

**University of
Notre Dame du Lac**
**Report on Federal Financial Assistance
Programs in Accordance with the
Uniform Guidance
For the Year Ended June 30, 2022
EIN 35-0868188**

University of Notre Dame du Lac
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For the year ended June 30, 2022

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Part I

Consolidated Financial Statements



Report of Independent Auditors

To the Board of Trustees of the University of Notre Dame du Lac

Report on the Audit of the Consolidated Financial Statements

Opinion

We have audited the accompanying consolidated financial statements of the University of Notre Dame du Lac and its subsidiaries (the “University”), which comprise the consolidated statements of financial position as of June 30, 2022 and 2021, and the related consolidated statements of changes in net assets, of functional expenses, and of cash flows for the years then ended, including the related notes (collectively referred to as the “consolidated financial statements”).

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

Basis for Opinion

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

Responsibilities of Management for the Consolidated Financial Statements

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

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

Auditors’ Responsibilities for the Audit of the Consolidated Financial Statements

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



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

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

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

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

Supplemental Information

Our audit was conducted for the purpose of forming an opinion on the consolidated financial statements as a whole. The accompanying schedule of expenditures of federal awards for the year ended June 30, 2022 and the financial responsibility supplemental schedule as of and for the year ended June 30, 2022 are presented for purposes of additional analysis as required by Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance) and the Department of Education, respectively, and are not a required part of the consolidated financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the consolidated financial statements. The information has been subjected to the auditing procedures applied in the audit of the consolidated financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the consolidated financial statements or to the consolidated financial statements themselves, and other additional procedures, in accordance with auditing standards generally accepted in the United States of America. In our opinion, the schedule of expenditures of federal awards and the financial



responsibility supplemental schedule are fairly stated, in all material respects, in relation to the consolidated financial statements taken as a whole.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated November 11, 2022, except with respect to footnote 22 to the consolidated financial statements and the opinion on the financial responsibility supplemental schedule, as to which the date is January 13, 2023, on our consideration of the University's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters for the year ended June 30, 2022. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing and not to provide an opinion on the effectiveness of internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the University's internal control over financial reporting and compliance.

PricewaterhouseCoopers LLP

Chicago, Illinois

November 11, 2022, except with respect to footnote 22 to the consolidated financial statements and the opinion on the financial responsibility supplemental schedule, as to which the date is January 13, 2023.

University of Notre Dame du Lac

Consolidated Statements of Financial Position

As of June 30

(in thousands)

	<u>2022</u>	<u>2021</u>
Assets		
Cash and cash equivalents	\$ 104,938	\$ 148,031
Accounts receivable, net (Note 3)	76,628	68,011
Deferred charges and other assets (Note 4)	158,733	117,559
Contributions receivable, net (Note 5)	550,462	515,474
Notes receivable, net (Note 6)	16,522	19,013
Investments (Note 7)	21,133,580	22,845,772
Land, buildings, and equipment, net of accumulated depreciation (Note 8)	2,558,678	2,549,285
	<hr/>	<hr/>
Total assets	\$ 24,599,541	\$ 26,263,145
Liabilities		
Accounts payable	\$ 48,506	\$ 92,639
Short-term borrowing (Note 9)	4,000	43,003
Deferred revenue and refundable advances (Note 10)	221,456	168,469
Deposits and other liabilities (Note 11)	303,042	304,814
Liabilities associated with investments (Note 7)	2,232,999	2,494,892
Obligations under split-interest agreements (Note 17)	307,406	311,957
Bonds and notes payable (Note 12)	1,263,512	1,264,576
Pension and other postretirement benefit obligations (Note 14)	73,945	104,218
	<hr/>	<hr/>
Total liabilities	4,454,866	4,784,568
Net Assets		
Without donor restrictions (Note 15)	9,279,548	9,756,218
With donor restrictions (Note 15)	10,865,127	11,722,359
	<hr/>	<hr/>
Total net assets	20,144,675	21,478,577
	<hr/>	<hr/>
Total liabilities and net assets	\$ 24,599,541	\$ 26,263,145

See accompanying notes to consolidated financial statements.

University of Notre Dame du Lac

Consolidated Statements of Changes in Net Assets

Years ended June 30

(in thousands)

	<i>Without donor restrictions</i>	<i>With donor restrictions</i>	2022 Total	2021 Total
Operating Revenues and Other Additions				
Net tuition and fees (Note 18)	\$ 369,306	\$ -	\$ 369,306	\$ 361,173
Grants and contracts (Note 19)	185,539	-	185,539	160,798
Contributions	56,793	60,920	117,713	133,695
Endowment payout (Note 16)	161,022	304,781	465,803	428,881
Sales and services of auxiliary enterprises (Note 20)	341,758	-	341,758	233,079
Other sources	44,731	-	44,731	32,834
Total operating revenues	1,159,149	365,701	1,524,850	1,350,460
Net assets released from restrictions (Note 15)	339,463	(339,463)	-	-
Total operating revenues and other additions	1,498,612	26,238	1,524,850	1,350,460
Operating Expenses	(1,402,215)	-	(1,402,215)	(1,234,582)
Increase in net assets from operations	96,397	26,238	122,635	115,878
Non-Operating Changes in Net Assets				
Contributions	41,611	340,065	381,676	204,772
Investment return (Note 7)	(658,361)	(754,777)	(1,413,138)	6,899,731
Endowment payout (Note 16)	(161,022)	(304,781)	(465,803)	(428,881)
Gain on debt-related derivatives (Note 13)	50,762	-	50,762	83,063
Net assets released from restrictions (Note 15)	98,886	(98,886)	-	-
Postretirement benefits-related changes (Note 14):				
Net periodic benefit costs	429	-	429	(5,705)
Other changes	35,329	-	35,329	68,643
Change in value of split-interest agreements (Note 17)	5	(39,749)	(39,744)	49,543
Other non-operating changes	19,294	(25,342)	(6,048)	(1,960)
Increase/(decrease) in net assets from non-operating activities	(573,067)	(883,470)	(1,456,537)	6,869,206
Increase/(decrease) in net assets	(476,670)	(857,232)	(1,333,902)	6,985,084
Net assets beginning of year	9,756,218	11,722,359	21,478,577	14,493,493
Net assets end of year	\$ 9,279,548	\$ 10,865,127	\$ 20,144,675	\$ 21,478,577

See accompanying notes to consolidated financial statements.

University of Notre Dame du Lac

Consolidated Statements of Changes in Net Assets

Year ended June 30

(in thousands)

	<i>Without donor restrictions</i>	<i>With donor restrictions</i>	2021 Total
Operating Revenues and Other Additions			
Net tuition and fees (Note 18)	\$ 361,173	\$ -	\$ 361,173
Grants and contracts (Note 19)	160,798	-	160,798
Contributions	53,091	80,604	133,695
Endowment payout (Note 16)	149,591	279,290	428,881
Sales and services of auxiliary enterprises (Note 20)	233,079	-	233,079
Other sources	32,834	-	32,834
Total operating revenues	990,566	359,894	1,350,460
Net assets released from restrictions (Note 15)	301,375	(301,375)	-
Total operating revenues and other additions	1,291,941	58,519	1,350,460
Operating Expenses	(1,234,582)	-	(1,234,582)
Increase in net assets from operations	57,359	58,519	115,878
Non-Operating Changes in Net Assets			
Contributions	21,247	183,525	204,772
Investment return (Note 7)	3,185,507	3,714,224	6,899,731
Endowment payout (Note 16)	(149,591)	(279,290)	(428,881)
Gain on debt-related derivatives (Note 13)	83,063	-	83,063
Net assets released from restrictions (Note 15)	47,496	(47,496)	-
Postretirement benefits-related changes (Note 14):			
Net periodic benefit costs	(5,705)	-	(5,705)
Other changes	68,643	-	68,643
Change in value of split-interest agreements (Note 17)	(270)	49,813	49,543
Other non-operating changes	(1,524)	(436)	(1,960)
Increase in net assets from non-operating activities	3,248,866	3,620,340	6,869,206
Increase in net assets	3,306,225	3,678,859	6,985,084
Net assets beginning of year	6,449,993	8,043,500	14,493,493
Net assets end of year	\$ 9,756,218	\$ 11,722,359	\$ 21,478,577

See accompanying notes to consolidated financial statements.

University of Notre Dame du Lac

Consolidated Statements of Functional Expenses

Years ended June 30

(in thousands)

	<i>Salaries & wages</i>	<i>Benefits</i>	<i>Supplies & services</i>	<i>Depreciation (Note 8)</i>	<i>Interest</i>	2022 Total
Operating Expenses						
Academic programs and research	\$ 431,283	\$ 106,050	\$ 226,969	\$ 55,858	\$ 26,018	\$ 846,178
Auxiliary enterprises	98,782	31,137	123,247	42,297	8,865	304,328
General administration	77,348	44,249	64,780	5,858	6,848	199,083
Fundraising	29,766	8,165	12,700	224	1,771	52,626
Total operating expenses	637,179	189,601	427,696	104,237	43,502	1,402,215
Non-operating expenses						
Net periodic benefit costs (Note 14)	-	(429)	-	-	-	(429)
Expenses of consolidated company	-	-	7,835	2,619	1,690	12,144
Total expenses	\$ 637,179	\$ 189,172	\$ 435,531	\$ 106,856	\$ 45,192	\$ 1,413,930

	<i>Salaries & wages</i>	<i>Benefits</i>	<i>Supplies & services</i>	<i>Depreciation (Note 8)</i>	<i>Interest</i>	2021 Total
Operating Expenses						
Academic programs and research	\$ 401,000	\$ 101,554	\$ 167,554	\$ 54,989	\$ 27,356	\$ 752,453
Auxiliary enterprises	83,088	27,156	73,137	41,178	8,395	232,954
General administration	78,187	46,235	70,136	6,364	8,038	208,960
Fundraising	24,747	7,613	5,792	242	1,821	40,215
Total operating expenses	587,022	182,558	316,619	102,773	45,610	1,234,582
Non-operating expenses						
Net periodic benefit costs (Note 14)	-	5,705	-	-	-	5,705
Expenses of consolidated company	-	-	7,103	2,276	1,733	11,112
Total expenses	\$ 587,022	\$ 188,263	\$ 323,722	\$ 105,049	\$ 47,343	\$ 1,251,399

See accompanying notes to consolidated financial statements.

University of Notre Dame du Lac

Consolidated Statements of Cash Flows

Years ended June 30

(in thousands)

	2022	2021
Cash Flows from Operating Activities		
Increase/(decrease) in net assets	\$ (1,333,902)	\$ 6,985,084
Adjustments to reconcile change in net assets to net cash used by operating activities:		
Net (gain)/loss on investments	1,502,226	(6,894,609)
Contributions for long-term investment	(219,096)	(170,266)
Contributed securities	(120,521)	(106,456)
Proceeds from sales of securities contributed for operations	10,573	10,523
Depreciation	106,856	105,049
Loss on disposal of land, buildings, and equipment	3,211	7,337
Change in contributions receivable	(34,988)	58,341
Change in value of split-interest agreements	39,744	(49,543)
Change in pension and other postretirement benefit obligations	(30,273)	(66,585)
Changes in operating assets and liabilities:		
Accounts receivable and deferred charges and other assets	(49,791)	(70,916)
Accounts payable, deferred revenue and refundable advances, and deposits and other liabilities	6,719	64,047
Other, net	14,129	3,374
Net cash used by operating activities	<u>(105,113)</u>	<u>(124,620)</u>
Cash Flows from Investing Activities		
Proceeds from sales and maturities of investments	14,047,573	11,435,108
Purchases of investments	(14,087,516)	(11,452,946)
Purchases of land, buildings, and equipment	(115,043)	(104,637)
Student and other loans granted	(2,375)	(3,499)
Student and other loans repaid	4,770	5,629
Net cash used by investing activities	<u>(152,591)</u>	<u>(120,345)</u>
Cash Flows from Financing Activities		
Investment income restricted for non-operational purposes	7,536	6,381
Contributions for long-term investment	236,323	190,191
Proceeds from sales of securities contributed for long-term investment	109,948	93,829
Proceeds from short-term borrowing	293,269	84,693
Repayment of short-term borrowing	(332,272)	(166,690)
Payments to beneficiaries of split-interest agreements	(24,849)	(19,714)
Repayment of bonds and notes	(1,064)	(1,021)
Collateral received on debt-related derivatives	20,920	-
Return of government advances for student loans	(3,376)	(4,497)
Cash accepted for investment on behalf of religious affiliates	26,093	79,542
Cash returned to religious affiliates	(96,997)	(84,213)
Net cash provided by financing activities	<u>235,531</u>	<u>178,501</u>
Net decrease in cash balances	(22,173)	(66,464)
Cash balances at beginning of year	148,031	214,495
Cash balances at end of year	<u>\$ 125,858</u>	<u>\$ 148,031</u>
Cash balances reflected in the consolidated statements of financial position:		
Cash and cash equivalents	\$ 104,938	\$ 148,031
Deferred charges and other assets	20,920	-
	<u>\$ 125,858</u>	<u>\$ 148,031</u>
Supplemental Data		
Interest paid	\$ 45,196	\$ 46,576

See accompanying notes to consolidated financial statements.

University of Notre Dame du Lac

Notes to Consolidated Financial Statements

(All amounts in thousands)

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

BASIS OF PRESENTATION

The University of Notre Dame du Lac is a private Catholic research university. The accompanying consolidated financial statements include the assets, liabilities, and activities of certain other entities under the financial control of the University of Notre Dame du Lac. This includes the wholly-owned limited liability company cited in *Note 7* and *Note 12*, which operates a commercial property in Chicago, Illinois, for investment purposes. The University of Notre Dame du Lac and entities included herein are referred to individually and collectively as the “University.”

The accompanying consolidated financial statements have been prepared in accordance with accounting principles generally accepted in the United States of America. The consolidated financial statements reflect the activities of the University as a whole and present balances and transactions according to the existence or absence of donor-imposed restrictions. Accordingly, net assets and changes therein are classified as follows:

Net Assets Without Donor Restrictions—Net assets not subject to donor-imposed restrictions and available for any purpose consistent with the University’s mission. Revenues from grants and contracts subject to conditions and purpose restrictions are recognized within changes in net assets without donor restrictions in the period in which those conditions and restrictions are met. Other revenues are generally reported as increases in net assets without donor restrictions unless the use of the related assets is limited by donor-imposed restrictions. Investment returns generated by funds functioning as endowment and other sources are also classified as changes in net assets without donor restrictions unless the use of the related assets is limited by donor-imposed restrictions. Operating expenses are reported as decreases in net assets without donor restrictions.

Net Assets With Donor Restrictions—Net assets that are either required to be maintained in perpetuity by donors or are subject to donor-imposed purpose restrictions that must be met by actions of the University and/or passage of time. Net assets subject to donor-imposed restrictions requiring they be maintained in perpetuity are generally restricted to long-term investment and are comprised primarily of donor-restricted endowment funds. Subject to the University’s endowment spending policy, investment returns on perpetually restricted endowment funds are generally available for appropriation to support operational needs as specified by donor restriction. Contributed assets with a non-perpetual restriction normally fund specific expenditures of an operating or capital nature. Unconditional restricted contributions or investment returns received and expended within the same fiscal period are reported as increases in net assets with donor restrictions and net assets released from restrictions, respectively.

University of Notre Dame du Lac

Notes to Consolidated Financial Statements

(All amounts in thousands)

The University's measure of operations presented in the consolidated statements of changes in net assets includes revenues from net tuition and fees, grants and contracts, contributions for operations, endowment payout distributed under the University's spending policy, revenues from auxiliary enterprises, and other sources. Operating expenses are summarized in the consolidated statements of functional expenses by natural classification and functional categories. Costs incurred in direct support of the University's primary mission, including those for instruction, research, public service, academic support, and student services, are reflected within the *academic programs and research* functional category. Interest from taxable bonds and other debt is allocated to functional categories based on the proportion of expenses charged directly to each function prior to allocating costs for operations and maintenance of plant. Interest from tax-exempt bonds is allocated to functional categories based on the square footage occupancy of the related facilities. Costs for operations and maintenance of plant and depreciation are allocated to functional categories based primarily on square footage occupancy.

Non-operating activities presented in the consolidated statements of changes in net assets include contributions designated by the University or restricted by donors for endowment or investment in buildings and equipment, investment return net of the endowment payout for operations, any gains or losses on debt-related derivatives, and certain pension and postretirement benefits-related changes in net assets. Other non-operating changes in net assets include the net activities of the consolidated limited liability company described in *Note 7* and *Note 12*, the effect of changes in donor intent with respect to endowment and other funds, and other activities considered unusual or non-recurring in nature. Non-operating net assets released from restrictions generally reflect the expenditure of net assets restricted to investment in buildings and equipment and other expirations of term restrictions.

NET TUITION AND FEES

Tuition and fees for instruction and other educational services, net of scholarships and fellowships, are substantially billed and collected prior to the end of each semester. Revenues are earned and recognized over the course of each semester as educational services are delivered. Accounts receivable from students are typically insignificant at the end of each fiscal year.

Tuition scholarships and fellowships

As reflected in *Note 18*, student financial aid in the form of undergraduate scholarships, athletics grants-in-aid, and graduate and professional fellowships is reflected as contra-tuition revenue in the consolidated statements of changes in net assets.

University of Notre Dame du Lac

Notes to Consolidated Financial Statements

(All amounts in thousands)

GRANTS AND CONTRACTS

Grants for basic research and other sponsored programs are generally subject to restrictions and conditions that must be met before the University is entitled to funding. Accordingly, advances from granting agencies are generally considered refundable in the unlikely event specified activities are not completed. The University recognizes revenues on grants for basic research and other sponsored programs as the awards for such programs are expended since expenditure in accordance with award terms typically results in the simultaneous release of restrictions and conditions imposed by the grantor. Revenue from exchange contracts for applied research is recognized as the University's contractual performance obligations are substantially met. Indirect cost recovery by the University on U.S. government grants and contracts is based upon a predetermined negotiated rate and is recorded as grants and contracts revenue.

AUXILIARY ENTERPRISES

The University's auxiliary enterprises consist principally of intercollegiate athletics and enterprises that provide goods and services to the campus community, such as residence and dining halls, hospitality enterprises, bookstores, and event management services. These enterprises are managed as self-supporting activities. Revenues and expenses from auxiliary enterprises are reported as changes in net assets without donor restrictions.

Certain auxiliary revenues arise from contracts. Revenues from intercollegiate athletics ticket sales, media rights, licensing, royalties, and other contracts are received and recognized concurrent with event-based obligations or the passage of contract terms, but typically within the fiscal year. However, season ticket proceeds received prior to the report date for events scheduled in future years are recorded as deferred revenue and recognized as the associated events are completed. Charges to students for campus residence, dining, and laundry services are substantially billed and collected prior to the end of each semester. Associated revenues are earned and recognized over the course of each semester as these services are delivered. Revenues are reported net of scholarships and fellowships allocated to room and board, the total of which is insignificant. Accounts receivable from students are typically insignificant at the end of each fiscal year. Revenues generated by on-campus event management, including those from hosting concerts and professional sporting events, are recognized as event-based obligations are fulfilled. Associated contract-related liabilities at year end are insignificant.

CASH AND CASH EQUIVALENTS

Resources invested in money market funds and other short-term investments with maturities at the date of purchase of three months or less are classified as cash equivalents, except that any such investments purchased by external investment managers are classified as investments. Substantially all cash and cash equivalents are concentrated in accounts in which balances exceed Federal Deposit Insurance Corporation limits.

ACCOUNTS RECEIVABLE

Accounts receivable are recorded at face value and typically have contractual maturities of less than one year. Allowance is made for uncollectible accounts based upon management's expectations and past collection experience.

University of Notre Dame du Lac

Notes to Consolidated Financial Statements

(All amounts in thousands)

CONTRIBUTIONS RECEIVABLE

Pledges that represent unconditional promises to give are recognized at fair value as contributions with donor restrictions in the period such promises are made by donors. Contributions are discounted at a risk-adjusted rate commensurate with the duration of the donor's payment plan. Amortization of the discounts is recorded as additional contribution revenue. Allowance is made for uncollectible contributions based upon management's expectations regarding the collection of outstanding promises to give and past collection experience.

NOTES RECEIVABLE

Notes receivable, which are recorded at face value, principally represent amounts due from students under federal Perkins and institutional loan programs. A general allowance is made for uncollectible student loans after considering both long-term collection experience and current trends, such as recent default rates of cohorts entering repayment status. Other notes receivable are evaluated individually for impairment, with allowances recorded based on management's expectations given facts and circumstances related to each note.

LEASES

The University leases space and equipment for academic and administrative purposes under noncancelable operating leases. Right-of-use assets and liabilities reported in the consolidated statements of financial position are initially recognized at the present value of future minimum lease payments, which are discounted at an incremental borrowing rate appropriate to the duration of the lease term. Options to extend a lease are reflected in these amounts if and when it becomes reasonably certain the University will exercise such options. Right-of-use assets and lease liabilities are reported in the consolidated statements of financial position within the *deferred charges and other assets* and *deposits and other liabilities* lines, respectively.

The University has elected to exclude leases with an initial term of 12 months or less from the amounts reported in the consolidated statements of financial position.

INVESTMENTS

Investments are stated at estimated fair value. The University measures the fair values of investments in securities at the last sales price of the fiscal year on the primary exchange where the security is traded. Non-exchange-traded instruments and over-the-counter positions are primarily valued using independent pricing services, broker quotes, or models with externally verifiable inputs. The fair values of alternative investments (interests in private equity, hedge, real estate, and other similar funds) for which quoted market prices are not available are generally measured based on the reported partner's capital or net asset value ("NAV") as a practical expedient. The reported partner's capital or NAV provided by associated external investment managers is subject to management's assessment that the valuation provided is representative of fair value. Management exercises diligence in assessing the policies, procedures, and controls implemented by its external investment managers, and thus believes the carrying amount of these assets represents a reasonable estimate of fair value. However, because alternative investments are generally not readily

University of Notre Dame du Lac

Notes to Consolidated Financial Statements

(All amounts in thousands)

marketable, their estimated value is subject to inherent uncertainty and therefore may differ from the value that would have been used had a ready market for such investments existed.

Investments Held on Behalf of Other Entities

The University serves as the trustee for its employees' defined benefit pension plan, managing the investment assets held within the plan. The University also invests funds on behalf of religious affiliates that share the University's Catholic ministry and educational missions. Accordingly, the University reports an equal asset and liability in the consolidated statements of financial position representing the value of investments managed on behalf of these entities.

DEBT-RELATED DERIVATIVES

The University utilizes derivatives in a limited manner outside of its investment portfolio. As described in *Note 13*, interest rate swap agreements are used to manage interest rate risk associated with future anticipated bond obligations. These swaps are reported in the consolidated statements of financial position at fair value. Fair value is estimated based on pricing models that utilize significant observable inputs, such as relevant interest rates, that reflect assumptions market participants would use in pricing the instruments. Any gains or losses resulting from changes in the fair value of these swaps or periodic net cash settlements with counterparties, including settlements related to their termination of such agreements, are recognized as non-operating changes in net assets without donor restrictions.

LAND, BUILDINGS, AND EQUIPMENT

Institutional properties are stated at cost or estimated fair value if acquired by gift, less accumulated depreciation. Depreciation is computed using the straight-line method over the estimated useful lives of the assets, averaging 15 years for land improvements, 25-50 years for buildings, and 5-25 years for equipment.

The University does not capitalize the cost of library books, nor the cost or fair value of its art collection. The latter is held for exhibition and educational purposes only and not for financial gain.

Conditional Asset Retirement Obligations

The University recognizes asset retirement obligations when incurred. A discounting technique is used to calculate the present value of the capitalized asset retirement costs and the related obligation. Asset retirement costs are depreciated over the estimated remaining useful life of the related asset and the asset retirement obligation is accreted annually to the current present value. Upon settlement of an obligation, any difference between the retirement obligation and the cost to settle is recognized as a gain or loss in the consolidated statements of changes in net assets. The University's conditional asset retirement obligations relate primarily to asbestos remediation and will be settled upon undertaking associated renovation projects.

University of Notre Dame du Lac

Notes to Consolidated Financial Statements

(All amounts in thousands)

SPLIT-INTEREST AGREEMENTS

The University's split-interest agreements consist of charitable gift annuities and irrevocable charitable remainder trusts for which the University serves as trustee. Contribution revenue is recognized at the date a gift annuity or trust is established after recording a liability at the fair value of the estimated future payments to be made to beneficiaries. Estimated future payments to beneficiaries are discounted at a risk-adjusted rate. Liabilities are adjusted during the terms of the agreements to reflect payments to beneficiaries, returns on trust assets, accretion of discounts, and other considerations that affect the estimates of future payments. Net adjustments to the liabilities are recorded as changes in the value of split-interest agreements.

FAIR VALUE MEASUREMENTS

Fair value measurements reflected in the consolidated financial statements conceptually represent 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. Generally accepted accounting principles provide a hierarchy that prioritizes the inputs to fair value measurements based on the extent to which inputs to valuation techniques are observable in the marketplace. The hierarchy assigns a higher priority to observable inputs that reflect verifiable information obtained from independent sources and a lower priority to unobservable inputs that would reflect the University's assumptions about how market participants would value an asset or liability based on the best information available. Fair value measurements must maximize the use of observable inputs and minimize the use of unobservable inputs.

The three levels of the hierarchy of inputs used to measure fair value are described briefly as follows:

Level 1—Unadjusted quoted prices in active markets for identical assets or liabilities that are available at the measurement date.

Level 2—Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly.

Level 3—Unobservable inputs for the asset or liability, used in situations in which little or no market activity exists for the asset or liability at the measurement date.

The categorization of fair value measurements by level of the hierarchy is based upon the lowest level input that is significant to the overall fair value measurement for a given asset or liability.

If changes in the inputs used in the fair value measurement of an asset or liability result in a transfer of the fair value measurement to a different categorization (e.g., from Level 3 to Level 2), such transfers between fair value categories are recognized at the end of the reporting period.

USE OF ESTIMATES

The preparation of consolidated financial statements in accordance with accounting principles generally accepted in the U.S. requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities at the date of the consolidated financial statements and the reported amounts of revenues and expenses during the period. Actual results could differ from those estimates.

University of Notre Dame du Lac

Notes to Consolidated Financial Statements

(All amounts in thousands)

TAX STATUS

The University is exempt from federal income taxes under section 501(c)(3) of the Internal Revenue Code, except to the extent the University generates unrelated business income. The University is also subject to excise taxes on net investment income and executive compensation.

SUBSEQUENT EVENTS

The University has evaluated subsequent events through November 11, 2022, the date the financial statements were issued. No events requiring disclosure were identified.

NOTE 2. FINANCIAL ASSETS AND LIQUIDITY RESOURCES

Financial assets and liquidity resources available within one year for institutional needs, such as operating and capital expenses, are summarized as follows at June 30:

	<u>2022</u>		<u>2021</u>
Cash and cash equivalents	\$ 104,938	\$	148,031
Accounts receivable, net (<i>Note 3</i>)	76,628		68,011
Contributions receivable, net (<i>Note 5</i>)	77,124		72,438
Notes receivable (<i>Note 6</i>)	2,749		2,715
Investments approved for appropriation in the subsequent year	554,787		499,298
Total financial assets available within one year	816,226		790,493
Undrawn lines of credit (<i>Note 9</i>)	346,000		417,000
Unissued commercial paper (<i>Note 9</i>)	400,000		364,997
Total financial assets and liquidity resources available within one year	<u>\$ 1,562,226</u>	<u>\$</u>	<u>1,572,490</u>

The University manages its financial assets and liquidity resources to be available to fund expenditures and fulfill liabilities and other commitments as they become due. To supplement cash needs, the University maintains various short-term borrowing facilities, as described in *Note 9*. The University's excess working capital is invested in either short-term investments or the Notre Dame Endowment Pool ("NDEP").

As reflected in *Note 7*, the University held nearly \$4.5 billion in investment assets at June 30, 2022, that were measured using Level 1 and Level 2 fair value inputs. Although these assets are generally liquid within the near term, they are only considered available for expenditure to the extent they are designated as short-term working capital investments or approved for appropriation during the annual budget process under the University's endowment spending policy. Investments approved for appropriation in the subsequent year are calculated based on a board-approved spending rate. The University also has the ability to make additional one-time appropriations from working capital and endowment funds without donor restrictions to the extent that there are sufficient liquid investment assets.

University of Notre Dame du Lac

Notes to Consolidated Financial Statements

(All amounts in thousands)

NOTE 3. ACCOUNTS RECEIVABLE

Accounts receivable are summarized as follows at June 30:

	<u>2022</u>		<u>2021</u>
Research and other sponsored programs support	\$ 37,191	\$	31,398
Rights and royalties receivable	16,516		22,751
Other receivables	23,728		22,676
	<u>77,435</u>		<u>76,825</u>
Less allowances for uncollectible amounts	807		8,814
	<u>\$ 76,628</u>	<u>\$</u>	<u>68,011</u>

NOTE 4. DEFERRED CHARGES AND OTHER ASSETS

Deferred charges and other assets are summarized as follows at June 30:

	<u>2022</u>		<u>2021</u>
Debt-related derivatives (<i>Note 13</i>)	\$ 60,148	\$	40,257
Operating lease right-of-use assets	33,528		36,711
Collateral on debt-related derivatives (<i>Note 13</i>)	20,920		-
Prepaid expenses	20,390		16,285
Goodwill	6,455		6,455
Beneficial interests in perpetual trusts	5,343		6,610
Retail and other inventories	5,253		5,297
Other deferred charges	6,696		5,944
	<u>\$ 158,733</u>	<u>\$</u>	<u>117,559</u>

NOTE 5. CONTRIBUTIONS RECEIVABLE

Contributions receivable are summarized as follows at June 30:

	<u>2022</u>		<u>2021</u>
Unconditional promises expected to be collected in:			
Less than one year	\$ 251,010	\$	194,289
One year to five years	279,582		268,834
More than five years	173,533		181,220
	<u>704,125</u>		<u>644,343</u>
Less unamortized discounts and allowances	153,663		128,869
	<u>\$ 550,462</u>	<u>\$</u>	<u>515,474</u>

Contributions receivable are discounted at rates ranging from 0.22 percent to 6.91 percent at June 30, 2022 and 2021. Of the net amount expected to be collected in less than one year, only \$77,124 is expected to be available for operating and capital expenses, as described in *Note 2*.

University of Notre Dame du Lac

Notes to Consolidated Financial Statements

(All amounts in thousands)

Contributions receivable, net, are classified as net assets with donor restrictions for the following purposes at June 30:

	<u>2022</u>	<u>2021</u>
Expendable funds restricted for (<i>Note 15</i>):		
Operating purposes	\$ 63,234	\$ 88,293
Investment in land, buildings, and equipment	115,417	116,370
	<u>178,651</u>	<u>204,663</u>
Endowment funds (<i>Notes 15 and 16</i>):		
Donor-restricted endowment	370,939	309,714
University-designated endowment	872	1,097
	<u>371,811</u>	<u>310,811</u>
	<u>\$ 550,462</u>	<u>\$ 515,474</u>

As of June 30, 2022, the University had received conditional pledges of \$28,030, which are not reflected in the accompanying consolidated financial statements. Conditional promises to give are recognized when the conditions on which they depend are substantially met.

NOTE 6. NOTES RECEIVABLE

Notes receivable are summarized as follows at June 30:

	<u>2022</u>	<u>2021</u>
Student notes receivable, related to:		
Government sponsored loan programs	\$ 4,748	\$ 8,158
Institutional student loans	10,135	9,824
	14,883	17,982
Less allowances for uncollectible student notes	413	1,543
	14,470	16,439
Other notes receivable	2,052	2,574
	<u>\$ 16,522</u>	<u>\$ 19,013</u>

As reflected in *Note 10*, the University maintains a liability for government advances made in prior years to fund student loans, primarily under the Perkins Loan program, the balance of which was \$4,649 and \$7,495 at June 30, 2022 and 2021, respectively. As described in *Note 2*, note receivable collections of \$2,749 are expected to be available for general expenditure within one year. Collections of government-funded student notes receivable are not considered available for general expenditure.

University of Notre Dame du Lac

Notes to Consolidated Financial Statements

(All amounts in thousands)

NOTE 7. INVESTMENTS

Investments reflected in the consolidated statements of financial position are summarized as follows at June 30:

	<u>2022</u>	<u>2021</u>
Notre Dame Endowment Pool assets	\$ 20,794,960	\$ 22,464,776
Other investments, associated with:		
Endowment and other University designations	104,744	103,245
Split-interest agreements (Note 17)	2,566	8,071
Defined benefit pension plan (Note 14)	231,310	269,680
	<u>338,620</u>	<u>380,996</u>
	<u>\$ 21,133,580</u>	<u>\$ 22,845,772</u>

Liabilities associated with investments include the following at June 30:

	<u>2022</u>	<u>2021</u>
Liabilities representing the fair value of investments held on behalf of:		
Religious affiliates	\$ 2,001,689	\$ 2,225,212
Defined benefit pension plan (Note 14)	231,310	269,680
	<u>\$ 2,232,999</u>	<u>\$ 2,494,892</u>

The Notre Dame Endowment Pool (“NDEP”) represents the University’s primary investment portfolio. Certain investments, however, are held in specific instruments outside the NDEP to comply with donor requirements or other considerations. The pooled assets and liabilities of the NDEP are summarized as follows at June 30:

	<u>2022</u>	<u>2021</u>
NDEP assets	\$ 20,794,960	\$ 22,464,776
Equity interest in consolidated company ¹	64,830	64,830
NDEP net assets unitized	<u>\$ 20,859,790</u>	<u>\$ 22,529,606</u>

¹As described in Note 1, the University is the sole owner of a limited liability company, the assets and liabilities of which are reflected in the consolidated financial statements. However, the estimated fair value of the University’s equity interest in the company is included in NDEP net assets for unitization purposes.

Transactions within participating funds that constitute additions to or withdrawals from the NDEP are unitized on a quarterly basis. The unitized net assets of the NDEP were attributable to the following at June 30:

	<u>2022</u>	<u>2021</u>
University funds:		
Endowment and funds functioning as endowment	\$ 16,676,084	\$ 18,001,145
Working capital and other University designations	1,775,683	1,861,478
Student loan funds	1,949	2,115
Split-interest agreements (Note 17)	404,385	439,656
	<u>18,858,101</u>	<u>20,304,394</u>
Funds invested on behalf of religious affiliates ²	2,001,689	2,225,212
	<u>\$ 20,859,790</u>	<u>\$ 22,529,606</u>

²NDEP holdings were redeemable by religious affiliates at \$9,760.46 and \$9,636.18 per unit (whole dollars) at June 30, 2022, and 2021, respectively.

University of Notre Dame du Lac

Notes to Consolidated Financial Statements

(All amounts in thousands)

The NDEP is comprised primarily of endowment-related holdings. As such, its investment objectives seek to preserve the real purchasing power of the endowment, while providing a stable source of financial support to its beneficiary programs. To satisfy its long-term rate of return objectives, the NDEP relies on a total return strategy in which investment returns are achieved through both capital appreciation (realized and unrealized) and current yield (interest and dividends). The NDEP maintains a diversified asset allocation that places a greater emphasis on equity-based investments to achieve its long-term return objectives within prudent risk constraints.

Investment assets are summarized in the following tables by asset class at June 30, 2022 and 2021, respectively:

	2022		
	<i>NDEP</i>	<i>Other Investments</i>	<i>Total</i>
Short-term investments	\$ 1,762,334	\$ 2,176	\$ 1,764,510
Public equities	4,739,428	63,465	4,802,893
Private equity	10,117,500	32,092	10,149,592
Multi-strategy	4,175,698	9,577	4,185,275
	20,794,960	107,310	20,902,270
Defined benefit pension plan investments (<i>Note 14</i>)	-	231,310	231,310
	<u>\$ 20,794,960</u>	<u>\$ 338,620</u>	<u>\$ 21,133,580</u>
	2021		
	<i>NDEP</i>	<i>Other Investments</i>	<i>Total</i>
Short-term investments	\$ 1,372,294	\$ 1,831	\$ 1,374,125
Public equities	6,984,388	74,655	7,059,043
Private equity	10,276,098	24,259	10,300,357
Multi-strategy	3,831,996	10,571	3,842,567
	22,464,776	111,316	22,576,092
Defined benefit pension plan investments (<i>Note 14</i>)	-	269,680	269,680
	<u>\$ 22,464,776</u>	<u>\$ 380,996</u>	<u>\$ 22,845,772</u>

Short-term investments include cash and cash equivalents, money market funds, securities with short-term maturities (such as commercial paper and government securities held either directly or via commingled pools with daily liquidity), and the fair value of certain derivative instrument assets (all of which are insignificant). Public equities cover the U.S., as well as both developed and emerging markets overseas, and long/short hedge funds. Private equity primarily includes domestic and foreign buyout and venture capital funds. The multi-strategy class includes core diversifiers that encompass opportunistic investments and hedge fund strategies where the manager has a broad mandate to invest in a variety of asset classes to generate returns less correlated with broad equities markets, as well as fixed-income assets that provide capital protection and diversification given the low correlation to other asset classes.

University of Notre Dame du Lac

Notes to Consolidated Financial Statements

(All amounts in thousands)

NDEP investments are primarily invested with external managers. The University is committed under contracts with certain external managers to periodically advance additional funding as capital calls are exercised. Capital calls are generally exercised over a period of years and are subject to fixed expiration dates or other means of termination. Uncalled commitments related to NDEP investments are summarized by investment class as follows at June 30:

	<u>2022</u>	<u>2021</u>
Public equities	\$ 166,639	\$ 173,380
Private equity	3,653,465	2,868,593
Multi-strategy	759,112	518,567
	<u>\$ 4,579,216</u>	<u>\$ 3,560,540</u>

The following tables reflect fair value measurements of investment assets (excluding defined benefit pension plan assets) at June 30, 2022 and 2021, respectively, as categorized by level of the fair value hierarchy according to the lowest level of inputs significant to each measurement or NAV:

	2022				
	<i>Level 1</i>	<i>Level 2</i>	<i>Level 3</i>	<i>NAV</i>	<i>Total</i>
Short-term investments	\$ 2,176	\$ 1,762,334	\$ -	\$ -	\$ 1,764,510
Public equities:					
U.S.	1,354,670	-	-	705,164	2,059,834
Non-U.S.	425,738	11,793	-	2,040,820	2,478,351
Long/short strategies	-	-	-	264,708	264,708
Private equity	-	-	32,092	10,117,500	10,149,592
Multi-strategy:					
Core diversifiers	460,144	548	682,639	2,496,453	3,639,784
Fixed income	129,574	351,635	4,303	59,979	545,491
	<u>\$ 2,372,302</u>	<u>\$ 2,126,310</u>	<u>\$ 719,034</u>	<u>\$ 15,684,624</u>	<u>\$ 20,902,270</u>

	2021				
	<i>Level 1</i>	<i>Level 2</i>	<i>Level 3</i>	<i>NAV</i>	<i>Total</i>
Short-term investments	\$ 1,831	\$ 1,372,294	\$ -	\$ -	\$ 1,374,125
Public equities:					
U.S.	1,761,272	-	-	937,518	2,698,790
Non-U.S.	644,512	8,894	186,660	3,040,051	3,880,117
Long/short strategies	-	-	2,663	477,473	480,136
Private equity	-	-	61,083	10,239,274	10,300,357
Multi-strategy:					
Core diversifiers	332,439	-	312,023	1,884,284	2,528,746
Fixed income	206,282	876,069	56,983	174,487	1,313,821
	<u>\$ 2,946,336</u>	<u>\$ 2,257,257</u>	<u>\$ 619,412</u>	<u>\$ 16,753,087</u>	<u>\$ 22,576,092</u>

Certain short-term investments and fixed income securities categorized within Level 2 are not traded in active markets but are measured using pricing sources such as broker quotes, or using models with externally verifiable inputs, such as relevant interest or exchange rates.

University of Notre Dame du Lac

Notes to Consolidated Financial Statements

(All amounts in thousands)

Investments in certain funds within public equities and core diversifiers measured at NAV (or its equivalent) are generally subject to restrictions that limit the University's ability to withdraw capital within the near term. Redemption terms for these funds typically restrict withdrawals of capital for a defined "lock-up" period after investment and thereafter allow withdrawals on a quarterly or annual basis with notice periods ranging from 30 to 180 days. Lock-up periods for such funds generally expire within three years after the measurement date. In addition, investor capital in these funds attributable to illiquid investments, often referred to as "side pockets," generally is not available for redemption until the investments are realized by the fund. Most funds measured at NAV within private equity, as well as certain opportunistic funds within core diversifiers, are not redeemable at the direction of the investor. These funds make distributions to investing partners as the underlying assets of the funds are liquidated. The timing of such liquidations would vary by fund and depend on market conditions as well as other factors. Investments in funds measured at NAV within fixed income are not subject to lock-ups and generally allow for withdrawals on a daily or monthly basis.

At June 30, 2022 and 2021, the fair values of two Level 3 investments in the core diversifiers class were measured using two different techniques. The fair value of one investment was \$254,693 and \$195,612 at June 30, 2022 and 2021, respectively, and was measured using a discounted cash flow technique, the significant unobservable input to which is the discount rate (10 percent). The fair value of the second investment was \$427,946 and \$57,066 at June 30, 2022 and 2021, respectively, and was measured using a third-party appraisal developed using a market-based approach.

Changes in investments (excluding defined benefit pension plan assets) for which fair value is measured based on Level 3 inputs are summarized below for the year ended June 30, 2022:

	<i>Beginning balance</i>	<i>Acquisitions</i>	<i>Dispositions</i>	<i>Net gain/(loss)</i>	<i>Net transfers out</i>	<i>Ending balance</i>
Short-term investments	\$ -	\$ 4,926	\$ (4,807)	\$ (119)	\$ -	\$ -
Public equities:						
Non-U.S.	186,660	3,300	-	38,630	(228,590)	-
Long/short strategies	2,663	4,204	(4,961)	(1,906)	-	-
Private equity	61,083	239,206	(270,050)	1,853	-	32,092
Multi-strategy:						
Core diversifiers	312,023	410,715	(193,341)	153,242	-	682,639
Fixed income	56,983	65,628	(117,951)	(357)	-	4,303
	<u>\$ 619,412</u>	<u>\$ 727,979</u>	<u>\$ (591,110)</u>	<u>\$ 191,343</u>	<u>\$ (228,590)</u>	<u>\$ 719,034</u>

During the year ending June 30, 2022, a Level 3 investment in public equities was transferred to Level 1 upon its initial public offering.

During the year ended June 30, 2022, the University recognized net unrealized gains of \$155,432 on investments still held at June 30, 2022, for which fair value is measured using Level 3 inputs.

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Notes to Consolidated Financial Statements

(All amounts in thousands)

Changes in investments (excluding defined benefit pension plan assets) for which fair value is measured based on Level 3 inputs are summarized below for the year ended June 30, 2021:

	<i>Beginning balance</i>	<i>Acquisitions</i>	<i>Dispositions</i>	<i>Net gain</i>	<i>Net transfers in</i>	<i>Ending balance</i>
Public equities:						
Non-U.S.	\$ 82,229	\$ 5,118	\$ -	\$ 99,313	\$ -	\$ 186,660
Long/short strategies	-	-	-	-	2,663	2,663
Private equity	20,002	3,182	(2,082)	3,157	36,824	61,083
Multi-strategy:						
Core diversifiers	213,975	5,346	(2,628)	35,984	59,346	312,023
Fixed income	42,355	257,812	(243,634)	450	-	56,983
	<u>\$ 358,561</u>	<u>\$ 271,458</u>	<u>\$ (248,344)</u>	<u>\$ 138,904</u>	<u>\$ 98,833</u>	<u>\$ 619,412</u>

During the year ended June 30, 2021, the University recognized net unrealized gains of \$140,713 on investments still held at June 30, 2021, for which fair value is measured using Level 3 inputs.

Due to the pooled nature of assets held in the NDEP, a portion of any unrealized gains or losses is attributed to NDEP holdings of split-interest agreements and the University's religious affiliates.

INVESTMENT RETURN

Investment return as reflected in the consolidated statements of changes in net assets is summarized as follows for the years ended June 30:

	2022	2021
Income	\$ 181,148	\$ 111,808
Net gain/(loss):		
Realized	1,487,518	1,915,531
Unrealized	(2,989,744)	4,979,078
Investment-related expenses	(92,060)	(106,686)
	<u>\$ (1,413,138)</u>	<u>\$ 6,899,731</u>
Without donor restrictions	\$ (658,361)	\$ 3,185,507
With donor restrictions	(754,777)	3,714,224
	<u>\$ (1,413,138)</u>	<u>\$ 6,899,731</u>

Investment-related expenses consist of fees paid to external investment managers, as well as expenses related to internal investment office operations. Investment-related expenses also include provisions for excise taxes on investment returns and executive compensation.

A portion of accumulated investment returns is distributed annually to beneficiary programs under the University's endowment spending policy. Endowment payout by program is summarized in *Note 16*.

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Notes to Consolidated Financial Statements

(All amounts in thousands)

NOTE 8. LAND, BUILDINGS, AND EQUIPMENT

The following is a summary of land, buildings, and equipment at June 30:

	<u>2022</u>	<u>2021</u>
Land and land improvements	\$ 226,960	\$ 222,329
Buildings	3,055,137	2,933,660
Equipment	429,048	410,140
Construction in progress	83,890	119,291
	<u>3,795,035</u>	<u>3,685,420</u>
Less accumulated depreciation	1,236,357	1,136,135
	<u>\$ 2,558,678</u>	<u>\$ 2,549,285</u>

Depreciation expense was \$106,856 and \$105,049 for the years ended June 30, 2022 and 2021, respectively.

The University recorded accounts payable and construction retainage associated with construction in progress costs of \$8,326 and \$3,212, respectively, at June 30, 2022. Accounts payable and construction retainage associated with construction in progress costs were \$5,021 and \$4,119, respectively, at June 30, 2021.

Changes in conditional asset retirement obligations are summarized as follows for the years ended June 30:

	<u>2022</u>	<u>2021</u>
Beginning of year	\$ 26,453	\$ 25,731
Obligations settled	(158)	(171)
Revision in estimated cash flows	120	-
Accretion expense	922	893
End of year (Note 11)	<u>\$ 27,337</u>	<u>\$ 26,453</u>

NOTE 9. SHORT-TERM BORROWING

At June 30, 2022, the University maintained a \$400,000 self-liquidity commercial paper program under which it could issue taxable commercial paper. The University also maintained six unsecured lines of credit with commercial banks at June 30, 2022, in the aggregate amount of \$775,000 to be utilized primarily for working capital purposes. Three lines of credit totaling \$425,000 mature during the year ending June 30, 2023. Termination dates for the remaining three lines of credit totaling \$350,000 ranged from January 2024 to December 2024.

Total outstanding balances on short-term borrowing are summarized below at June 30:

	<u>2022</u>	<u>2021</u>
Commercial paper	\$ -	\$ 35,003
Lines of credit	4,000	8,000
	<u>\$ 4,000</u>	<u>\$ 43,003</u>

Total costs incurred on short-term borrowing, including interest and related fees, were approximately \$1,564 and \$3,714 for the years ended June 30, 2022 and 2021, respectively.

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Notes to Consolidated Financial Statements

(All amounts in thousands)

NOTE 10. DEFERRED REVENUE AND REFUNDABLE ADVANCES

Deferred revenue and refundable advances are summarized as follows at June 30:

	<u>2022</u>	<u>2021</u>
Refundable advances for research and other sponsored programs (Note 19)	\$ 108,990	\$ 65,200
Deferred ticket sales and other revenues from intercollegiate athletics	58,073	45,422
Deferred rental revenues	24,994	25,641
Deferred tuition and other student revenues	16,705	17,162
Government advances for student loans (Note 6)	4,649	7,495
Other deferred revenues	8,045	7,549
	<u>\$ 221,456</u>	<u>\$ 168,469</u>

NOTE 11. DEPOSITS AND OTHER LIABILITIES

Deposits and other liabilities are summarized as follows at June 30:

	<u>2022</u>	<u>2021</u>
Accrued compensation and employee benefits	\$ 88,596	\$ 89,553
Payroll and other taxes payable	50,876	52,574
Operating lease liabilities	33,528	36,711
Conditional asset retirement obligations (Note 8)	27,337	26,453
Debt-related derivatives (Note 13)	26,769	57,640
Obligation to return collateral on debt-related derivatives (Note 4)	20,920	-
Accrued interest expense	15,363	15,367
Student organization funds and other deposits	9,959	9,223
Other liabilities	29,694	17,293
	<u>\$ 303,042</u>	<u>\$ 304,814</u>

NOTE 12. BONDS AND NOTES PAYABLE

Bonds and notes payable consist of the following at June 30:

	<u>2022</u>	<u>2021</u>
Obligations of the University:		
Taxable Fixed Rate Bonds	\$ 1,215,000	\$ 1,215,000
St. Joseph County (Indiana) Educational Facilities Revenue Bonds	7,890	7,890
	<u>1,222,890</u>	<u>1,222,890</u>
Obligations of consolidated company:		
Mortgage note payable	40,622	41,686
	<u>\$ 1,263,512</u>	<u>\$ 1,264,576</u>

The aggregate scheduled maturities of bonds and notes payable are summarized by fiscal year as follows:

2023	\$ 1,109
2024	1,155
2025	38,358
2026	7,890
2027	-
Thereafter	<u>1,215,000</u>

University of Notre Dame du Lac

Notes to Consolidated Financial Statements

(All amounts in thousands)

\$ 1,263,512

TAXABLE FIXED RATE BONDS

Proceeds from Taxable Fixed Rate Bonds bear no restrictions on use and constitute unsecured general obligations of the University. The associated interest is taxable to investors. The following issues were outstanding at June 30:

	<i>Fiscal year of final maturity</i>	<i>Rate of interest</i>	<u>2022</u>	<u>2021</u>
Series 2010	2041	4.90%	\$ 160,000	\$ 160,000
Series 2012	2043	3.72%	100,000	100,000
Series 2015	2045	3.44%	400,000	400,000
Series 2017	2048	3.39%	400,000	400,000
Series 2020	2030	1.64%	155,000	155,000
			<u>\$ 1,215,000</u>	<u>\$ 1,215,000</u>

Interest costs incurred on Taxable Fixed Rate Bonds were \$41,425 and \$41,383 during the years ended June 30, 2022 and 2021, respectively.

ST. JOSEPH COUNTY (INDIANA) EDUCATIONAL FACILITIES REVENUE BONDS

The proceeds from St. Joseph County (Indiana) Educational Facilities Revenue Bonds (“SJC bonds”) were restricted to the campus facilities projects specified in the respective offering documents. SJC bonds represent general obligations of the University and are not collateralized by any facilities. Interest on SJC bonds is tax-exempt to investors.

SJC bonds outstanding at June 30, 2022 and 2021 were from the Series 1996 issue, bearing interest at a fixed rate of 6.50 percent and maturing in 2026. Related interest costs were \$513 for the years ended June 30, 2022 and 2021.

MORTGAGE NOTES

As described in *Note 1*, the University is the sole owner of a limited liability company, the activities of which are reflected in the University’s consolidated financial statements. The company’s assets consist primarily of real estate, the acquisition of which was financed in part with a note payable. Under the terms, the note bears interest at a fixed rate of 4.11 percent and is due on February 1, 2025. The note is not a general obligation of the University and is fully collateralized by the property mortgaged. Interest costs of \$1,690 and \$1,733 related to the note are reflected within non-operating changes in net assets without donor restrictions for the years ended June 30, 2022 and 2021, respectively.

University of Notre Dame du Lac

Notes to Consolidated Financial Statements

(All amounts in thousands)

NOTE 13. DERIVATIVES

The University utilizes interest rate swaps to manage interest rate risk associated with variable rate bonds. Although the University currently has no outstanding variable rate bonds, the University held three forward starting swaps at June 30, 2022, and June 30, 2021, in anticipation of future bond issues. Under the terms of the swap agreements, the University would pay fixed rates ranging from 0.65 to 3.24 percent and receive a variable rate equal to 100 percent of the one-month London Interbank Offered Rate (“LIBOR”) on total notional amounts of \$354,894 for thirty or thirty-five-year terms beginning March 1, 2025, or March 1, 2030.

The University utilizes a variety of derivatives within the NDEP, which may include certain options contracts, forward currency contracts, and futures contracts, the balances and activity for which are insignificant.

Derivatives by their nature bear, to varying degrees, elements of market risk and credit risk that are not reflected in the amounts recorded in financial statements. Market risk in this context represents the potential for changes in the value of derivatives due to levels of volatility and liquidity or other events affecting the underlying asset, reference rate, or index, including those embodied in interest and foreign exchange rate movements and fluctuations in commodity or security prices. Credit risk is the possibility that a loss may occur due to the failure of a counterparty to perform according to the terms of a contract. The University’s risk of loss in the event of counterparty default is typically limited to the amounts recognized in the consolidated statements of financial position, not the notional amounts of the derivatives, and is further limited by the collateral arrangements as specified for specific instruments. At June 30, 2022, the University held \$20,920 in collateral on debt-related interest rate swaps in asset positions.

The debt-related interest rate swaps described above have credit-risk-related contingent features that could require the University to post collateral to its counterparty when the swaps are in a net liability position. Collateral levels are determined based on the University’s credit rating and the degree of the liability position and could extend to the full fair value of the swaps. The aggregate fair value of swaps in liability positions was \$26,769 and \$57,640 at June 30, 2022, and June 30, 2021, respectively, but based on the quality of its credit rating, the University had posted no collateral for these swaps at either of those dates.

The notional amounts and estimated fair values of the debt-related interest rate swaps at June 30, 2022 and 2021, respectively, are summarized below:

	<u>2022</u>		<u>2021</u>
Notional amounts	\$ 354,894	\$	354,894
Fair value, as reflected in the statements of financial position:			
Deferred charges and other assets (Note 4)	60,148		40,257
Deposits and other liabilities (Note 11)	26,769		57,640

Fair value measurements are based on observable interest rates that fall within Level 2 of the hierarchy of fair value inputs. The net gain or loss on debt-related swaps is reported as such within non-operating changes in net assets without donor restrictions. Net gains of \$50,762 and \$83,063 were reported during the years ended June 30, 2022 and 2021, respectively. No periodic settlements were required for the years ended June 30, 2022 and 2021.

University of Notre Dame du Lac

Notes to Consolidated Financial Statements

(All amounts in thousands)

NOTE 14.

PENSION AND OTHER POSTRETIREMENT BENEFITS

DEFINED CONTRIBUTION RETIREMENT SAVINGS PLAN

Faculty, exempt staff, and non-exempt staff hired on or after January 1, 2018, participate in the University of Notre Dame 403(b) Retirement Plan, a defined contribution retirement plan, upon meeting eligibility requirements. The plan, operating under section 403(b) of the Internal Revenue Code, is funded by mandatory employee contributions and University contributions. All faculty and staff may also voluntarily participate in the plan by making voluntary employee contributions up to the annual limit established by the Internal Revenue Service. Participants are immediately vested in the plan and may direct their contributions and the University's contributions on their behalf to plan investments. The University's share of the cost of these benefits was \$42,694 and \$40,996 for the years ended June 30, 2022 and 2021, respectively.

DEFINED BENEFIT PENSION PLAN AND POSTRETIREMENT MEDICAL INSURANCE BENEFITS

Retirement benefits are provided for University staff under a defined benefit pension plan, for which the University serves as trustee and administrator. This plan provides benefits for certain non-exempt staff but was closed to new participants effective January 1, 2018. Retirement benefits are based on the employee's total years of service and final average pay as defined by the plan. Plan participants are fully vested after five years of service. The University funds the plan with annual contributions that meet minimum requirements under the Employee Retirement Income Security Act of 1974 and Pension Protection Act of 2006.

Other postretirement benefit plans offered by the University provide either medical insurance benefits for retirees and their spouses or Health Reimbursement Accounts upon which Medicare-eligible retirees may draw to purchase individual Medicare supplemental coverage and reimburse other eligible out-of-pocket medical expenses. Employees are eligible for such benefits if they retire after attaining specified age and service requirements while employed by the University. The plans hold no assets and are funded by the University as claims are paid.

The University recognizes the full funded status of its defined benefit pension and other postretirement benefit plans in the consolidated statements of financial position. Accordingly, the liability for pension benefits as recognized in the consolidated statements of financial position represents the excess of the actuarially determined projected benefit obligation ("PBO") over the fair value of plan assets at year end. The liability for other postretirement benefits as recognized in the consolidated statements of financial position represents the actuarially determined accumulated postretirement benefit obligation ("APBO") at year end. The following table summarizes the liabilities for pension and other postretirement benefits reflected in the consolidated statements of financial position at June 30:

	<u>2022</u>	<u>2021</u>
Liability for pension benefits:		
PBO at end of year	\$ 259,385	\$ 315,812
Less: Fair value of plan assets at end of year (Note 7)	231,310	269,680
	<u>28,075</u>	<u>46,132</u>
Liability for other postretirement benefits (APBO at year end)	45,870	58,086
	<u>\$ 73,945</u>	<u>\$ 104,218</u>

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(All amounts in thousands)

Changes in the actuarially determined benefit obligations are summarized below for the years ended June 30:

	<i>Pension benefits (PBO)</i>		<i>Other postretirement benefits (APBO)</i>	
	2022	2021	2022	2021
Beginning of year	\$ 315,812	\$ 317,717	\$ 58,086	\$ 59,926
Service cost	5,956	6,313	2,508	2,669
Interest cost	9,207	9,264	1,585	1,661
Actuarial gain	(59,313)	(5,916)	(14,730)	(4,564)
Benefit payments	(12,277)	(11,566)	(1,579)	(1,606)
End of year	<u>\$ 259,385</u>	<u>\$ 315,812</u>	<u>\$ 45,870</u>	<u>\$ 58,086</u>

Actuarial gains recognized during the year ended June 30, 2022 primarily reflect an increase in the discount rate used in measuring the respective benefit obligations at the report date. The accumulated benefit obligation associated with pension benefits was \$240,720 and \$295,376 at June 30, 2022 and 2021, respectively.

The change in the fair value of pension plan assets is summarized below for the years ended June 30:

	2022	2021
Plan assets at beginning of year	\$ 269,680	\$ 206,840
Actual return on plan assets	(27,493)	63,383
Employer contributions	1,400	11,023
Benefit payments	(12,277)	(11,566)
Plan assets at end of year	<u>\$ 231,310</u>	<u>\$ 269,680</u>

The components of net periodic benefit cost recognized in the consolidated statements of changes in net assets are summarized as follows for the years ended June 30:

	<i>Pension benefits</i>		<i>Other postretirement benefits</i>	
	2022	2021	2022	2021
Operating expense - service cost	\$ 5,956	\$ 6,313	\$ 2,508	\$ 2,669
Non-operating components:				
Interest cost	9,207	9,264	1,585	1,661
Expected return on plan assets	(15,581)	(13,768)	-	-
Amounts recognized previously as non-operating changes in net assets:				
Amortization of net loss	4,354	7,934	56	581
Amortization of prior service cost/(credit)	-	83	(50)	(50)
Net amortization	<u>4,354</u>	<u>8,017</u>	<u>6</u>	<u>531</u>
Total non-operating components	<u>(2,020)</u>	<u>3,513</u>	<u>1,591</u>	<u>2,192</u>
Total net periodic benefit cost	<u>\$ 3,936</u>	<u>\$ 9,826</u>	<u>\$ 4,099</u>	<u>\$ 4,861</u>

The amortization of any prior service cost or credit is determined using straight-line amortization over the average remaining service period of employees expected to receive benefits under the respective plans.

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Notes to Consolidated Financial Statements

(All amounts in thousands)

Gains or losses and other changes in the actuarially determined benefit obligations arising in the current period, but not included in net periodic benefit cost, are recognized as non-operating changes in the consolidated statements of changes in net assets. These changes are reflected net of a contra-expense adjustment for amounts recognized previously but included as components of net periodic benefit cost in the current period. Accordingly, the net non-operating change in net assets without donor restrictions related to pension and other postretirement benefits is summarized as follows for the years ended June 30:

	<i>Pension benefits</i>		<i>Other postretirement benefits</i>	
	2022	2021	2022	2021
Net actuarial gain	\$ 16,239	\$ 55,531	\$ 14,730	\$ 4,564
Adjustment for components of net periodic benefit cost recognized previously	4,354	8,017	6	531
	<u>\$ 20,593</u>	<u>\$ 63,548</u>	<u>\$ 14,736</u>	<u>\$ 5,095</u>

Cumulative amounts recognized as non-operating changes in net assets without donor restrictions that had not yet been reflected within net periodic benefit cost are summarized as follows at June 30:

	<i>Pension benefits</i>		<i>Other postretirement benefits</i>	
	2022	2021	2022	2021
Net loss/(gain)	\$ 25,551	\$ 46,144	\$ (4,652)	\$ 10,134
Prior service credit	-	-	(110)	(160)
	<u>\$ 25,551</u>	<u>\$ 46,144</u>	<u>\$ (4,762)</u>	<u>\$ 9,974</u>

The following weighted-average assumptions were used in measuring the actuarially determined benefit obligations (PBO for pension benefits and APBO for other postretirement benefits) at June 30:

	<i>Pension benefits</i>		<i>Other postretirement benefits</i>	
	2022	2021	2022	2021
Discount rate	4.75%	3.00%	4.75%	3.00%
Rate of compensation increase	3.00%	3.00%		
Health care cost trend rate (grading to 4.50% in 2028)			7.00%	6.50%

Discount rates are selected based on the yields of high-grade corporate bonds with maturities similar to the period over which projected benefits would be paid.

The following weighted-average assumptions were used in measuring the actuarially determined net periodic benefit costs for the years ended June 30:

	<i>Pension benefits</i>		<i>Other postretirement benefits</i>	
	2022	2021	2022	2021
Discount rate	3.00%	3.00%	3.00%	3.00%
Expected long-term rate of return on plan assets	6.50%	6.50%		
Rate of compensation increase	3.00%	3.00%		
Health care cost trend rate (grading to 4.50% in 2027)			6.50%	7.00%

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(All amounts in thousands)

The expected long-term rate of return on pension plan assets is based on the consideration of both historical and forecasted investment performance, given the targeted allocation of the plan's assets to various investment classes.

The projected payments to beneficiaries under the respective plans for each of the five fiscal years subsequent to June 30, 2022, are as follows:

	<i>Pension benefits</i>	<i>Other postretirement benefits</i>
2023	\$ 12,942	\$ 2,420
2024	13,487	2,559
2025	14,157	2,721
2026	14,809	2,904
2027	15,418	3,064

Projected aggregate payments for pension benefits and other postretirement benefits for the five-year period ending June 30, 2032, are \$85,725 and \$17,441, respectively. The University does not anticipate a required contribution to the defined benefit pension plan during the year ending June 30, 2023.

DEFINED BENEFIT PENSION PLAN ASSETS

The plan's assets are invested in a manner that is intended to preserve the purchasing power of the plan's assets and provide payments to beneficiaries. Thus, a rate of return objective of inflation plus 5.0 percent is targeted.

The investment portfolio of the plan, which is invested with external investment managers, is diversified in a manner that is intended to achieve the return objective and reduce the volatility of returns. The plan relies on a total return strategy in which investment returns are achieved through both capital appreciation (realized and unrealized) and current yield (interest and dividends) over a long-term time horizon.

Actual and targeted allocations of the plan's investments by asset class were as follows at June 30:

	2022	2021	<i>Target</i>
Short-term investments	0.9%	1.6%	0.0%
Public equities	55.2%	58.3%	55.0%
Multi-strategy	29.7%	27.3%	30.0%
Private equity	14.2%	12.8%	15.0%
	<u>100.0%</u>	<u>100.0%</u>	<u>100.0%</u>

Asset allocation targets reflect the need for a modestly higher weighting in equity-based investments to achieve the return objective. Decisions regarding allocations among asset classes are made when such actions are expected to produce an incremental return, reduce risk, or both. The investment characteristics of an asset class—including the expected return, risk, correlation, and its overall role in the portfolio—are analyzed when making such decisions. The role of each asset class within the overall asset allocation of the plan is described as follows:

Public equities— Provides access to liquid markets and serves as a long-term hedge against inflation by delivering long-term capital appreciation in real terms.

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(All amounts in thousands)

Multi-strategy— Fixed income component provides income stability and predictable nominal cash flow relative to other asset classes. Diversifiers provide opportunities to benefit from short-term inefficiencies in capital markets.

Private equity— Provides risk-adjusted returns in excess of public equities by investing in inefficient markets, further enhancing long-term capital appreciation.

Fair value measurements of plan investments at June 30, 2022 and 2021, respectively, are categorized below by level of the fair value hierarchy according to the lowest level of inputs significant to each measurement or NAV:

	2022				
	<i>Level 1</i>	<i>Level 2</i>	<i>Level 3</i>	<i>NAV</i>	<i>Total</i>
Short-term investments	\$ 2,171	\$ -	\$ -	\$ -	\$ 2,171
Public equities:					
U.S.	-	-	-	83,780	83,780
Non-U.S.	-	-	-	43,941	43,941
Multi-strategy	-	-	-	68,649	68,649
Private equity	-	-	-	32,769	32,769
	<u>\$ 2,171</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 229,139</u>	<u>\$ 231,310</u>

	2021				
	<i>Level 1</i>	<i>Level 2</i>	<i>Level 3</i>	<i>NAV</i>	<i>Total</i>
Short-term investments	\$ 4,361	\$ -	\$ -	\$ -	\$ 4,361
Public equities:					
U.S.	41,397	-	-	64,636	106,033
Non-U.S.	-	-	-	51,175	51,175
Multi-strategy	-	-	11	73,540	73,551
Private equity	-	-	76	34,484	34,560
	<u>\$ 45,758</u>	<u>\$ -</u>	<u>\$ 87</u>	<u>\$ 223,835</u>	<u>\$ 269,680</u>

The plan is committed under contracts with certain investment managers to periodically advance additional funding as capital calls are exercised. Capital calls are generally exercised over a period of years and are subject to fixed expiration dates or other means of termination. Total commitments of \$25,807 and \$33,577 were uncalled at June 30, 2022 and 2021, respectively.

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NOTE 15. NET ASSETS

Net assets without donor restrictions consist of the following at June 30:

	2022	2021
University-designated endowment (Note 16)	\$ 6,830,951	\$ 7,345,695
Other net assets	2,448,597	2,410,523
	<u>\$ 9,279,548</u>	<u>\$ 9,756,218</u>

Net assets with donor restrictions are summarized as follows at June 30, 2022:

	<i>Purpose and/or time restrictions</i>	<i>Perpetual restrictions</i>	<i>Total</i>
Endowment funds (Note 16):			
Endowment and funds functioning as endowment	\$ 6,939,029	\$ 2,958,965	\$ 9,897,994
Term endowment	354	-	354
Contributions receivable (Note 5)	872	370,939	371,811
	<u>6,940,255</u>	<u>3,329,904</u>	<u>10,270,159</u>
Expendable funds restricted for:			
Operating purposes	244,916	-	244,916
Investment in land, buildings, and equipment	60,530	-	60,530
Contributions receivable (Note 5)	178,651	-	178,651
	<u>484,097</u>	<u>-</u>	<u>484,097</u>
Split-interest agreements (Note 17)	67,244	34,711	101,955
Other net assets	-	8,916	8,916
	<u>\$ 7,491,596</u>	<u>\$ 3,373,531</u>	<u>\$ 10,865,127</u>

Net assets with donor restrictions are summarized as follows at June 30, 2021:

	<i>Purpose and/or time restrictions</i>	<i>Perpetual restrictions</i>	<i>Total</i>
Endowment funds (Note 16):			
Endowment and funds functioning as endowment	\$ 7,988,941	\$ 2,739,436	\$ 10,728,377
Term endowment	471	-	471
Contributions receivable (Note 5)	1,097	309,714	310,811
	<u>7,990,509</u>	<u>3,049,150</u>	<u>11,039,659</u>
Expendable funds restricted for:			
Operating purposes	227,006	-	227,006
Investment in land, buildings, and equipment	102,109	-	102,109
Contributions receivable (Note 5)	204,663	-	204,663
	<u>533,778</u>	<u>-</u>	<u>533,778</u>
Split-interest agreements (Note 17)	90,383	48,202	138,585
Other net assets	-	10,337	10,337
	<u>\$ 8,614,670</u>	<u>\$ 3,107,689</u>	<u>\$ 11,722,359</u>

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(All amounts in thousands)

Net assets released from restrictions represent the satisfaction of time or purpose restrictions and are summarized below for the years ended June 30:

	<u>2022</u>	<u>2021</u>
For operations:		
Scholarships and fellowships awarded	\$ 149,744	\$ 120,296
Expenditures for operating purposes	189,719	181,079
	<u>339,463</u>	<u>301,375</u>
For long-term investment	98,886	47,496
	<u>\$ 438,349</u>	<u>\$ 348,871</u>

NOTE 16. ENDOWMENT

The University's endowment consists of individual funds established for a variety of purposes. Net assets associated with endowment funds, including funds functioning as endowment, are classified and reported in accordance with any donor-imposed restrictions or University designations.

Expendable funds with purpose-related restrictions that have been designated as endowment at the University's discretion, as well as endowment funds for which the donor has granted the University flexibility to expend, are classified as university-designated endowment funds *with donor restrictions*.

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Endowment funds at June 30, 2022, are summarized as follows:

	<i>Without donor restrictions (Note 15)</i>	<i>With donor restrictions (Note 15)</i>	<i>Total</i>
Funds established to support:			
Scholarships and fellowships	\$ 2,539,597	\$ 3,708,328	\$ 6,247,925
Academic, religious, and student programs	597,070	2,780,445	3,377,515
Faculty chairs	256,094	2,337,153	2,593,247
Campus infrastructure	1,268,131	2,653	1,270,784
Athletics	247,473	269,471	516,944
Libraries	16,349	330,012	346,361
General operations	1,255,686	223,259	1,478,945
Other	650,551	247,027	897,578
	<u>6,830,951</u>	<u>9,898,348</u>	<u>16,729,299</u>
Contributions receivable (Note 5)	-	371,811	371,811
	<u>\$ 6,830,951</u>	<u>\$ 10,270,159</u>	<u>\$ 17,101,110</u>
Donor-restricted endowment, principal	\$ -	\$ 2,959,188	\$ 2,959,188
Donor-restricted endowment, appreciation	-	6,092,366	6,092,366
University-designated endowment	6,830,951	846,794	7,677,745
	<u>6,830,951</u>	<u>9,898,348</u>	<u>16,729,299</u>
Contributions receivable (Note 5)	-	371,811	371,811
	<u>\$ 6,830,951</u>	<u>\$ 10,270,159</u>	<u>\$ 17,101,110</u>

Endowment funds at June 30, 2021, are summarized as follows:

	<i>Without donor restrictions (Note 15)</i>	<i>With donor restrictions (Note 15)</i>	<i>Total</i>
Funds established to support:			
Scholarships and fellowships	\$ 2,815,830	\$ 4,017,004	\$ 6,832,834
Academic, religious, and student programs	654,709	2,960,702	3,615,411
Faculty chairs	277,266	2,562,350	2,839,616
Campus infrastructure	1,374,323	2,587	1,376,910
Athletics	274,504	288,602	563,106
Libraries	15,553	364,682	380,235
General operations	1,392,682	255,183	1,647,865
Other	540,828	277,738	818,566
	<u>7,345,695</u>	<u>10,728,848</u>	<u>18,074,543</u>
Contributions receivable (Note 5)	-	310,811	310,811
	<u>\$ 7,345,695</u>	<u>\$ 11,039,659</u>	<u>\$ 18,385,354</u>
Donor-restricted endowment, principal	\$ -	\$ 2,739,143	\$ 2,739,143
Donor-restricted endowment, appreciation	-	7,072,690	7,072,690
University-designated endowment	7,345,695	917,015	8,262,710
	<u>7,345,695</u>	<u>10,728,848</u>	<u>18,074,543</u>
Contributions receivable (Note 5)	-	310,811	310,811
	<u>\$ 7,345,695</u>	<u>\$ 11,039,659</u>	<u>\$ 18,385,354</u>

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The fair value of assets associated with individual donor-restricted endowments may fall below the level to be maintained in perpetuity when the timing of contributions coincides with unfavorable market fluctuations. At June 30, 2022, the aggregate fair value of underwater funds was \$128,152, which reflects collective deficiencies of \$8,296 below the \$136,448 aggregate level required. There were no funds in underwater positions at June 30, 2021.

Endowment funds are invested primarily in the NDEP, described in *Note 7*. However, certain funds are invested outside of the NDEP in accordance with donor requirements and other considerations.

Changes in endowment funds are summarized as follows for the years ended June 30:

	<i>Without donor restrictions</i>	<i>With donor restrictions</i>	2022 Total
Beginning of the year	\$ 7,345,695	\$ 11,039,659	\$ 18,385,354
Contributions	21,838	304,994	326,832
Investment return:			
Investment income	57,569	83,024	140,593
Net loss on investments	(572,010)	(837,118)	(1,409,128)
Endowment payout supporting:			
Operating purposes	(161,022)	(304,781)	(465,803)
Campus infrastructure	(32,676)	(27)	(32,703)
Other changes, net ¹	171,557	(15,592)	155,965
	<u>\$ 6,830,951</u>	<u>\$ 10,270,159</u>	<u>\$ 17,101,110</u>

	<i>Without donor restrictions</i>	<i>With donor restrictions</i>	2021 Total
Beginning of the year	\$ 4,865,486	\$ 7,453,936	\$ 12,319,422
Contributions	19,472	153,072	172,544
Investment return:			
Investment income	29,547	42,784	72,331
Net gain on investments	2,590,931	3,672,641	6,263,572
Endowment payout supporting:			
Operating purposes	(149,591)	(279,290)	(428,881)
Campus infrastructure	(30,201)	(26)	(30,227)
Other changes, net ¹	20,051	(3,458)	16,593
	<u>\$ 7,345,695</u>	<u>\$ 11,039,659</u>	<u>\$ 18,385,354</u>

¹Reflects the net effects of changes in donor intent and management-directed allocations that result in additions to or withdrawals from endowment. During the year ended June 30, 2022, \$150,000 in net assets without donor restrictions was formally designated as funds functioning as endowment for the support of future campus infrastructure projects.

The University has adopted an endowment spending policy that attempts to meet three objectives: (1) provide a predictable, stable stream of earnings to fund participants; (2) ensure the purchasing power of this revenue stream does not decline over time; and (3) ensure the purchasing power of the endowment assets does not decline over time. Under this policy, as approved by the Board of Trustees, investment income, as well as a prudent portion of appreciation, may be appropriated for the needs of supported programs and purposes. During periods in which funds are in underwater positions, payout to supported programs is subsidized by University reserves to preserve donor-restricted endowment principal.

University of Notre Dame du Lac

Notes to Consolidated Financial Statements

(All amounts in thousands)

Endowment payout (i.e., appropriations) under the University's endowment spending policy is summarized below by the purposes associated with applicable funds for the years ended June 30:

	<i>Without donor restrictions</i>	<i>With donor restrictions</i>	2022 Total
Operating purposes:			
Scholarships and fellowships	\$ 82,707	\$ 118,251	\$ 200,958
Academic, religious, and student programs	13,161	86,171	99,332
Faculty chairs	7,656	73,333	80,989
Athletics	8,087	8,455	16,542
Libraries	458	10,711	11,169
General operations	45,941	7,436	53,377
Other	3,012	424	3,436
	<u>161,022</u>	<u>304,781</u>	<u>465,803</u>
Campus infrastructure	32,676	27	32,703
	<u>\$ 193,698</u>	<u>\$ 304,808</u>	<u>\$ 498,506</u>

	<i>Without donor restrictions</i>	<i>With donor restrictions</i>	2021 Total
Operating purposes:			
Scholarships and fellowships	\$ 71,562	\$ 109,660	\$ 181,222
Academic, religious, and student programs	12,834	77,098	89,932
Faculty chairs	6,821	67,963	74,784
Athletics	7,632	6,964	14,596
Libraries	429	10,032	10,461
General operations	49,145	7,177	56,322
Other	1,168	396	1,564
	<u>149,591</u>	<u>279,290</u>	<u>428,881</u>
Campus infrastructure	30,201	26	30,227
	<u>\$ 179,792</u>	<u>\$ 279,316</u>	<u>\$ 459,108</u>

NOTE 17. SPLIT-INTEREST AGREEMENTS

The University's split-interest agreements consist of charitable gift annuities and irrevocable charitable remainder trusts for which the University serves as trustee, the net assets of which are summarized as follows at June 30:

	<i>Without donor restrictions</i>	<i>With donor restrictions (Note 15)</i>	2022 Total	2021 Total
Charitable trust assets, held in:				
NDEP (Note 7)	\$ -	\$ 404,385	\$ 404,385	\$ 439,656
Other investments (Note 7)	-	2,566	2,566	8,071
	<u>-</u>	<u>406,951</u>	<u>406,951</u>	<u>447,727</u>
Less obligations ¹ associated with:				
Charitable trusts	-	296,850	296,850	300,833
Charitable gift annuities	2,410	8,146	10,556	11,124
	<u>2,410</u>	<u>304,996</u>	<u>307,406</u>	<u>311,957</u>
	<u>\$ (2,410)</u>	<u>\$ 101,955</u>	<u>\$ 99,545</u>	<u>\$ 135,770</u>

¹ Represents the present value of estimated future benefit payments to beneficiaries.

University of Notre Dame du Lac

Notes to Consolidated Financial Statements

(All amounts in thousands)

Assets contributed pursuant to the University's charitable gift annuity program are not held in trust and based on the nature of the agreements are designated as funds functioning as endowment. Total assets associated with the charitable gift annuity program were \$47,318 and \$52,956 at June 30, 2022 and 2021, respectively.

Changes in split-interest agreement net assets are summarized below for the years ended June 30:

	<i>Without donor restrictions</i>	<i>With donor restrictions</i>	2022 Total	2021 Total
Beginning of the year	\$ (2,815)	\$ 138,585	\$ 135,770	\$ 82,044
Contributions:				
Assets received	-	24,911	24,911	29,510
Discounts recognized ¹	-	(17,227)	(17,227)	(19,925)
	-	7,684	7,684	9,585
Change in value of agreements:				
Investment return, net	-	(36,673)	(36,673)	155,085
Payments to beneficiaries	(400)	(24,449)	(24,849)	(19,714)
Actuarial adjustments and other changes in obligations	405	21,373	21,778	(85,828)
	5	(39,749)	(39,744)	49,543
Transfers and other changes, net	400	(4,565)	(4,165)	(5,402)
	\$ (2,410)	\$ 101,955	\$ 99,545	\$ 135,770

¹Represents the present value of estimated future benefit payments to beneficiaries.

NOTE 18. NET TUITION AND FEES

Tuition and fees are recognized net of discounts granted in the form of undergraduate scholarships (including grants-in-aid to student-athletes) and graduate and professional fellowships. Net tuition and fees are comprised of the following for the years ended June 30:

	2022		
	<i>Tuition and fees</i>	<i>Scholarships and fellowships</i>	<i>Net tuition and fees</i>
Undergraduate programs	\$ 531,416	\$ (221,951)	\$ 309,465
Graduate and professional programs	220,102	(160,261)	59,841
	\$ 751,518	\$ (382,212)	\$ 369,306
	2021		
	<i>Tuition and fees</i>	<i>Scholarships and fellowships</i>	<i>Net tuition and fees</i>
Undergraduate programs	\$ 511,846	\$ (207,847)	\$ 303,999
Graduate and professional programs	206,661	(149,487)	57,174
	\$ 718,507	\$ (357,334)	\$ 361,173

University of Notre Dame du Lac

Notes to Consolidated Financial Statements

(All amounts in thousands)

NOTE 19. GRANTS AND CONTRACTS

The University recognized operating revenues based on direct expenditures and related indirect costs funded by grants and contracts as follows for the years ended June 30:

	<i>Direct</i>		<i>Indirect</i>		2022		2021	
					<i>Total</i>		<i>Total</i>	
Provided for:								
Research	\$	131,236	\$	32,721	\$	163,957	\$	142,601
Other sponsored programs		20,445		1,137		21,582		18,197
	\$	151,681	\$	33,858	\$	185,539	\$	160,798

	<i>Direct</i>		<i>Indirect</i>		2022		2021	
					<i>Total</i>		<i>Total</i>	
Provided by:								
Federal agencies	\$	102,415	\$	30,441	\$	132,856	\$	116,911
State and local agencies		622		28		650		665
Private organizations		48,644		3,389		52,033		43,222
	\$	151,681	\$	33,858	\$	185,539	\$	160,798

As reflected in *Note 10*, the University had received \$108,990 in refundable advances on awards as of June 30, 2022. In addition, the University had unexpended grant awards of approximately \$217,000 for which funding has not been received. Revenue for these awards will be recognized as their associated conditions are fulfilled.

Funding for federally sponsored research and other programs is received from the U.S. government, as well as from other universities and private organizations that subcontract sponsored research to the University. The University's primary sources of federal research support are the Department of Health and Human Services and the National Science Foundation.

The University also administers certain federally sponsored programs, primarily related to student financial aid, for which it recognizes neither revenues nor expenses. Receipts and disbursements for such programs totaled \$23,772 for the year ended June 30, 2022, including \$13,299 related to Reserve Officers Training Corps ("ROTC") scholarships. Receipts and disbursements for the year ended June 30, 2021, were \$18,206, including \$8,351 in ROTC scholarships.

University of Notre Dame du Lac

Notes to Consolidated Financial Statements

(All amounts in thousands)

NOTE 20. SALES AND SERVICES OF AUXILIARY ENTERPRISES

Revenues recognized from auxiliary enterprises are summarized as follows for the years ended June 30:

	<u>2022</u>	<u>2021</u>
Intercollegiate athletics:		
Contract-based revenues	\$ 145,099	\$ 109,414
Other revenues	28,222	5,140
Housing, dining, and other student revenue, net	104,755	91,143
Hospitality services	30,311	14,285
Event management services	15,320	255
Bookstore and licensing	14,676	9,549
Other auxiliary revenues	3,375	3,293
	<u>\$ 341,758</u>	<u>\$ 233,079</u>

NOTE 21. CONTINGENCIES AND COMMITMENTS

The University is a defendant in various legal actions arising out of the normal course of its operations. Although the final outcome of such actions cannot currently be determined, the University believes that eventual liability, if any, will not have a material effect on the University's financial position.

All funds expended in conjunction with government grants and contracts are subject to audit by government agencies. In the opinion of management, any liability resulting from these audits will not have a material effect on the University's financial position.

At June 30, 2022, the University also has contractual commitments of approximately \$60,000 related to ongoing major construction projects. Estimated remaining expenditures on these projects, certain of which are likely to span multiple fiscal years, are approximately \$210,000.

NOTE 22. FINANCIAL RESPONSIBILITY

The following information is intended to provide additional detail necessary to comply with the Department of Education's disclosure requirements related to financial responsibility ratio components.

Contributions receivable, net, are summarized as follows at June 30, 2022:

	<i>Purpose and/or time restrictions (Note 15)</i>	<i>Perpetual restrictions (Note 15)</i>	<i>Total (Note 5)</i>
Related parties - University trustees	\$ 29,902	\$ 62,140	\$ 92,042
Other benefactors	149,621	308,799	458,420
	<u>\$ 179,523</u>	<u>\$ 370,939</u>	<u>\$ 550,462</u>

University of Notre Dame du Lac

Notes to Consolidated Financial Statements

(All amounts in thousands)

Land, buildings and equipment, net of accumulated depreciation, is summarized as follows at June 30, 2022:

	<i>Capitalized assets (Note 8)</i>	<i>Construction in progress (Note 8)</i>	<i>Total</i>
Pre-implementation	\$ 1,891,371	\$ 1,536	\$ 1,892,907
Post-implementation:			
With debt financing	100,777	-	100,777
Without debt financing	482,640	82,354	564,994
	<u>\$ 2,474,788</u>	<u>\$ 83,890</u>	<u>\$ 2,558,678</u>

Operating lease right-of-use assets and liabilities are summarized as follows at June 30, 2022:

	<i>Right-of-use assets (Note 4)</i>	<i>Liabilities (Note 11)</i>
Pre-implementation	\$ 33,528	\$ 33,528
Post-implementation	-	-
	<u>\$ 33,528</u>	<u>\$ 33,528</u>

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

	<i>Obligations of the University (Note 12)</i>	<i>Obligations of consolidated company (Note 12)</i>	<i>Total</i>
Debt for long-term purposes:			
Pre-implementation	\$ 1,067,890	\$ 40,622	\$ 1,108,512
Post-implementation	100,777	-	100,777
	<u>1,168,667</u>	<u>40,622</u>	<u>1,209,289</u>
Unexpended	54,223	-	54,223
	<u>\$ 1,222,890</u>	<u>\$ 40,622</u>	<u>\$ 1,263,512</u>

Schedule of Expenditures of Federal Awards

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Notes to Schedule of Expenditures of Federal Awards

University of Notre Dame du Lac
Schedule of Expenditures of Federal Awards for the year ended June 30, 2022

Federal Program	Assistance Listing #	Direct	Pass-Through	Pass-Through Entity	Pass-Through Entity Sponsor Number	Total Expenditures	Passed to Sub-Recipients
Research and Development Cluster							
AGENCY FOR INTERNATIONAL DEVELOPMENT							
Agency for International Development							
USAID Foreign Assistance for Programs Overseas	98.001	\$ 3,599,571	\$ -			\$ 3,599,571	\$ 1,656,662
USAID Foreign Assistance for Programs Overseas	98.001	-	290,917	Catholic Relief Services	HT.22.SUBAGR.20650.6 9201.01.00	290,917	-
USAID Foreign Assistance for Programs Overseas	98.001	-	260,918	Internews	SG-R-GX2060-0	260,918	-
USAID Foreign Assistance for Programs Overseas	98.001	-	192,030	Purdue University	F9002550402019	192,030	-
USAID Foreign Assistance for Programs Overseas	98.001	-	58,535	Purdue University	F9002550402093	58,535	-
USAID Foreign Assistance for Programs Overseas	98.001	-	391,678	Purdue University	F9002550402119	391,678	267,268
USAID Foreign Assistance for Programs Overseas	98.001	-	122,502	Purdue University	F9002550402143	122,502	-
Global Development Alliance	98.011	1,004,194	-			1,004,194	311,689
USAID Development Partnerships for University Cooperation and Development	98.012	-	74,687	Instituto Dessarrollo (Institute of Economics & Business)	#01/20	74,687	-
Agency for International Development	98.RD	-	428	Abt Associates	50781	428	-
Agency for International Development	98.RD	-	56,744	Dexis Consulting Group	7001-S-16-002	56,744	-
Agency for International Development	98.RD	-	29,846	Family Health International	PO 21000516	29,846	-
Agency for International Development	98.RD	-	65,339	Family Health International	PO2200048	65,339	-
Agency for International Development	98.RD	-	70,403	NORC	8361	70,403	-
COVID 19 - Agency for International Development	98.RD	28,673	-			28,673	-
COVID 19 - Agency for International Development	98.RD	73,305	-			73,305	18,058
Subtotal - Agency for International Development		<u>4,705,743</u>	<u>1,614,027</u>			<u>6,319,770</u>	<u>2,253,677</u>
DEPARTMENT OF AGRICULTURE							
Agriculture Marketing Service							
Specialty Crop Block Grant Program - Farm Bill	10.170	-	139,685	University of Missouri	C-000068665-1	139,685	-
Forest Services							
Forest Services	10.RD	80,335	-			80,335	-
National Institute of Food and Agriculture							
Agriculture and Food Research Initiative (AFRI)	10.310	596,537	-			596,537	74,521
Agriculture and Food Research Initiative (AFRI)	10.310	-	85,544	Colorado State University	G-63025-01	85,544	-
Alfalfa and Forage Research Program	10.330	76,350	-			76,350	76,350
Subtotal - Department of Agriculture		<u>753,222</u>	<u>225,229</u>			<u>978,451</u>	<u>150,871</u>
DEPARTMENT OF COMMERCE							
National Oceanic and Atmospheric Administration							
Integrated Ocean Observing System (IOOS)	11.012	237,552	-			237,552	144,634

University of Notre Dame du Lac

Schedule of Expenditures of Federal Awards for the year ended June 30, 2022 (continued)

Federal Program	Assistance Listing #	Direct	Pass-Through	Pass-Through Entity	Pass-Through Entity Sponsor Number	Total Expenditures	Passed to Sub-Recipients
Research and Development Cluster							
DEPARTMENT OF COMMERCE (continued)							
National Oceanic and Atmospheric Administration (continued)							
Integrated Ocean Observing System (IOOS)	11.012	-	102,746	Alaska Ocean Observing System (AOOS)	H2443	102,746	-
Bipartisan Budget Act of 2018	11.022	112,265	-			112,265	-
Sea Grant Support	11.417	-	93,529	Purdue University	F0008309702039	93,529	-
Weather and Air Quality Research	11.459	44,532	-			44,532	-
Applied Meteorological Research	11.468	8,242	-			8,242	-
National Institute of Standards and Technology							
Measurement and Engineering Research and Standards	11.609	197,208	-			197,208	18,724
Subtotal - Department of Commerce		<u>599,799</u>	<u>196,275</u>			<u>796,074</u>	<u>163,358</u>
DEPARTMENT OF DEFENSE							
Defense Advanced Research Projects Agency							
Research and Technology Development	12.910	159,486	-			159,486	84,408
Defense Advanced Research Projects Agency	12.RD	372,408	-			372,408	85,294
Defense Advanced Research Projects Agency	12.RD	-	49,647	optoXense, Inc.	AGMT 31MARCH2021	49,647	-
Defense Advanced Research Projects Agency	12.RD	-	7,803	University of Southern California	67108176	7,803	-
Defense Advanced Research Projects Agency	12.RD	-	56,871	University of Southern California	SCON-00002568	56,871	-
Defense Threat Reduction Agency							
Scientific Research - Combating Weapons of Mass Destruction	12.351	-	144,459	Pennsylvania State University	SA21-08	144,459	-
Defense Threat Reduction Agency	12.RD	-	110,991	HRL Laboratories, LLC	17042-174358-US	110,991	-
Defense Threat Reduction Agency	12.RD	-	8,580,362	Semiconductor Research Corp.	2018-JU-2776	8,580,362	7,302,045
Defense Threat Reduction Agency	12.RD	-	7,343	University of Southern California	94688478	7,343	-
Defense Threat Reduction Agency	12.RD	-	66,856	University of Southern California	94725237	66,856	-
Department of the Air Force Materiel Command							
Air Force Defense Research Sciences Program	12.800	587,213	-			587,213	23,029
Air Force Defense Research Sciences Program	12.800	-	143,570	Iowa State University	421-2115A	143,570	-
Air Force Defense Research Sciences Program	12.800	-	22,880	Pierce Aerospace	20201201	22,880	-
Air Force Defense Research Sciences Program	12.800	-	176,407	Purdue University	13000905-015	176,407	-
Air Force Defense Research Sciences Program	12.800	-	76,198	Simba Chain Inc.	AGREEMENT SIGNED 10/2/2021	76,198	-
Air Force Defense Research Sciences Program	12.800	-	55,380	Stanford University	62718249-202251	55,380	-
Air Force Defense Research Sciences Program	12.800	-	74,703	University of New Mexico	707824-87E7	74,703	-

University of Notre Dame du Lac

Schedule of Expenditures of Federal Awards for the year ended June 30, 2022 (continued)

Federal Program	Assistance Listing #	Direct	Pass-Through	Pass-Through Entity	Pass-Through Entity Sponsor Number	Total Expenditures	Passed to Sub-Recipients
Research and Development Cluster							
DEPARTMENT OF DEFENSE (continued)							
Department of the Air Force Materiel Command (continued)							
Air Force Defense Research Sciences Program	12.800	-	(5,704)	University of Southern California	130407675	(5,704)	-
Air Force Defense Research Sciences Program	12.800	-	56,192	University of Texas Dallas	1806295	56,192	-
Air Force Materiel Command	12.RD	-	354,851	Aptima	1476-2220	354,851	-
Air Force Materiel Command	12.RD	-	62,907	Azimuth Corporation	238-5404-ND	62,907	-
Air Force Materiel Command	12.RD	-	173	Centauri, LLC	NTG0001831	173	-
Air Force Materiel Command	12.RD	-	31,634	Centauri, LLC	PO 1043	31,634	-
Air Force Materiel Command	12.RD	-	192,947	FGC Plasma Solutions LLC	01SEPT19	192,947	-
Air Force Materiel Command	12.RD	-	66,737	FGC Plasma Solutions LLC	AGMT 6APRIL2021	66,737	-
Air Force Materiel Command	12.RD	-	117,438	Georgia Tech Research Corporation	D8736-S8	117,438	-
Air Force Materiel Command	12.RD	-	71,292	Indiana Integrated Circuits	C-0560	71,292	-
Air Force Materiel Command	12.RD	-	11,359	Indiana Integrated Circuits	P-0233	11,359	-
Air Force Materiel Command	12.RD	-	197,368	Innovative Scientific Solutions, Inc.	PO SB20263	197,368	-
Air Force Materiel Command	12.RD	-	4,140	Jetoptera	FA8649-21-P-0181	4,140	-
Air Force Materiel Command	12.RD	-	232,839	MZA Associates Corporation	S20-1159	232,839	-
Air Force Materiel Command	12.RD	-	71,689	MZA Associates Corporation	S22-1998	71,689	-
Air Force Materiel Command	12.RD	-	3,172	MZA Associates Corporation	S22-2089	3,172	-
Air Force Materiel Command	12.RD	-	23	Northrop Grumman	2940843	23	-
Air Force Materiel Command	12.RD	-	30,709	Purdue University	13000771-037	30,709	-
Air Force Materiel Command	12.RD	-	1,332	Simba Chain Inc.	AGREEMENT SIGNED 12/2/2021	1,332	-
Air Force Materiel Command	12.RD	-	13,045	Third Coast Federal	FA864921P0764-S001	13,045	-
Air Force Materiel Command	12.RD	-	71,801	Third Coast Federal	FA864922P0730-S001	71,801	-
Air Force Materiel Command	12.RD	-	27,890	University of Dayton Research Institute (UDRI)	PO RSC21077	27,890	-
Department of the Navy							
Naval Air Systems Command	12.RD	-	29,774	AdTech Optics Inc.	AGMT 2020SEP18	29,774	-
Naval Air Systems Command	12.RD	-	54,973	SA Photonics	2025-ND2112	54,973	-
Naval Air Systems Command	12.RD	-	180,575	Simba Chain Inc.	SCND-0001	180,575	-
Naval Air Systems Command	12.RD	-	(594)	Spectral Energies, LLC	SB2016-001-1	(594)	-
Naval Air Systems Command	12.RD	-	98,160	Spectral Energies, LLC	SB2017-001-1	98,160	-
Naval Air Systems Command	12.RD	-	71,288	TSC-Praxis Operations	PO20200490	71,288	-
Naval Surface Warfare Center	12.RD	293,791	-			293,791	-
Naval Surface Warfare Center	12.RD	-	86,867	Science Applications International Corporation	P010249373	86,867	-
COVID 19 - Naval Sea Systems Command	12.RD	-	119,140	University of California Riverside	S-001258	119,140	-

University of Notre Dame du Lac

Schedule of Expenditures of Federal Awards for the year ended June 30, 2022 (continued)

Federal Program	Assistance Listing #	Direct	Pass-Through	Pass-Through Entity	Pass-Through Entity Sponsor Number	Total Expenditures	Passed to Sub-Recipients
Research and Development Cluster							
DEPARTMENT OF DEFENSE (continued)							
National Reconnaissance Office							
National Reconnaissance Office	12.RD	322,681	-			322,681	-
Office of the Chief of Engineers							
Office of the Chief of Engineers	12.RD	182,698	-			182,698	106,050
Office of the Chief of Engineers	12.RD	-	43,972	Kitware	K002974-00-S02	43,972	-
Office of the Chief of Engineers	12.RD	-	130,808	Kitware	K002974-00-S02 PH 2	130,808	-
Office of the Chief of Engineers	12.RD	-	11,696	NewFields Government Services, LLC (NGS)	DATED 12/1/2020	11,696	-
Office of the Chief of Naval Research							
Basic and Applied Scientific Research	12.300	5,573,061	-			5,573,061	903,649
Basic and Applied Scientific Research	12.300	-	147,669	Georgia Institute of Technology	AWD-102036-G1	147,669	-
Basic and Applied Scientific Research	12.300	-	157,498	Honeywell International Inc.	SUB10192	157,498	-
Basic and Applied Scientific Research	12.300	-	1,033,211	Purdue University	13000844-043	1,033,211	-
Basic and Applied Scientific Research	12.300	-	238,930	Purdue University	13000934-064	238,930	-
Basic and Applied Scientific Research	12.300	-	92,436	Purdue University	4104-75027	92,436	-
Science, Technology, Engineering & Mathematics (STEM) Education, Outreach and Workforce Program	12.330	292,332	-			292,332	-
Office of the Chief of Naval Research	12.RD	3,769,814	-			3,769,814	-
Office of the Chief of Naval Research	12.RD	-	4,822	Cornerstone Research Group (CRG), Inc.	2020-2139	4,822	-
Office of the Chief of Naval Research	12.RD	-	234,426	Pratt & Whitney	2015101 TASK 29	234,426	-
Office of the Secretary of Defense							
Pest Management and Vector Control Research	12.355	213,900	-			213,900	86,812
Research on Chemical and Biological Defense	12.360	-	31,549	BioFabUSA	T0139	31,549	19,754
DOD, NDEP, DOTC-STEM Education Outreach Implementation	12.560	268,003	-			268,003	-
Basic, Applied, and Advanced Research in Science and Engineering	12.630	34,948	-			34,948	-
Basic, Applied, and Advanced Research in Science and Engineering	12.630	-	(44)	BBN Technologies	13765010	(44)	-
Basic, Applied, and Advanced Research in Science and Engineering	12.630	-	282,679	BioFabUSA	T0079	282,679	132,207
Office of the Secretary of Defense	12.RD	-	29,151	GKN Aerospace	AGMTDATED2021NOV 11	29,151	-
Office of the Secretary of Defense	12.RD	-	39,772	Texas A&M Engineering Experiment Station	M2201562	39,772	-

University of Notre Dame du Lac

Schedule of Expenditures of Federal Awards for the year ended June 30, 2022 (continued)

Federal Program	Assistance Listing #	Direct	Pass-Through	Pass-Through Entity	Pass-Through Entity Sponsor Number	Total Expenditures	Passed to Sub-Recipients
Research and Development Cluster							
DEPARTMENT OF DEFENSE (continued)							
U.S. Army Materiel Command							
Basic Scientific Research	12.431	948,885	-			948,885	-
Basic Scientific Research	12.431	-	35,644	Curators of the University of Missouri	C00070604-1	35,644	-
COVID 19 - U.S. Army Materiel Command	12.RD	50,913	-			50,913	-
U.S. Army Materiel Command	12.RD	2,263,049	-			2,263,049	821,428
U.S. Army Materiel Command	12.RD	-	205,546	Indiana Technology and Manufacturing Co.	BRSN 003	205,546	-
U.S. Army Materiel Command	12.RD	-	10,458	Indiana University	9131 PO#0401991	10,458	-
U.S. Army Medical Command							
Military Medical Research and Development	12.420	1,784,645	-			1,784,645	175,416
Military Medical Research and Development	12.420	-	126	Indiana University	9068	126	-
Military Medical Research and Development	12.420	-	46,803	Rehabilitation Institute of Chicago	7197	46,803	-
Military Medical Research and Development	12.420	-	42,798	University of Kansas Center for Research, Inc.	FY2019-114	42,798	-
Military Medical Research and Development	12.420	-	(150)	University of Virginia	GG12205 PO# 2191229	(150)	-
Subtotal - Department of Defense		<u>17,117,827</u>	<u>14,647,287</u>			<u>31,765,114</u>	<u>9,740,092</u>
DEPARTMENT OF EDUCATION							
Elementary and Secondary Education							
Twenty-First Century Community Learning Centers	84.287	-	14,305	Elkhart Community Schools	PIERRE MORAN AGREEMENT 9/13/17	14,305	(31,750)
Institute of Education Sciences							
Education Research, Development and Dissemination	84.305	556,521	-			556,521	101,305
Education Research, Development and Dissemination	84.305	-	87,281	American Institutes for Research (AIR)	0441500002	87,281	-
Education Research, Development and Dissemination	84.305	-	100,086	WestEd	S-00018314	100,086	-
Special Education Technical Assistance and Dissemination to Improve Services and Results for Children with Disabilities	84.326	-	21,599	American Institutes for Research (AIR)	0417800005	21,599	-
Office of Postsecondary Education							
Graduate Assistance in Areas of National Need	84.200	<u>318,525</u>	<u>-</u>			<u>318,525</u>	<u>-</u>
Subtotal - Department of Education		<u>875,046</u>	<u>223,271</u>			<u>1,098,317</u>	<u>69,555</u>

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Schedule of Expenditures of Federal Awards for the year ended June 30, 2022 (continued)

Federal Program	Assistance Listing #	Direct	Pass-Through	Pass-Through Entity	Pass-Through Entity Sponsor Number	Total Expenditures	Passed to Sub-Recipients
Research and Development Cluster							
DEPARTMENT OF ENERGY							
Department of Energy							
Office of Science Financial Assistance Program	81.049	6,828,614	-			6,828,614	376,382
Office of Science Financial Assistance Program	81.049	-	165,515	Case Western Reserve Univ.	RES513720	165,515	-
Office of Science Financial Assistance Program	81.049	-	20,700	Photothermal Spectroscopy Corp	DOEP2_UND	20,700	-
Office of Science Financial Assistance Program	81.049	-	65,000	Susteon Inc.	PROJECT NO. 10033	65,000	-
Office of Science Financial Assistance Program	81.049	-	34,941	Texas A&M University	M2100566	34,941	-
Office of Science Financial Assistance Program	81.049	-	11,500	Texas A&M University	M2202684	11,500	-
Office of Science Financial Assistance Program	81.049	-	43,240	University of Tennessee	A18-0354-S001	43,240	-
Conservation Research and Development	81.086	669,120	-			669,120	-
Renewable Energy Research and Development	81.087	-	1,136,014	Echogen Power Systems	DE-EE0008997	1,136,014	-
Renewable Energy Research and Development	81.087	-	196,085	General Electric Corporation (GE)	AGMT 1SEPT2020	196,085	-
Fossil Energy Research and Development	81.089	262,717	-			262,717	-
Stewardship Science Grant Program	81.112	2,555,274	-			2,555,274	923,493
Stewardship Science Grant Program	81.112	-	54,271	Texas A&M University	M1903434	54,271	-
Nuclear Energy Research, Development and Demonstration	81.121	367,426	-			367,426	1,150
Nuclear Energy Research, Development and Demonstration	81.121	-	(3,948)	Boise State University	7683-A	(3,948)	-
Nuclear Energy Research, Development and Demonstration	81.121	-	(47)	Vanderbilt University	UNIV59886	(47)	-
Predictive Science Academic Alliance Program	81.124	(31,620)	-			(31,620)	(31,620)
Predictive Science Academic Alliance Program	81.124	-	289,376	Oregon State University	G0187A-B	289,376	-
Advanced Research Projects Agency - Energy	81.135	-	230,569	General Electric Global Research	ARPA-E PO 401143389	230,569	-
COVID 19 - Department of Energy	81.RD	-	16,125	Los Alamos National Laboratory	CW7080	16,125	-
Department of Energy	81.RD	-	6,073	Argonne National Laboratory	1F-60568	6,073	-
Department of Energy	81.RD	-	66,458	Argonne National Laboratory	6J-30061-0003A	66,458	-
Department of Energy	81.RD	-	167,960	Argonne National Laboratory	6J-30061-0005A	167,960	-
Department of Energy	81.RD	-	7,039	Argonne National Laboratory	6J-30061-0006A	7,039	-
Department of Energy	81.RD	-	(8,688)	Battelle Energy Alliance, LLC	218934	(8,688)	-
Department of Energy	81.RD	-	3,876	Battelle Energy Alliance, LLC	262909	3,876	-
Department of Energy	81.RD	-	41,999	Battelle Energy Alliance, LLC	4000171249	41,999	-
Department of Energy	81.RD	-	129,789	Brookhaven National Laboratory	357725	129,789	-
Department of Energy	81.RD	-	188,917	Fermi National Accelerator Lab	632353	188,917	-
Department of Energy	81.RD	-	56,550	Fermi National Accelerator Lab	642855	56,550	-
Department of Energy	81.RD	-	312,125	Fermi National Accelerator Lab	658292	312,125	-
Department of Energy	81.RD	-	25,547	Fermi National Accelerator Lab	677858	25,547	-
Department of Energy	81.RD	-	30,468	Fermi National Accelerator Lab	680458	30,468	-
Department of Energy	81.RD	-	53,076	Fermi National Accelerator Lab	686457	53,076	-

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Schedule of Expenditures of Federal Awards for the year ended June 30, 2022 (continued)

Federal Program	Assistance Listing #	Direct	Pass-Through	Pass-Through Entity	Pass-Through Entity Sponsor Number	Total Expenditures	Passed to Sub-Recipients
Research and Development Cluster							
DEPARTMENT OF ENERGY (continued)							
Department of Energy (continued)							
Department of Energy	81.RD	-	15,650	Kansas City National Security Campus	PO_N000399253	15,650	-
Department of Energy	81.RD	-	72,000	KeyLogic Systems, LLC	5000-555-001	72,000	-
Department of Energy	81.RD	-	15,442	Lawrence Berkeley National Laboratory	7475028	15,442	-
Department of Energy	81.RD	-	1	Lawrence Berkeley National Laboratory	7486326	1	-
Department of Energy	81.RD	-	32,628	Lawrence Berkeley National Laboratory	7544616	32,628	-
Department of Energy	81.RD	-	59,138	Lawrence Berkeley National Laboratory	7588447	59,138	-
Department of Energy	81.RD	-	38,756	Lawrence Berkeley National Laboratory	7591754	38,756	-
Department of Energy	81.RD	-	28,470	Lawrence Livermore National Laboratory	B621775	28,470	-
Department of Energy	81.RD	-	63,482	Lawrence Livermore National Laboratory	B638638	63,482	-
Department of Energy	81.RD	-	(4,435)	Lawrence Livermore National Laboratory	B639472	(4,435)	-
Department of Energy	81.RD	-	24,610	Lawrence Livermore National Laboratory	B644361	24,610	-
Department of Energy	81.RD	-	6,921	Los Alamos National Laboratory	440310	6,921	-
Department of Energy	81.RD	-	(4,353)	Los Alamos National Laboratory	464187	(4,353)	-
Department of Energy	81.RD	-	90,020	Los Alamos National Laboratory	599008	90,020	-
Department of Energy	81.RD	-	87,043	Los Alamos National Laboratory	625808	87,043	-
Department of Energy	81.RD	-	77,388	Los Alamos National Laboratory	630340	77,388	-
Department of Energy	81.RD	-	138,538	Los Alamos National Laboratory	C1128	138,538	-
Department of Energy	81.RD	-	199	Los Alamos National Laboratory	SUBCONTRACT NO 37098	199	-
Department of Energy	81.RD	-	21,207	New Mexico State University	Q02267	21,207	-
Department of Energy	81.RD	-	77,982	Pacific Northwest National Laboratory	535497	77,982	-
Department of Energy	81.RD	-	17,425	Sandia National Laboratories	PO 2079716	17,425	-
Department of Energy	81.RD	-	37,936	Sandia National Laboratories	PO#2247500	37,936	-
Department of Energy	81.RD	-	65,424	Sandia National Laboratories	PO2114365	65,424	-
Subtotal - Department of Energy			<u>10,651,531</u>	<u>4,302,002</u>		<u>14,953,533</u>	<u>1,269,405</u>

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Schedule of Expenditures of Federal Awards for the year ended June 30, 2022 (continued)

Federal Program	Assistance Listing #	Direct	Pass-Through	Pass-Through Entity	Pass-Through Entity Sponsor Number	Total Expenditures	Passed to Sub-Recipients
Research and Development Cluster							
DEPARTMENT OF HEALTH AND HUMAN SERVICES							
Center for Disease Control and Prevention							
Strengthening Public Health Systems and Services through National Partnerships to Improve and Protect the Nation's Health	93.421	-	51,070	National Association of Chronic Disease Directors (NACDD)	1422021	51,070	-
Strengthening Public Health Systems and Services through National Partnerships to Improve and Protect the Nation's Health	93.421	-	2,376	National Association of Chronic Disease Directors (NACDD)	210384	2,376	-
Strengthening Public Health Systems and Services through National Partnerships to Improve and Protect the Nation's Health	93.421	-	448,846	National Association of Chronic Disease Directors (NACDD)	220189	448,846	-
Strengthening Public Health Systems and Services through National Partnerships to Improve and Protect the Nation's Health	93.421	-	18,750	National Association of Chronic Disease Directors (NACDD)	220312	18,750	-
Strengthening Public Health Systems and Services through National Partnerships to Improve and Protect the Nation's Health	93.421	-	8,855	National Association of Chronic Disease Directors (NACDD)	2912021	8,855	-
Center for Disease Control & Prevention	93.RD	7,368	-			7,368	-
National Institutes of Health							
Environmental Health	93.113	768,486	-			768,486	418,033
Oral Diseases and Disorders Research	93.121	-	45,255	Oregon Health & Science University	1018273_UND	45,255	-
Oral Diseases and Disorders Research	93.121	-	99,010	Pennsylvania State University	5832-UND-DHHS-7677	99,010	-
Mental Health Research Grants	93.242	330,911	-			330,911	-
Alcohol Research Programs	93.273	-	17,073	Utah State University	201356-489	17,073	-
Drug Abuse and Addiction Research Programs	93.279	-	1,172	Hafion LLC	AGREEMENT DATED 9/4/2020	1,172	-
Drug Abuse and Addiction Research Programs	93.279	-	178,609	University of Arizona	628961	178,609	-
Discovery and Applied Research for Technological Innovations to Improve Human Health	93.286	765,038	-			765,038	184,160
Discovery and Applied Research for Technological Innovations to Improve Human Health	93.286	-	19,703	Board of Trustees of the Univ of Illinois	092646-17157	19,703	-
Discovery and Applied Research for Technological Innovations to Improve Human Health	93.286	-	59,560	University of Iowa	S01161-01	59,560	-
Minority Health and Health Disparities Research	93.307	-	505,201	Massachusetts General Hospital	237174	505,201	-
Minority Health and Health Disparities Research	93.307	-	301,242	Yale University	GR110042 (CON-80002436)	301,242	-
Trans-NIH Research Support	93.310	1,560,796	-			1,560,796	-
National Center for Advancing Translational Sciences	93.350	-	(3,361)	Boston University	#4500003820	(3,361)	-

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Schedule of Expenditures of Federal Awards for the year ended June 30, 2022 (continued)

Federal Program	Assistance Listing #	Direct	Pass-Through	Pass-Through Entity	Pass-Through Entity Sponsor Number	Total Expenditures	Passed to Sub-Recipients
Research and Development Cluster							
DEPARTMENT OF HEALTH AND HUMAN SERVICES (continued)							
National Institutes of Health (continued)							
National Center for Advancing Translational Sciences	93.350	-	6,467	Boston University	4500004189	6,467	-
National Center for Advancing Translational Sciences	93.350	-	303,470	Indiana Clinical and Translational Sciences Institute	5UL1TR0002529-03	303,470	-
National Center for Advancing Translational Sciences	93.350	-	1	Indiana Clinical and Translational Sciences Institute	8518	1	-
National Center for Advancing Translational Sciences	93.350	-	1,000	Indiana Clinical and Translational Sciences Institute	AGREEMENT DATED 9/17/19	1,000	-
National Center for Advancing Translational Sciences	93.350	-	3,028	Indiana Clinical and Translational Sciences Institute	CTSI GLOBAL HEALTH 2021	3,028	-
National Center for Advancing Translational Sciences	93.350	-	5,724	Indiana Clinical and Translational Sciences Institute	INDIANA CTSI	5,724	-
National Center for Advancing Translational Sciences	93.350	-	3,685	Indiana Clinical and Translational Sciences Institute	LETTER DATED 12/9/2020	3,685	3,685
National Center for Advancing Translational Sciences	93.350	-	3,311	Indiana Clinical and Translational Sciences Institute	LETTER DATED 9/17/19	3,311	-
National Center for Advancing Translational Sciences	93.350	-	32,836	Indiana Clinical and Translational Sciences Institute	PO0177160	32,836	-
Cancer Cause and Prevention Research	93.393	-	25,354	Houston Methodist Research Institute	AGMT00007783	25,354	-
Cancer Cause and Prevention Research	93.393	-	987	Mayo Clinic	UND-263646 PO #67124041	987	-
Cancer Treatment Research	93.395	1,047,492	-			1,047,492	286,026
Cancer Treatment Research	93.395	-	51,432	Grannus Therapeutics LLC	AGREEMENT DATED 1/15/2021	51,432	-
Cancer Treatment Research	93.395	-	10,250	Massachusetts General Hospital	236149	10,250	-
Cancer Biology Research	93.396	1,590,972	-			1,590,972	117,404
Cancer Biology Research	93.396	-	146,617	Memorial-Sloan Kettering Cancer Center	BD528135	146,617	-
Cancer Centers Support Grants	93.397	-	101,922	University of Texas M.D. Anderson Cancer Center	3001633948	101,922	-
Cancer Centers Support Grants	93.397	-	25,661	University of Texas M.D. Anderson Cancer Center	3001851907	25,661	-
Cancer Research Manpower	93.398	276,431	-			276,431	-
Cardiovascular Diseases Research	93.837	363,120	-			363,120	30,829
Cardiovascular Diseases Research	93.837	-	4,680	University of Washington	UWSC12021	4,680	-
Blood Diseases and Resources Research	93.839	620,132	-			620,132	-
Arthritis, Musculoskeletal and Skin Diseases Research	93.846	125,121	-			125,121	-

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Schedule of Expenditures of Federal Awards for the year ended June 30, 2022 (continued)

Federal Program	Assistance Listing #	Direct	Pass-Through	Pass-Through Entity	Pass-Through Entity Sponsor Number	Total Expenditures	Passed to Sub-Recipients
Research and Development Cluster							
DEPARTMENT OF HEALTH AND HUMAN SERVICES (continued)							
National Institutes of Health (continued)							
Diabetes, Digestive, and Kidney Diseases Extramural Research	93.847	368,181	-			368,181	88,579
Diabetes, Digestive, and Kidney Diseases Extramural Research	93.847	-	74,956	Stanford University	62553893-186951	74,956	-
Extramural Research Programs in the Neurosciences and Neurological Disorders	93.853	548,565	-			548,565	122,971
Extramural Research Programs in the Neurosciences and Neurological Disorders	93.853	-	13,777	Cornell University	194368	13,777	-
Extramural Research Programs in the Neurosciences and Neurological Disorders	93.853	-	19,790	Regents of University of Michigan	SUBK00016086	19,790	-
Allergy and Infectious Diseases Research	93.855	7,716,152	-			7,716,152	2,543,071
Allergy and Infectious Diseases Research	93.855	-	39,000	Baylor College of Medicine	PO#7000001472	39,000	-
Allergy and Infectious Diseases Research	93.855	-	721	Colorado State University	G-44372-02	721	-
Allergy and Infectious Diseases Research	93.855	-	94	Health Research, Incorporated	6040-01	94	-
Allergy and Infectious Diseases Research	93.855	-	230,056	Nationwide Children's Hospital	700183-0522-00	230,056	-
Allergy and Infectious Diseases Research	93.855	-	3,558	Purdue University	11000750-007	3,558	-
Allergy and Infectious Diseases Research	93.855	-	184,687	Purdue University	11001176-032	184,687	-
Allergy and Infectious Diseases Research	93.855	-	27,951	University of Alabama	000521324-SC004-CHA	27,951	-
Allergy and Infectious Diseases Research	93.855	-	(1,591)	University of California at Davis	A21-0362-S0001	(1,591)	-
Allergy and Infectious Diseases Research	93.855	-	54,328	University of Pittsburgh	AWD00002200 (134324-1)	54,328	-
Allergy and Infectious Diseases Research	93.855	-	(514)	University of South Florida	6408-1084-00-A	(514)	-
Allergy and Infectious Diseases Research	93.855	-	77,576	University of South Florida	6408-1145-00-A	77,576	-
Allergy and Infectious Diseases Research	93.855	-	14,378	University of Utah	10054720-01	14,378	-
Biomedical Research and Research Training	93.859	5,581,560	-			5,581,560	331,314
Biomedical Research and Research Training	93.859	-	78,223	Health Research, Incorporated	6485-01	78,223	-
Biomedical Research and Research Training	93.859	-	145,376	University of Chicago	FP068856-01-PR	145,376	-
Child Health and Human Development Extramural Research	93.865	1,587,548	-			1,587,548	268,171
Aging Research	93.866	2,171,723	-			2,171,723	420,795
Aging Research	93.866	-	65,319	National Bureau of Economic Research	4029F.26.00.05.NOTRE DAME	65,319	-
Aging Research	93.866	-	3,956	The Ohio State University	60069489-UND	3,956	-
Vision Research	93.867	(497)	-			(497)	(497)
Vision Research	93.867	-	94,741	Grannus Therapeutics LLC	AGREEMENT DATED 10/14/2021	94,741	-
Medical Library Assistance	93.879	-	11,537	University of Massachusetts	S51110000040449	11,537	-

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Schedule of Expenditures of Federal Awards for the year ended June 30, 2022 (continued)

Federal Program	Assistance Listing #	Direct	Pass-Through	Pass-Through Entity	Pass-Through Entity Sponsor Number	Total Expenditures	Passed to Sub-Recipients
Research and Development Cluster							
DEPARTMENT OF HEALTH AND HUMAN SERVICES (continued)							
National Institutes of Health (continued)							
International Research and Research Training	93.989	(2,253)	-			(2,253)	-
National Center for Advancing Translational Sciences	93.RD	-	6,533	Indiana Clinical and Translational Sciences Institute	LETTER DTD 8/24/21	6,533	-
National Center for Advancing Translational Sciences	93.RD	-	2,315	Indiana Clinical and Translational Sciences Institute	PO0454979	2,315	-
National Institute of Allergy and Infectious Diseases	93.RD	-	108,208	University of Pennsylvania	580125	108,208	-
National Institute of Allergy and Infectious Diseases	93.RD	-	298,411	University of Pennsylvania	582378	298,411	-
Substance Abuse and Mental Health Services Administration							
Block Grants for Prevention and Treatment of Substance Abuse	93.959	-	379	State of Indiana	000000000000000000002164	379	-
Subtotal - Department of Health and Human Services		<u>25,426,846</u>	<u>4,033,551</u>			<u>29,460,397</u>	<u>4,814,541</u>
DEPARTMENT OF JUSTICE							
Bureau of Justice Assistance							
Capital Case Litigation Initiative	16.746	40,080	-			40,080	-
Economic, High-Tech, and Cyber Crime Prevention	16.752	183,838	-			183,838	115,860
Federal Bureau of Investigation							
Federal Bureau of Investigation	16.RD	-	173,821	Florida Institute of Technology	PO#P0058614, 202529	173,821	-
Federal Bureau of Investigation	16.RD	-	(6,585)	West Virginia University	09-097AAAA-UND	(6,585)	-
Federal Bureau of Investigation	16.RD	-	7,583	West Virginia University	09-097EEEE-ND	7,583	-
National Institute of Justice							
National Institute of Justice Research, Evaluation, and Development Project Grants	16.560	32,109	-			32,109	32,109
National Institute of Justice Research, Evaluation, and Development Project Grants	16.560	(662)	-			(662)	-
National Institute of Justice Research, Evaluation, and Development Project Grants	16.560	-	50,920	West Virginia University	18-806-UND	50,920	-
Subtotal - Department of Justice		<u>255,365</u>	<u>225,739</u>			<u>481,104</u>	<u>147,969</u>
DEPARTMENT OF STATE							
Bureau of Conflict and Stabilization Operations							
Conflict and Stabilization Operations	19.121	502,225	-			502,225	314,185

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Schedule of Expenditures of Federal Awards for the year ended June 30, 2022 (continued)

Federal Program	Assistance Listing #	Direct	Pass-Through	Pass-Through Entity	Pass-Through Entity Sponsor Number	Total Expenditures	Passed to Sub-Recipients
Research and Development Cluster							
DEPARTMENT OF STATE (continued)							
Bureau of Near Eastern Affairs							
Investing in People in The Middle East and North Africa	19.021	299,504	-			299,504	192,300
Investing in People in The Middle East and North Africa	19.021	-	13,973	Institute for the International Education of Students	3000225555	13,973	-
International Narcotics and Law Enforcement Affairs							
Counter Narcotics	19.704	1,288	-			1,288	-
Trans-National Crime	19.705	25,800	-			25,800	-
Under Secretary for Public Diplomacy and Public Affairs							
Public Diplomacy Programs	19.040	60,565	-			60,565	-
Subtotal - Department of State		<u>889,382</u>	<u>13,973</u>			<u>903,355</u>	<u>506,485</u>
NATIONAL AERONAUTICS AND SPACE ADMINISTRATION							
National Aeronautics and Space Administration							
Science	43.001	601,115	-			601,115	-
Science	43.001	-	31,902	Georgia Institute of Technology	AWD-101557-G4	31,902	-
Science	43.001	-	7,966	Johns Hopkins University	R2004192321	7,966	-
Science	43.001	-	8,700	Smithsonian Astrophysical Observatory	TM1-22001C	8,700	-
Science	43.001	-	40,871	Smithsonian Environmental Research Center (SERC)	21-SUBC-440-0000453538	40,871	-
Science	43.001	-	42,391	Space Telescope Science Institute	HST-AR-15634.001-A	42,391	-
Science	43.001	-	13,800	Space Telescope Science Institute	HST-AR-16616.001-A	13,800	-
Science	43.001	-	4,541	Space Telescope Science Institute	HST-GO-14602.001-A	4,541	-
Science	43.001	-	160,151	Space Telescope Science Institute	HST-GO-15075.001-A	160,151	-
Science	43.001	-	48,630	Space Telescope Science Institute	HST-GO-15313.001-A	48,630	-
Science	43.001	-	65,352	University of Alabama	2020-1241	65,352	-
Science	43.001	-	18	University of California San Diego	77911696	18	-
Science	43.001	-	112,342	University of New Mexico	133711-87E7	112,342	-
Science	43.001	-	26,684	University of Texas at Austin	UTA21-000437	26,684	-
Aeronautics	43.002	31,303	-			31,303	-
Exploration	43.003	-	144,087	University of Central Florida	24086235-08	144,087	-
Space Operations	43.007	-	59,649	Center for the Advancement of Science in Space (CASIS)	GA-2018-268	59,649	-
National Aeronautics and Space Administration	43.RD	204,072	-			204,072	69,816

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Schedule of Expenditures of Federal Awards for the year ended June 30, 2022 (continued)

Federal Program	Assistance Listing #	Direct	Pass-Through	Pass-Through Entity	Pass-Through Entity Sponsor Number	Total Expenditures	Passed to Sub-Recipients
Research and Development Cluster							
NATIONAL AERONAUTICS AND SPACE ADMINISTRATION (continued)							
National Aeronautics and Space Administration (continued)							
National Aeronautics and Space Administration	43.RD	-	49,748	Space Telescope Science Institute	HST-GO-15273.001-A	49,748	-
National Aeronautics and Space Administration	43.RD	-	15,894	Space Telescope Science Institute	HST-GO-15939.005-A	15,894	-
Subtotal - National Aeronautics and Space Administration		<u>836,490</u>	<u>832,726</u>			<u>1,669,216</u>	<u>69,816</u>
NATIONAL ENDOWMENT FOR THE HUMANITIES							
Institute of Museum and Library Services							
Institute of Museum and Library Services	45.312	-	7,511	Internet Archive	AGREEMENT DATED 5/9/2022	7,511	-
National Endowment for the Humanities							
Promotion of the Humanities Fellowships and Stipends	45.160	168,328	-			168,328	-
Promotion of the Humanities Research	45.161	70,795	-			70,795	-
Promotion of the Humanities Teaching and Learning Resources and Curriculum Development	45.162	-	84,093	Teagle Foundation	SUBAWARD 2005422	84,093	-
Subtotal - National Endowment for the Humanities		<u>239,123</u>	<u>91,604</u>			<u>330,727</u>	<u>-</u>
NATIONAL SCIENCE FOUNDATION							
National Science Foundation							
COVID 19 - Engineering	47.041	52,470	-			52,470	47,913
COVID 19 - Engineering	47.041	80,878	-			80,878	-
COVID 19 - Engineering	47.041	95,592	-			95,592	-
COVID 19 - Engineering	47.041	(16,376)	-			(16,376)	-
COVID 19 - Engineering	47.041	193,181	-			193,181	81,796
COVID 19 - Engineering	47.041	-	5,052	Rensselaer Polytech Inst.	A21-0044-S002	5,052	-
Engineering	47.041	5,153,763	-			5,153,763	398,228
Engineering	47.041	-	39,430	CathBuddy, Inc.	AGREEMENT DTD 02/28/2022	39,430	-
Engineering	47.041	-	773	CathBuddy, Inc.	AGREEMENT DTD 08/13/2020	773	-
Engineering	47.041	-	15,129	Florida International University	800009861-02UG	15,129	-
Engineering	47.041	-	10,134	New Mexico State University	Q02192	10,134	-
Engineering	47.041	-	341,597	Purdue University	10001437-045	341,597	-
Engineering	47.041	-	40,443	Purdue University	10001437-045	40,443	-

University of Notre Dame du Lac

Schedule of Expenditures of Federal Awards for the year ended June 30, 2022 (continued)

Federal Program	Assistance Listing #	Direct	Pass-Through	Pass-Through Entity	Pass-Through Entity Sponsor Number	Total Expenditures	Passed to Sub-Recipients
Research and Development Cluster							
NATIONAL SCIENCE FOUNDATION (continued)							
National Science Foundation (continued)							
Engineering	47.041	-	67,648	South Bend Woodworks LLC	AGREEMENT DATED 5/12/2021	67,648	-
Engineering	47.041	-	142,448	University of California at Berkeley	9368	142,448	-
Engineering	47.041	-	14,404	University of Iowa	S01713-01	14,404	-
Engineering	47.041	-	66,643	University of Kansas Center for Research, Inc.	FY2021-034	66,643	-
Engineering	47.041	-	102,379	University of Texas at Austin	UTA20-000981	102,379	-
Engineering	47.041	-	1,779	Xavier University of Louisiana	ORSP-22-210081-01	1,779	-
COVID 19 - Mathematical and Physical Sciences	47.049	29,473	-			29,473	-
Mathematical and Physical Sciences	47.049	13,530,929	-			13,530,929	1,294,669
Mathematical and Physical Sciences	47.049	-	592,089	Cornell University	79433-20664	592,089	-
Mathematical and Physical Sciences	47.049	-	5,962	Michigan State University	RC104177UND	5,962	-
Mathematical and Physical Sciences	47.049	-	308,771	Michigan State University	RC104177UND	308,771	-
Mathematical and Physical Sciences	47.049	-	828,398	Princeton University	SUB0000177	828,398	-
Mathematical and Physical Sciences	47.049	-	72,988	Research Foundation of SUNY	76749/2/136652	72,988	-
Mathematical and Physical Sciences	47.049	-	35,137	University of California Riverside	S-001342	35,137	-
Mathematical and Physical Sciences	47.049	-	81,730	University of Houston	R-18-0022	81,730	-
Mathematical and Physical Sciences	47.049	-	1,802	University of Nebraska-Lincoln	25-0521-0178-006	1,802	-
Mathematical and Physical Sciences	47.049	-	267,248	University of Nebraska-Lincoln	25-0521-0244-010	267,248	-
Geosciences	47.050	1,212,986	-			1,212,986	-
Social, Behavioral, and Economic Sciences	47.050 & 47.075	28,187	-			28,187	-
COVID 19 - Computer and Information Science and Engineering	47.070	8,447	-			8,447	-
COVID 19 - Computer and Information Science and Engineering	47.070	6,810	-			6,810	-
COVID 19 - Computer and Information Science and Engineering	47.070	4,503	-			4,503	-
Computer and Information Science and Engineering	47.070	3,882,868	-			3,882,868	126,248
Computer and Information Science and Engineering	47.070	-	2,400	Princeton University	SUB0000531	2,400	-
Computer and Information Science and Engineering	47.070	-	19,033	Univ. of Southern California	110320236	19,033	-
Computer and Information Science and Engineering	47.070	-	270,518	Univ. of Southern California	SCON-00002549	270,518	-
Computer and Information Science and Engineering	47.070	-	4,356	University of California San Diego	79263457 / PO S9001492	4,356	-
Computer and Information Science and Engineering	47.070	-	135,552	University of Illinois-Urbana	106097-18643	135,552	-
Computer and Information Science and Engineering	47.070	-	(29,433)	University of Illinois-Urbana	2015-05845-02	(29,433)	-
Computer and Information Science and Engineering	47.070	-	45,915	Virginia Tech	479590-19923	45,915	-
COVID 19 - Biological Sciences	47.074	148,349	-			148,349	-

University of Notre Dame du Lac

Schedule of Expenditures of Federal Awards for the year ended June 30, 2022 (continued)

Federal Program	Assistance Listing #	Direct	Pass-Through	Pass-Through Entity	Pass-Through Entity Sponsor Number	Total Expenditures	Passed to Sub-Recipients
Research and Development Cluster							
NATIONAL SCIENCE FOUNDATION (continued)							
National Science Foundation (continued)							
COVID 19 - Biological Sciences	47.074	18,798	-			18,798	-
Biological Sciences	47.074	2,130,769	-			2,130,769	301,516
Biological Sciences	47.074	-	(1)	Bryn Mawr College	46685A	(1)	-
Biological Sciences	47.074	-	2,098	Cary Institute of Ecosystem Studies	3357/2002201911	2,098	-
Biological Sciences	47.074	-	(592)	Cornell University	84104-10926	(592)	-
Biological Sciences	47.074	-	25,669	Purdue University	10001908-020	25,669	-
Biological Sciences	47.074	-	5,405	Stanford University	62169940-118374	5,405	2,850
Biological Sciences	47.074	-	27,032	University of Oklahoma Press	2020-12	27,032	-
Biological Sciences	47.074	-	8,442	Virginia Tech	480181-19923	8,442	-
COVID 19 - Social, Behavioral, and Economic Sciences	47.075	5,215	-			5,215	-
COVID 19 - Social, Behavioral, and Economic Sciences	47.075	348	-			348	-
COVID 19 - Social, Behavioral, and Economic Sciences	47.075	9,061	-			9,061	-
COVID 19 - Social, Behavioral, and Economic Sciences	47.075	-	3,439	University of Colorado-Boulder	1559354	3,439	-
COVID 19 - Social, Behavioral, and Economic Sciences	47.075	-	46,215	University of Chicago	AWD101214	46,215	-
Social, Behavioral, and Economic Sciences	47.075	1,513,241	-			1,513,241	24,454
Social, Behavioral, and Economic Sciences	47.075	-	13,161	Georgia State University	SP00013965-01	13,161	-
Education and Human Resources	47.076	1,211,234	-			1,211,234	-
Education and Human Resources	47.076	-	27,078	TERC	12137	27,078	-
Education and Human Resources	47.076	-	406	UC Santa Barbara	KK1921	406	-
Education and Human Resources	47.076	-	59,018	University of California - Los Angeles	0070 G YB485	59,018	-
Office of International Science and Engineering	47.079	48,089	-			48,089	-
National Science Foundation	47.RD	268,732	-			268,732	-
National Science Foundation	47.RD	-	4,617	American Educational Research Association	FITZPATRICK	4,617	-
National Science Foundation	47.RD	-	24,238	American Educational Research Association	LETTER DATED 5/27/2021	24,238	-
National Science Foundation	47.RD	-	15,000	American Political Science Association	AGMENT DTD 9/21/21-M.SHIRAEF	15,000	-
National Science Foundation	47.RD	-	9,806	American Political Science Association	AGMT DTD 9/21/2021-N.SKIGIN	9,806	-
National Science Foundation	47.RD	-	1,871	American Political Science Association	AGREEMENT DTD 9/21/21-J.TURNER	1,871	-
Subtotal - National Science Foundation		<u>29,617,547</u>	<u>3,763,227</u>			<u>33,380,774</u>	<u>2,277,674</u>

University of Notre Dame du Lac

Schedule of Expenditures of Federal Awards for the year ended June 30, 2022 (continued)

Federal Program	Assistance Listing #	Direct	Pass-Through	Pass-Through Entity	Pass-Through Entity Sponsor Number	Total Expenditures	Passed to Sub-Recipients
Research and Development Cluster							
RESEARCH & DEVELOPMENT PROGRAMS FROM OTHER FEDERAL AGENCIES							
Central Intelligence Agency							
Central Intelligence Agency Contract	99.RD	160,574	-			160,574	-
Total - Central Intelligence Agency		<u>160,574</u>	<u>-</u>			<u>160,574</u>	<u>-</u>
Department of Homeland Security							
Centers for Homeland Security	97.061	-	46,572	Northeastern University	505245-78056	46,572	-
Centers for Homeland Security	97.061	-	11,557	Purdue University	E2042938	11,557	-
Federal Emergency Management Agency	97.RD	-	175,105	University of North Carolina-Chapel Hill	5115355	175,105	-
Total - Department of Homeland Security		<u>-</u>	<u>233,234</u>			<u>233,234</u>	<u>-</u>
Department of Housing and Urban Development							
Healthy Homes Technical Studies Grants	14.906	297,602	-			297,602	135,595
Total - Department of Housing and Urban Development		<u>297,602</u>	<u>-</u>			<u>297,602</u>	<u>135,595</u>
Department of the Interior							
Water Desalination Research and Development	15.506	17,847	-			17,847	-
Assistance to State Water Resources Research Institutes	15.805	89,516	-			89,516	-
Assistance to State Water Resources Research Institutes	15.805	-	(50)	Purdue University	15200040-46	(50)	-
U.S. Geological Survey Research and Data Collection	15.808	-	41,664	GeoHazards International	AGREEMENT DTD 1/27/22	41,664	-
US Geological Survey	15.RD	14,725	-			14,725	-
Total - Department of the Interior		<u>122,088</u>	<u>41,614</u>			<u>163,702</u>	<u>-</u>
Department of Transportation							
Highway Research and Development Program	20.200	-	8,108	National Academies of Science, Engineering, and Medicine	NCHRP-227	8,108	-
Highway Research and Development Program	20.200	-	40,655	Purdue University	21000273-091	40,655	-
Total - Department of Transportation		<u>-</u>	<u>48,763</u>			<u>48,763</u>	<u>-</u>
Department of Veterans Affairs							
Department of Veteran Affairs	64.RD	35,633	-			35,633	-
Total - Department of Veterans Affairs		<u>35,633</u>	<u>-</u>			<u>35,633</u>	<u>-</u>
Environmental Protection Agency							
Great Lakes Program	66.469	18,185	-			18,185	8,781

University of Notre Dame du Lac

Schedule of Expenditures of Federal Awards for the year ended June 30, 2022 (continued)

Federal Program	Assistance Listing #	Direct	Pass-Through	Pass-Through Entity	Pass-Through Entity Sponsor Number	Total Expenditures	Passed to Sub-Recipients
Research and Development Cluster							
RESEARCH & DEVELOPMENT PROGRAMS FROM OTHER FEDERAL AGENCIES							
(continued)							
Environmental Protection Agency (continued)							
Great Lakes Program	66.469	-	7,351	Central Michigan University	F62951	7,351	-
Great Lakes Program	66.469	-	30,354	Central Michigan University	F64661	30,354	-
Great Lakes Program	66.469	-	(65)	University of Buffalo SUNY	GL00E02254-C	(65)	-
Total -Environmental Protection Agency		<u>18,185</u>	<u>37,640</u>			<u>55,825</u>	<u>8,781</u>
Office of the Director of National Intelligence							
Intelligence Advanced Research Projects	12.RD	-	182,323	Kitware	K003518-00-S02	182,323	-
		-	182,323			182,323	-
Subtotal - Research & Development - Other		<u>634,082</u>	<u>543,574</u>			<u>1,177,656</u>	<u>144,376</u>
TOTAL RESEARCH & DEVELOPMENT		<u>92,602,003</u>	<u>30,712,485</u>			<u>123,314,488</u>	<u>21,607,819</u>
Other Sponsored Programs							
AGENCY FOR INTERNATIONAL DEVELOPMENT							
USAID Foreign Assistance for Programs Overseas	98.001	-	124,550	Massachusetts Institute of Technology	S5335, PO #585183	124,550	92,500
USAID Foreign Assistance for Programs Overseas	98.001	-	(265)	Purdue University	F9002550402036	(265)	-
USAID Foreign Assistance for Programs Overseas	98.001	-	109,316	Purdue University	F9002550402044	109,316	-
USAID Foreign Assistance for Programs Overseas	98.001	-	341,266	Purdue University	F9002550402083	341,266	272,212
		-	574,867			574,867	364,712
Global Development Alliance	98.011	2,500,387	-			2,500,387	1,268,103
Subtotal - Agency for International Development		<u>2,500,387</u>	<u>574,867</u>			<u>3,075,254</u>	<u>1,632,815</u>
CORPORATION FOR NATIONAL AND COMMUNITY SERVICE							
AmeriCorps	94.006	299,615	-			299,615	-
AmeriCorps	94.006	-	32,060	Workforce Development Services	46234	32,060	-
AmeriCorps	94.006	-	200,967	Workforce Development Services	57113	200,967	-
Subtotal - Corporation for National and Community Service		<u>299,615</u>	<u>233,027</u>			<u>532,642</u>	-
DEPARTMENT OF STATE							
Academic Exchange Programs - Undergraduate Programs	19.009	-	47,565	IREX	FY20-YALI-BE-UND-07	47,565	-
Academic Exchange Programs - Undergraduate Programs	19.009	-	69,826	IREX	FY22-YALI-BE-UND-08	69,826	-
		-	117,391			117,391	-

University of Notre Dame du Lac

Schedule of Expenditures of Federal Awards for the year ended June 30, 2022 (continued)

Federal Program	Assistance Listing #	Direct	Pass-Through	Pass-Through Entity	Pass-Through Entity Sponsor Number	Total Expenditures	Passed to Sub-Recipients
Other Sponsored Programs							
DEPARTMENT OF STATE (continued)							
ECA – American Spaces	19.441	2,084	-			2,084	-
Subtotal - Department of State		2,084	117,391			119,475	-
OTHER FEDERAL PROGRAMS							
Low Income Taxpayer Clinics	21.008	15,314	-			15,314	-
Space Technology	43.012	59,903	-			59,903	-
Promotion of the Arts Grants to Organizations and Individuals	45.024	-	6,176	Arts Midwest	00026735	6,176	-
Promotion of the Arts Grants to Organizations and Individuals	45.024	-	10,059	Arts Midwest	00029870	10,059	-
		-	16,235			16,235	-
Promotion of the Arts Partnership Agreements	45.025	-	4,050	Indiana Arts Commission	54932	4,050	-
U.S. Nuclear Regulatory Commission Scholarship and Fellowship Program	77.008	31,065	-			31,065	-
Subtotal - Other Federal Agencies		106,282	20,285			126,567	-
Subtotal - Other Sponsored Programs		2,908,368	945,570			3,853,938	1,632,815
Student Financial Assistance Cluster							
DEPARTMENT OF EDUCATION							
Federal Supplemental Educational Opportunity Grants	84.007	1,981,911	-			1,981,911	-
Federal Work-Study Program	84.033	672,723	-			672,723	-
Federal Pell Grant Program	84.063	5,380,706	-			5,380,706	-
Federal Perkins Loan (Note B): Outstanding Loans as of June 30, 2021	84.038	7,876,496	-			7,876,496	-
Federal Direct Student Loans	84.268	51,227,819	-			51,227,819	-
Subtotal - Student Financial Aid Cluster		67,139,655	-			67,139,655	-
TRIO Cluster							
DEPARTMENT OF EDUCATION							
TRIO Talent Search	84.044	338,106	-			338,106	-
TRIO Upward Bound	84.047	288,004	-			288,004	-
Subtotal - TRIO		626,110	-			626,110	-
Total Federal Award Expenditures		\$ 163,276,136	\$ 31,658,055			\$ 194,934,191	\$ 23,240,634

University of Notre Dame du Lac

Notes to Schedule of Expenditures of Federal Awards

For the year ended June 30, 2022

1. BASIS OF PRESENTATION

The accompanying Schedule of Expenditures of Federal Awards (the "Schedule") summarizes the expenditures of the University of Notre Dame du Lac (the "University") under programs of the federal government for the year ended June 30, 2022. The information presented in the Schedule is presented on the accrual basis of accounting, which is in accordance with the Office of Management and Budget ("OMB") 2 CFR Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*. Because the Schedule presents only the federal award activity of the University, it is not intended to and does not present the financial position, changes in net assets, functional expenses or cash flows of the University. The University applies its predetermined approved facilities and administrative rate when charging indirect costs to federal awards rather than the 10% de minimis cost rate as described in Section 200.414 of the Uniform Guidance.

For purposes of the Schedule, federal awards include all grants, contracts and similar agreements entered into directly between the University and agencies and departments of the federal government and all sub-awards to the University by non-federal organizations pursuant to federal grants, contracts and similar agreements. For purposes of the Schedule, agencies that provided less than \$300,000 of federal awards expended by the University for research and development are included in the Research & Development cluster under the heading "Research & Development Programs from Other Federal Agencies." These agencies include: the Central Intelligence Agency, the Department of Homeland Security, the Department of Housing and Urban Development, the Department of the Interior, the Department of Transportation, the Department of Veterans Affairs, the Environmental Protection Agency, and the Office of the Director of National Intelligence.

Negative numbers in the Schedule represent adjustments to amounts reported in prior years in the normal course of business.

2. FEDERAL STUDENT FINANCIAL ASSISTANCE

CAMPUS BASED LOAN PROGRAM

The Federal Perkins Loan Program is administered directly by the University and balances and transactions relating to this program are included in the University's consolidated financial statements. The amount of Federal Perkins loans outstanding at June 30, 2022 totaled \$4,749,107. Loans outstanding at the beginning of the year are included in the federal expenditures presented in the Schedule. For the year ended June 30, 2022, no new loans were issued, nor was there any administrative cost allowance recovered from the Perkins Loan Program.

University of Notre Dame du Lac
Notes to Schedule of Expenditures of Federal Awards
For the year ended June 30, 2022

3. RECONCILIATION TO UNIVERSITY FINANCIAL STATEMENTS

Expenditures of federal awards per the Schedule are reconciled to grants and contracts revenues as reflected in the University's audited consolidated financial statements as follows (in thousands):

Total per Schedule of Expenditures of Federal Awards	\$ 194,934
Plus expenditure of awards from:	
State agencies	650
Private organizations	52,033
Federal awards not subject to OMB Circulars	2,643
Less: Agency transactions not reflected in audited financial statements ¹	(5,617)
Perkins Student Loan outstanding	(7,876)
Direct Student Loan expenditures	<u>(51,228)</u>
Grants and contracts per the Consolidated Statement of Changes in Net Assets	<u>\$ 185,539</u>

¹ Represents expenditures of federal awards, primarily for Pell grants, that are treated as "agency" or "pass-through" transactions for financial statement purposes and are thus excluded from activity reflected in the Consolidated Statement of Changes in Net Assets.

Financial Responsibility Supplemental Schedule

and

Notes to Financial Responsibility Supplemental Schedule

University of Notre Dame du Lac
Financial Responsibility Supplemental Schedule
For the year ended June 30, 2022

	Financial Statement Reference Code¹	Amount
Primary Reserve Ratio		
<i>Expendable net assets (A):</i>		
Net assets without donor restrictions	A3	\$ 9,279,548
Net assets with donor restrictions	A4	10,865,127
Net assets with donor restrictions: restricted in perpetuity	E1	(3,373,531)
Annuities and life income funds with donor restrictions	E3	(67,244)
Term endowments with donor restrictions	E2	(354)
Intangible assets	C1	(6,455)
Property, plant and equipment, net:		
Pre-implementation	F3	(1,891,371)
Post-implementation (with debt financing)	F4	(100,777)
Post-implementation (without debt financing)	F5	(482,6400)
Construction in progress	D1	(83,890)
Lease right-of-use assets:		
Pre-implementation	F8	(33,528)
Post-implementation	F9	-
Post-employment and pension liabilities	A2	73,945
Long-term debt – for long term purposes:		
Pre-implementation	F6	1,108,512
Post-implementation	F7	100,777
Lease liabilities:		
Pre-implementation	F10	33,528
Post-implementation	F11	-
Unsecured related party receivable	F1	(29,902)
		<u>\$ 15,391,745</u>
<i>Total expenses without donor restrictions and losses without donor restrictions (B):</i>		
Total expenses without donor restrictions	B2	\$ 1,402,215
Losses related to:		
Investments	B5	658,361
		<u>\$ 2,060,576</u>
Primary reserve ratio (A/B)		<u><u>7.47</u></u>

¹ The legend for the reference code is found on page 63.

University of Notre Dame du Lac
Financial Responsibility Supplemental Schedule
For the year ended June 30, 2022

	Financial Statement Reference Code¹	Amount
Equity Ratio:		
<i>Modified net assets (A):</i>		
Net assets without donor restrictions	A3	\$ 9,279,548
Net assets with donor restrictions	A4	10,865,127
Intangible assets	C1	(6,455)
Unsecured related party receivable	F2	(92,042)
		<u>\$ 20,046,178</u>
 <i>Modified assets (B):</i>		
Total assets	A1	\$ 24,599,541
Intangible assets	C1	(6,455)
Unsecured related party receivable	F2	(92,042)
		<u>\$ 24,501,044</u>
Equity ratio (A/B)		<u>0.82</u>
 Net Income Ratio:		
<i>Change in net assets without donor restrictions (A)</i>	B12	\$ (476,670)
<i>Total revenue plus total gains (B):</i>		
Total revenues	B1	1,498,612
Investment return appropriated for spending	B3	(161,022)
<i>Total gains from:</i>		
Contributions	B4	41,611
Derivative instruments	B6	50,762
Net assets released from restrictions	B7	98,886
<i>Pension and postretirement benefits:</i>		
Net periodic benefit costs	B8	429
Other changes	B9	35,329
Annuities	B10	5
Other non-operating changes in net assets	B11	19,294
		<u>\$ 1,583,906</u>
Net income ratio (A/B)		<u>(0.30)</u>

¹ The legend for the reference code is found on page 63.

University of Notre Dame du Lac
Financial Responsibility Supplemental Schedule
For the year ended June 30, 2022

Financial Statement Reference Code	Financial Statement Reference	Line Item Description
A1	Consolidated Statement of Financial Position	Total assets
A2	Consolidated Statement of Financial Position	Pension and other postretirement benefit obligations
A3	Consolidated Statement of Financial Position	Without donor restrictions (Net assets)
A4	Consolidated Statement of Financial Position	With donor restrictions (Net assets)
B1	Consolidated Statement of Changes in Net Assets	Total operating revenues and other additions
B2	Consolidated Statement of Changes in Net Assets	Operating expenses
B3	Consolidated Statement of Changes in Net Assets	Endowment payout
B4	Consolidated Statement of Changes in Net Assets	Contributions (non-operating)
B5	Consolidated Statement of Changes in Net Assets	Investment return
B6	Consolidated Statement of Changes in Net Assets	Gain on debt-related derivative instruments
B7	Consolidated Statement of Changes in Net Assets	Net assets released from restrictions (non-operating)
B8	Consolidated Statement of Changes in Net Assets	Net periodic benefit costs
B9	Consolidated Statement of Changes in Net Assets	Other changes
B10	Consolidated Statement of Changes in Net Assets	Change in value of split-interest agreements
B11	Consolidated Statement of Changes in Net Assets	Other non-operating changes
B12	Consolidated Statement of Changes in Net Assets	Increase/(decrease) in net assets
C1	Note 4 - Deferred Charges and Other Assets	Goodwill
D1	Note 8 - Land, buildings and equipment	Construction in progress
E1	Note 15 - Net Assets	Perpetual restrictions (column total)
E2	Note 15 - Net Assets	Term endowment
E3	Note 15 - Net Assets	Split-interest agreements (purpose and/or time restrictions)
F1	Note 22 – Financial Responsibility	Related parties – University trustees (purpose and/or time restrictions)
F2	Note 22 – Financial Responsibility	Related parties – University trustees (total)
F3	Note 22 – Financial Responsibility	Land, buildings and equipment, net (pre-implementation total)
F4	Note 22 – Financial Responsibility	Land, buildings and equipment, net (post-implementation with debt financing)
F5	Note 22 – Financial Responsibility	Land, buildings, and equipment, net (post-implementation without debt financing)
F6	Note 22 – Financial Responsibility	Debt for long-term purposes (pre-implementation total)
F7	Note 22 – Financial Responsibility	Debt for long-term purposes (post-implementation total)
F8	Note 22 – Financial Responsibility	Lease right-of-use assets (pre-implementation total)
F9	Note 22 – Financial Responsibility	Lease right-of-use assets (post-implementation total)
F10	Note 22 – Financial Responsibility	Lease liabilities (pre-implementation total)
F11	Note 22 – Financial Responsibility	Lease liabilities (post-implementation total)

University of Notre Dame du Lac
Notes to Financial Responsibility Supplemental Schedule
For the year ended June 30, 2022

1. BASIS OF PRESENTATION

The accompanying Financial Responsibility Supplemental Schedule (the “Schedule”) for the University of Notre Dame du Lac (the “University”) provides financial information required by the Department of Education to calculate of the primary reserve ratio, equity ratio, net income ratio and the composite score as defined in Subpart L of 34 CFR 668 for the fiscal year ended June 30, 2022. The financial information in the Schedule has been prepared in accordance with accounting principles generally accepted in the United States of America consistent with the consolidated financial statements. The Schedule is presented for purposes of additional analysis as required by the Department of Education and is not a required part of the consolidated financial statements.

Part II

Reports on Internal Control and Compliance



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

To the Board of Trustees of the University of Notre Dame du Lac

We have audited, in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States, the consolidated financial statements of the University of Notre Dame du Lac and its subsidiaries (the "University"), which comprise the consolidated statement of financial position as of June 30, 2022, and the related consolidated statements of changes in net assets, of functional expenses, and of cash flows for the year then ended, including the related notes (collectively referred to as the "consolidated financial statements"), and have issued our report thereon dated November 11, 2022, except with respect to footnote 22 to the consolidated financial statements and the opinion on the financial responsibility supplemental schedule, as to which the date is January 13, 2023.

Report on Internal Control Over Financial Reporting

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

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

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

Report on Compliance and Other Matters

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



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

Purpose of this Report

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

PricewaterhouseCoopers LLP

Chicago, Illinois

November 11, 2022, except with respect to footnote 22 to the consolidated financial statements and the opinion on the financial responsibility supplemental schedule, as to which the date is January 13, 2023.



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

To the Board of Trustees of the University of Notre Dame du Lac

Report on Compliance for Each Major Federal Program

Opinion on Each Major Federal Program

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

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

Basis for Opinion on Each Major Federal Program

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

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

Responsibilities of Management for Compliance

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

Auditors' Responsibilities for the Audit of Compliance

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



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

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

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

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

Report on Internal Control Over Compliance

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

Our consideration of internal control over compliance was for the limited purpose described in the Auditors' Responsibilities for the Audit of Compliance section above and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies in internal control over compliance. Given these limitations, during our



audit we did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses, as defined above. However, material weaknesses or significant deficiencies in internal control over compliance may exist that were not identified.

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

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

PricewaterhouseCoopers LLP

Chicago, Illinois
January 13, 2023

Part III

Schedule of Findings and Questioned Costs

University of Notre Dame du Lac
Schedule of Findings and Questioned Costs
For the year ended June 30, 2022

SECTION I – SUMMARY OF AUDITORS’ RESULTS

FINANCIAL STATEMENTS

Type of auditors’ report issued: Unmodified

Internal control over financial reporting:

- ◆ Material weakness(es) identified? Yes No
- ◆ Significant deficiency(ies) identified that are not considered to be material weakness(es)? Yes None reported
- ◆ Noncompliance material to financial statements noted? Yes No

FEDERAL AWARDS

Internal control over major programs:

- ◆ Material weakness(es) identified? Yes No
- ◆ Significant deficiency(ies) identified that are not considered to be material weakness(es)? Yes None reported

Type of auditors’ report issued on compliance for major programs: Unmodified

Any audit findings disclosed that are required to be reported in accordance with 2 CFR 200.516(a)? Yes No

IDENTIFICATION OF MAJOR PROGRAMS

<u>Assistance Listing Number(s)</u>	<u>Name of Federal Program or Cluster</u>
Various	Research and Development
Dollar threshold used to distinguish between Type A and Type B programs:	\$3,000,000
Auditee qualified as low-risk auditee?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No

University of Notre Dame du Lac
Schedule of Findings and Questioned Costs
For the year ended June 30, 2022

SECTION II – FINANCIAL STATEMENT FINDINGS

No findings to be reported.

SECTION III – FEDERAL AWARD FINDINGS AND QUESTIONED COSTS

No findings to be reported.

Part IV

Prior Year Audit Findings

University of Notre Dame du Lac
Summary Schedule of Prior Year Audit Findings and Status
For the year ended June 30, 2022

There are no findings from prior years that require an update in this report.