM082251-09	56	-
	Biomedical Research and Research Training	93.859	5P50GM08225-12	302,876	-
	Biomedical Research and Research Training	93.859	5P50GM08225-13	78,670	-
University of Puerto Rico	Extramural Research Restoration Program	93.663	3R25MD010399-04S1	5,028	-
	Trans-NIH Research Support	93.310	1R25MD010399-01	(8,779)	-
	Trans-NIH Research Support	93.310	5R25MD010399-04	11,882	-
University of Texas, MD Anderson Cancer	Cancer Centers Support Grants	93.397	5U54CA163125-05	(22,341)	-
	NIH Contract	CONTRACT	HHSN26101200034L	(1,839)	-
	NIH Contract	CONTRACT	HHSN261000013	135	-
	NIH Contract	CONTRACT	HHSN261201200034I	10,536	-
	NIH Contract	CONTRACT	HHSN261201200341	27,411	-
University of Virginia, Charlottesville	Cancer Biology Research	93.396	5R24OD023697-02	212,931	-
	Cancer Biology Research	93.396	5R24OD023697-03	182,647	-
	Child Health and Human Development Extramural Research	93.865	5R01HD069352-05	(241)	-
Vanderbilt University	Allergy, Immunology & Transplantation Research	93.855	1R01AI136301-01A1	337,694	-
	Allergy, Immunology & Transplantation Research	93.855	5R01AI136301-02	269,387	-
	Cancer Cause & Prevention Research	93.393	1R01CA225005-01A1	22,955	-
	Cancer Cause & Prevention Research	93.393	5R01CA225005-02	4,665	-
Weill Medical College, Cornell University	Cancer Centers Support Grants	93.397	5P50CA211024-02	346,694	-
	Cancer Centers Support Grants	93.397	5P50CA211024-03	29,728	-
Whitehead Institute	Cancer Biology Research	93.396	5P01CA080111-20	363,586	-
	Cancer Cause & Prevention Research	93.395	5P01CA080111-20	170,510	-
Wyss Institute at Harvard University	Biomedical Research and Research Training	93.859	1R01GM131401-01	59,255	-
	Biomedical Research and Research Training	93.859	5R01GM131401-02	1,450	-
	Cancer Biology Research	93.396	5U01CA21436-03	118,101	-
	Cancer Biology Research	93.396	5U01CA214369-02	165,844	-
	Heart & Vascular Diseases Research	93.837	5UG3HL141798-02	(5,466)	-
Yale University	Allergy, Immunology & Transplantation Research	93.855	5P01AI039671-21	176,500	-
	Allergy, Immunology & Transplantation Research	93.855	5P01AI039671-22	13,023	-
	Allergy, Immunology & Transplantation Research	93.855	5R01CA118553-02	94,874	-
	Allergy, Immunology & Transplantation Research	93.855	5R01CA169141-07	80,985	-
	Lung Diseases Research	93.838	5R01CA118553-03	220,667	—
	Subtotal Pass-Through Programs			<u>28,810,057</u>	<u>130,074</u>
	Total NIH			<u>169,788,078</u>	<u>34,138,768</u>

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Total U.S. Department of Health and Human Services				\$ 171,605,297	34,224,068
U. S. Department of Defense:					
U.S. Army Medical Command					
	Military Medical Research & Development	12.420		6,750,593	148,702
Subtotal Direct Program				6,750,593	148,702
Pass-Through Programs From:					
Beth Israel Deaconess Medical Center	Military Medical Research & Development	12.420	W81XWH-16-1-0591	(1)	—
Boston Children's Hospital	Military Medical Research & Development	12.420	W81XWH-18-20056	66,220	—
Boston VA Medical Center	Military Medical Research & Development	12.420	W81XWH-17-1-0217	162,707	—
Brigham & Women's Hospital	Military Medical Research & Development	12.420	W81XWH-17-1-0689	(10,995)	—
The Broad Institute	Military Medical Research & Development	12.420	W81XWH-18-1-0809	10,359	—
Duke University	Military Medical Research & Development	12.420	W81XWH-14-1-0473	4,274	—
Emory University	Military Medical Research & Development	12.420	W81XWH-16-0108	(1)	—
Henry M. Jackson Foundation	Military Medical Research & Development	12.420	W81XWH-15-1-0381	26,928	—
Massachusetts Institute of Technology	Military Medical Research & Development	12.420	W81XWH-14-1-0240	577,665	—
Memorial Sloan-Kettering Cancer Center	Military Medical Research & Development	12.420	W81XWH-18-1-0200	57,332	—
The Johns Hopkins University	Military Medical Research & Development	12.420	W81XWH-17-1-0425	28,875	—
Thomas Jefferson University	Military Medical Research & Development	12.420	W81-XWH-15-1-0016	(386)	—
University of Massachusetts Medical School	Military Medical Research & Development	12.420	W81XWH-15-1-0317	154,999	—
University of Alabama, Birmingham	Military Medical Research & Development	12.420	W81XWH-16-2-0038	174,938	—
University of California, San Francisco	Military Medical Research & Development	12.420	W81XWH-18-1-0489	5,500	—
University of Melbourne	Military Medical Research & Development	12.420	W81XWH-15-1-0160	2,032	—
Washington University	Military Medical Research & Development	12.420	W81XWH-18-10084	152,777	—
Subtotal Pass-Through Programs				1,413,223	—
Total U.S. Army Medical Command				8,163,816	148,702
Department of the Navy, Office of the Chief of Naval Research					
Subtotal Direct Program					
	Basic and Applied Scientific Research Dept of Defense	12.300	N00014-18-1-2566	277,271	—
Total Department of the Navy, Office of the Chief of Naval Research				277,271	—
Advanced Research Projects Agency					
Subtotal Direct Programs					
	Research and Technology Development	12.910	HR0011-12-1-0014	331	—
Total Advanced Research Projects Agency				331	—
Total U.S. Department of Defense				8,441,418	148,702
U.S. Department of Energy					
Subtotal Direct Program					
	Conservation Research and Development	81.086	DE-EE0008310	187,963	—
Total Department of Energy				187,963	—

DANA-FARBER CANCER INSTITUTE, INC. AND SUBSIDIARIES

Supplementary Schedule of Expenditures of Federal Awards

Expenditures for the year ended September 30, 2019

<u>Federal grantor/pass-through grantor</u>	<u>Program title</u>	<u>Federal CFDA number</u>	<u>Pass-through grantor identifying number</u>	<u>Federal expenditures</u>	<u>Expenditures passed through to subrecipients</u>
Department of Veterans Affairs					
VA Boston Healthcare System West Roxbury		CONTRACT	523D75236	\$ (5,033)	—
Subtotal Pass-Through Programs				<u>(5,033)</u>	<u>—</u>
Total Department of Veterans Affairs				<u>(5,033)</u>	<u>—</u>
National Science Foundation:					
	Mathematical and Physical Sciences	47.049	1545839	123,789	—
	Mathematical and Physical Sciences	47.049	1810829	<u>115,049</u>	<u>—</u>
Subtotal Direct Programs				<u>238,838</u>	<u>—</u>
Pass-Through Programs From:					
Columbia University	Engineering Grants	47.041	CBET 1743420	45,833	—
Travera LLC	Engineering Grants	47.041	1841883	22,953	—
Wyss Institute at Harvard University	Computer and Information Science and Engineering	47.070	CCF-1317291	<u>1,218</u>	<u>—</u>
Subtotal Pass-Through Programs				<u>70,004</u>	<u>—</u>
Total National Science Foundation				<u>308,842</u>	<u>—</u>
Total expenditures of federal awards - Research and Development Cluster				<u>\$ 180,538,487</u>	<u>34,372,770</u>

See accompanying notes to supplementary schedule of expenditures of federal awards.

DANA-FARBER CANCER INSTITUTE, INC. AND SUBSIDIARIES
Notes to Supplementary Schedule of Expenditures of Federal Awards
Year ended September 30, 2019

(1) Definition of Reporting Entity

The accompanying Supplementary Schedule of Expenditures of Federal Awards (Schedule) presents the activity of all federal awards of Dana-Farber Cancer Institute, Inc. and Subsidiaries (the Institute). All federal awards received directly from federal agencies, as well as federal awards passed through other agencies, are included on the Schedule. The Schedule also denotes awards passed through from the Institute to other nonfederal subrecipient organizations.

(2) Basis of Presentation

The accounting and reporting policies of the Institute are set forth below:

Basis of Presentation

The Schedule is prepared on the accrual basis of accounting.

(3) Indirect Costs

Indirect costs are charged to federal grants and contracts at federally approved predetermined rates. The predetermined rate for the year ended September 30, 2019 was 78%. Indirect costs recovered are included in reported federal expenditures. The Institute has elected to not use the 10% de minimis indirect cost rate allowed under the Uniform Guidance.



KPMG LLP
Two Financial Center
60 South Street
Boston, MA 02111

Exhibit II

**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
Dana-Farber Cancer Institute, Inc. and Subsidiaries:

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 Dana-Farber Cancer Institute, Inc. and Subsidiaries, which comprise the consolidated balance sheet as of September 30, 2019, the related consolidated statements of operations and changes in net assets and cash flows for the year then ended, and the related notes to the consolidated financial statements, and have issued our report thereon dated January 24, 2020.

Internal Control Over Financial Reporting

In planning and performing our audit of the consolidated financial statements, we considered Dana-Farber Cancer Institute, Inc. and Subsidiaries' internal control over financial reporting (internal control) to determine the 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 Dana-Farber Cancer Institute, Inc. and Subsidiaries' internal control. Accordingly, we do not express an opinion on the effectiveness of Dana-Farber Cancer Institute, Inc. and Subsidiaries' 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 combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity's consolidated financial statements will not be prevented, or detected and corrected, on a timely basis. A significant deficiency is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness yet important enough to merit attention by those charged with governance.

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



Compliance and Other Matters

As part of obtaining reasonable assurance about whether Dana-Farber Cancer Institute, Inc. and Subsidiaries' 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 determination of consolidated financial statement amounts. 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 Dana-Farber Cancer Institute, Inc. and Subsidiaries' internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering Dana-Farber Cancer Institute, Inc. and Subsidiaries' internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

KPMG LLP

Boston, Massachusetts
January 24, 2020



KPMG LLP
Two Financial Center
60 South Street
Boston, MA 02111

Exhibit III

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

The Board of Trustees
Dana-Farber Cancer Institute, Inc. and Subsidiaries:

Report on Compliance for Major Federal Program

We have audited Dana-Farber Cancer Institute, Inc. and Subsidiaries' compliance with the types of compliance requirements described in the *OMB Compliance Supplement* that could have a direct and material effect on Dana-Farber Cancer Institute, Inc. and Subsidiaries' major federal program for the year ended September 30, 2019. Dana-Farber Cancer Institute, Inc. and Subsidiaries' major federal program is identified in the summary of auditors' results section of the accompanying Schedule of Findings and Questioned Costs.

Management's Responsibility

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

Auditors' Responsibility

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

We believe that our audit provides a reasonable basis for our opinion on compliance for Dana-Farber Cancer Institute, Inc. and Subsidiaries' major federal program. However, our audit does not provide a legal determination of Dana-Farber Cancer Institute, Inc. and Subsidiaries' compliance.

Opinion on Major Federal Program

In our opinion, Dana-Farber Cancer Institute, Inc. and Subsidiaries complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on its major federal program for the year ended September 30, 2019.



Other Matters

The results of our auditing procedures disclosed instances of noncompliance which are required to be reported in accordance with the Uniform Guidance and which is described in the accompanying schedule of findings and questioned costs as item 2019-001. Our opinion on the Institute's major program is not modified with respect to this matter.

Dana-Farber Cancer Institute and Subsidiaries' response to the noncompliance finding identified in our audit is described in the accompanying schedule of findings and questioned costs. Dana-Farber Cancer Institute and Subsidiaries' is also responsible for preparing a corrective action plan to address the audit finding in our auditors' report. Dana-Farber Cancer Institute and Subsidiaries' response and corrective action plan were not subjected to the auditing procedures applied in the audit of compliance and, accordingly, we express no opinion on the response or the corrective audit plan.

Report on Internal Control Over Compliance

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

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

Our consideration of internal control over compliance was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses. However, we did identify a deficiency in internal control over compliance, described in the accompanying schedule of findings and questioned costs as item 2019-001, that we consider to be a significant deficiency.

Dana-Farber Cancer Institute and Subsidiaries' response to the internal control over compliance finding identified in our audit is described in the accompanying schedule of findings and questioned costs. Dana-Farber Cancer Institute and Subsidiaries' is also responsible for preparing a corrective action plan to address the audit finding included in our auditors' report. Dana-Farber Cancer Institute and Subsidiaries' response and corrective action plan were no subjected to the auditing procedures applied in the audit of compliance and, accordingly, we express no opinion on the response 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 Supplementary Schedule of Expenditures of Federal Awards Required by the Uniform Guidance

We have audited the consolidated financial statements of Dana-Farber Cancer Institute, Inc. and Subsidiaries as of and for the year ended September 30, 2019, and have issued our report thereon dated January 24, 2020, 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 supplementary 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 in accordance with auditing standards generally accepted in the United States of America. In our opinion, the supplementary 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

Boston, Massachusetts
June 25, 2020

DANA-FARBER CANCER INSTITUTE, INC. AND SUBSIDIARIES

Schedule of Findings and Questioned Costs

Year ended September 30, 2019

(1) Summary of Auditors' Results

Consolidated Financial Statements

Type of auditors' report issued on whether the consolidated financial statements were prepared in accordance with U.S. generally accepted accounting principles:

Unmodified

Internal control over financial reporting:

- Material weaknesses? Yes No
- Significant deficiencies? Yes None reported

Noncompliance material to consolidated financial statements noted?

Yes No

Federal Awards

Internal control over major program:

- Material weaknesses? Yes No
- Significant deficiencies? Yes None reported

Type of auditors' report issued on compliance for major program:

Unmodified

Any audit findings disclosed that are required to be reported in accordance with Section 200.516(a) of Uniform Guidance?

Yes No

Identification of Major Program

Name of federal program or cluster	CFDA #
Research and Development Cluster	Various

Dollar threshold used to distinguish between Type A and Type B programs:

\$3,000,000

Auditee qualified as low-risk auditee?

Yes No

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

None

DANA-FARBER CANCER INSTITUTE, INC. AND SUBSIDIARIES

Schedule of Findings and Questioned Costs

Year ended September 30, 2019

(3) Findings and Questioned Costs Relating to Federal Awards

2019-001: Completeness of Equipment Inventory

Grantor: Department of Health and Human Services/National Institutes of Health

Program Name: Research and Development Cluster

Federal Award Year: October 1, 2018 through September 30, 2019

Federal Award Numbers: See accompanying Supplementary Schedule of Expenditures of Federal Awards

CFDA Numbers: See accompanying Supplementary Schedule of Expenditures of Federal Awards

Criteria or Requirement

A physical inventory of 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)). Further, records for real property and equipment acquired with Federal funds must be retained for three years after final disposition (2 CFR section 200.333(c)).

Condition Found, Including Perspective

The Institute's current inventory process control encompasses only equipment acquired with Federal funds during the last five years. Based on the engagement team's inventory testing, the Institute maintains equipment acquired with Federal funds beyond five years that has not been subjected to the inventory process.

Possible Cause

The Institute's general record retention policy is inconsistent with Federal regulations (2 CFR section 200.333(c)). Additionally, there is currently no formal written policy related to the periodic inventorying of equipment acquired with Federal funds.

Effect

The Institute's inventory of equipment acquired with Federal funds is incomplete.

Questioned Costs

None identified.

Statistical Validity

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

Repeat Finding from the Prior Year

DANA-FARBER CANCER INSTITUTE, INC. AND SUBSIDIARIES

Schedule of Findings and Questioned Costs

Year ended September 30, 2019

No.

Recommendation

We recommend that the Institute (1) perform a complete inventory count of equipment acquired with Federal funds as required by 2 CFR section 200.313(d)(2) and (2) develop and implement formal written policies related to the periodic inventory of equipment acquired with Federal funds and Federal record retention policies as required by 2 CFR section 200.333(c).

Views of Responsible Officials

Management agrees with the recommendations to conduct a complete inventory count of equipment acquired with Federal funds, including equipment acquired beyond five years, and to develop separate formal written policies and procedures that are specific to the periodic inventory of equipment acquired with Federal funds. A full inventory of current Federal assets will be performed and verified against the Institute's Asset Management System.

During the inventory the following steps will be taken:

- a. Verification that all equipment is tagged and on active status.
- b. Equipment identified as Federal assets that are not tagged will be tagged.
- c. Untagged assets that are not useable in accordance with Federal regulation (2 CFR section 200.333(c)) will be disposed.
- d. Records will be retained for three years after final disposition for assets acquired with Federal funds, (2 CFR section 200.333(c)).
- e. Asset Management tracking modules and reports will be updated to reflect any appropriate changes in the Institute's records.

Once the inventory has been completed all Asset Management personnel and the Research community responsible for equipment management at the Institute will be educated on the federal requirements for record retention of equipment acquired with Federal funds and the updated policies and procedures.

DANA-FARBER CANCER INSTITUTE, INC. AND SUBSIDIARIES

Schedule of Findings and Questioned Costs

Year ended September 30, 2019

Finding Number:	2019-001
Program Information:	Research and Development Cluster
Federal Agency:	Department of Health and Human Services/National Institutes of Health
Program Name:	Research and Development Cluster
Federal Award Year:	October 1, 2018 through September 30, 2019
Federal Award Numbers:	See accompanying Schedule of Expenditures of Federal Awards
CFDA Numbers:	See accompanying Schedule of Expenditures of Federal Awards
Compliance requirements:	Completeness of Equipment Inventory

Condition Found, Including Perspective

The Institute's current inventory process control encompasses only equipment acquired with Federal funds during the last five years. Based on the engagement team's inventory testing, the Institute maintains equipment acquired with Federal funds beyond five years that has not been subjected to the inventory process.

Institute Response

DFCI concurs with the findings and recommendations associated with the Completeness of Equipment Inventory criteria and will conduct a full inventory count of equipment acquired with Federal funds, including equipment acquired beyond five years. In addition, DFCI will develop separate formal written policies and procedures that are specific to the periodic inventory of equipment acquired with Federal funds.

Corrective Plan:

To ensure that all DFCI's current federal assets are tallied, the inventory count procedure will include the following practice:

- a. Verification that all equipment is tagged and on active status.
- b. Equipment identified as Federal assets that are not tagged will be tagged.
- c. Untagged assets that are not useable in accordance with Federal regulation (2 CFR section 200.333(c)) will be disposed.
- d. Records will be retained for three years after final disposition for assets acquired with Federal funds, (2 CFR section 200.333(c)).
- e. Asset Management tracking modules and reports will be updated to reflect any appropriate changes in the Institute's records.

Once the inventory has been completed all Asset Management personnel and the Research community responsible for equipment management at the Institute will be educated on the federal requirements for record retention of equipment acquired with Federal funds and the updated policies and procedures.

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