



The University of Oklahoma – Norman Campus

Independent Auditor’s Reports and Financial Statements

June 30, 2023



The University of Oklahoma – Norman Campus
June 30, 2023

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Independent Auditor's Report

Regents of the University of Oklahoma
The University of Oklahoma – Norman Campus
Norman, Oklahoma

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of The University of Oklahoma – Norman Campus (the University), as of and for the year ended June 30, 2023, and the related notes to the financial statements, which collectively comprise the University's basic financial statements, as listed in the table of contents.

In our opinion, the accompanying financial statements referred to above present fairly, in all material respects, the financial position of the University as of June 30, 2023 and the changes in financial position and its cash flows for the year 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 (GAAS) and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States (*Government Auditing Standards*). Our responsibilities under those standards are further described in the "Auditor's Responsibilities for the Audit of the 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.

Emphasis of Matter

As discussed in *Note 1* to the financial statements, in 2023, the University adopted new accounting guidance for accounting for subscription-based information technology arrangements. Our opinion is not modified with respect to this matter.

Reporting Entity

As discussed in *Note 1*, the accompanying financial statements of the University are intended to present the financial position, changes in financial position, and cash flows of only the activities of the Norman campus. They do not purport to, and do not, present fairly the financial position of the University of Oklahoma as of June 30, 2023 and the changes in its financial position or its cash flows for the year then ended, in accordance with accounting principles generally accepted in the United States of America. Our opinion is not modified with respect to this matter.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the 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 financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and, therefore, is not a guarantee that an audit conducted in accordance with GAAS and *Government Auditing Standards* will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

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

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the 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 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 financial statements.

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.

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that management's discussion and analysis, pension information, and other postemployment benefit information be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with GAAS, which consisted of inquiries of management about the methods of preparing the information and comparing the

information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Supplementary Information

Our audit was conducted for the purpose of forming an opinion on the financial statements that collectively comprise the University's basic financial statements. The schedule of expenditures of federal awards, as required by Title 2 *U.S. Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*, as listed in the table of contents, is presented for purposes of additional analysis and is not a required part of the basic 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 basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with GAAS. In our opinion, the schedule of expenditures of federal awards is fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated October 30, 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. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the University's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the University's internal control over financial reporting and compliance.

FORVIS,LLP

Tulsa, Oklahoma
October 30, 2023

The University of Oklahoma – Norman Campus

Management’s Discussion and Analysis

Year Ended June 30, 2023

The discussion and analysis of The University of Oklahoma – Norman Campus’ (the University) financial statements provides an overview of the University’s financial activities for the year ended June 30, 2023. Management has prepared the financial statements and the related footnote disclosures along with this discussion and analysis.

Financial Highlights

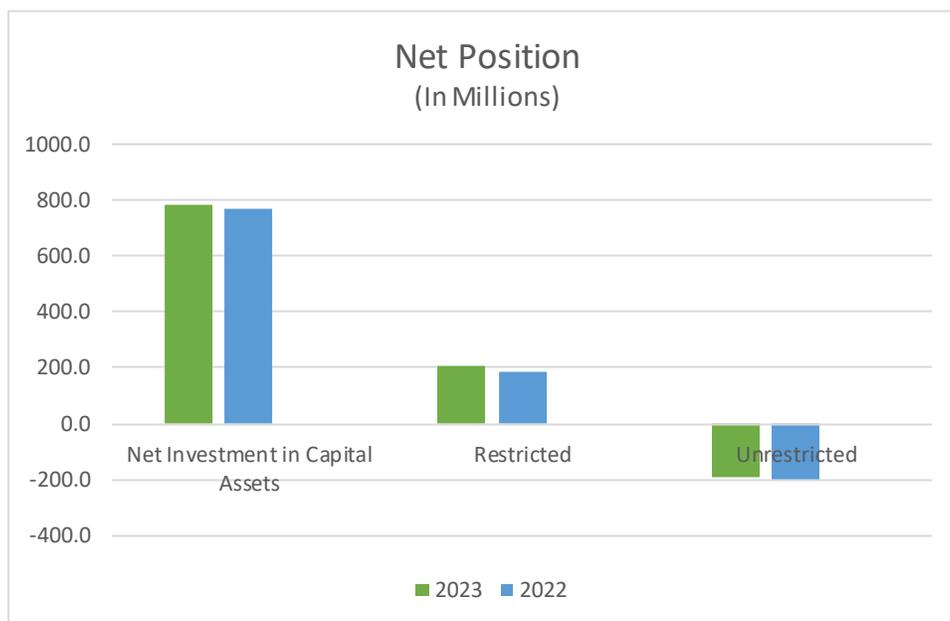
2023

During fiscal year 2023, the University experienced a positive change in net position, recording an increase of \$39.0 million or 5.2% over the prior year. The increase was primarily due to increases in net student tuition and fees and private gifts. Fall 2022 student headcount enrollment was up 1.0% over the prior fall, while tuition and mandatory fee rates were held flat for residents and increased 3.0% for nonresidents. Net investment in capital assets increased \$17.2 million over the previous year. Restricted net position increased by \$18.6 million primarily due to the receipt of \$20.0 million for the expansion/update of the National Weather Center located on the University’s Research Campus and \$10.0 million for the construction of the University’s Aerospace and Defense Innovation Institute, while unrestricted net position increased \$3.3 million.

2022

During fiscal year 2022, the University experienced a positive change in net position, recording an increase of \$184.7 million or 32.4% over the prior year. The increase was primarily due to improvement in auxiliary enterprises, such as Athletics and Housing and Food that operated under COVID-19 restrictions in the prior year, an increase in net tuition and fee revenue from a 1% increase in headcount enrollment, a 2.75% rate increase, expansion of online graduate program offerings, and receipt of \$34.8 million in *American Rescue Plan Act (ARPA)* of 2021 and *Coronavirus Response and Relief Supplemental Appropriations Act (CRRSA Act)* of 2021. Net investment in capital assets increased \$8.7 million over the previous year. Restricted net position increased by \$41.9 million, while unrestricted net position increased \$134.1 million.

The following graph illustrates the comparative change in net position by category for the years ended June 30:



Overview of the Financial Statements and Financial Analysis

This report consists of management’s discussion and analysis; the statement of net position; the statement of revenues, expenses, and changes in net position; and the statement of cash flows. These statements provide both long-term and short-term financial information on the University as a whole. The 2022 financial information contained herein has not been restated for the adoption of Governmental Accounting Standards Board (GASB) Statement No. 96, *Subscription-Based Information Technology Arrangements*, discussed in *Note 1* to the financial statements, because of the single-year presentation of the basic financial statements; however, certain amounts have been reclassified to conform to the presentation of the 2023 financial statements.

The Statement of Net Position and Statement of Revenues, Expenses, and Changes in Net Position

The statement of net position and the statement of revenues, expenses, and changes in net position report the University’s net position and how it has changed. Net position—the difference between combined assets and deferred outflows of resources and combined liabilities and deferred inflows of resources—is one way to measure the University’s financial health or position. Over time, increases or decreases in the University’s net position are indicators of whether its financial health is improving. Nonfinancial factors are also important to consider, including student recruitment, enrollment and retention, and the condition of campus facilities.

These statements include all assets, deferred outflows of resources, liabilities, and deferred inflows of resources using the accrual basis of accounting. All of the current year’s revenues and expenses are recognized when earned or incurred, regardless of when cash is received or paid.

The following summarizes the University's assets, deferred outflows of resources, liabilities, deferred inflows of resources, and net position as of June 30, as well as the University's revenues, expenses, and changes in net position for the years ended June 30:

Condensed Statements of Net Position – June 30 (in Millions)

	2023	2022
Assets		
Current assets	\$ 435.4	\$ 443.9
Capital, lease, and subscription assets, net	1,858.2	1,869.9
Other noncurrent assets	233.2	208.1
Total assets	<u>2,526.8</u>	<u>2,521.9</u>
Deferred Outflows of Resources	<u>133.8</u>	<u>92.9</u>
Liabilities		
Current liabilities	242.7	206.8
Noncurrent liabilities	1,524.6	1,425.8
Total liabilities	<u>1,767.3</u>	<u>1,632.6</u>
Deferred Inflows of Resources	<u>99.6</u>	<u>227.6</u>
Net Position		
Net investment in capital assets	783.1	765.9
Restricted	205.5	186.9
Unrestricted (deficit)	(194.9)	(198.2)
Total net position	<u>\$ 793.7</u>	<u>\$ 754.6</u>

Condensed Statements of Revenues, Expenses, and Changes in Net Position – Years Ended June 30 (in Millions)

	2023	2022
Operating Revenues	\$ 903.9	\$ 886.3
Operating Expenses	<u>1,162.5</u>	<u>1,036.8</u>
Operating Loss	(258.6)	(150.5)
Net Nonoperating Revenues (Expenses)	255.2	272.0
Other Revenues (Expenses) and Gains (Losses)	<u>42.4</u>	<u>63.2</u>
Change in Net Position	<u>\$ 39.0</u>	<u>\$ 184.7</u>

The following summarizes the University's operating revenues for the years ended June 30 (in millions):

	2023	2022
Operating Revenues		
Student tuition and fees	\$ 388.6	\$ 379.3
Grants and contracts	253.7	217.1
Auxiliary enterprises	228.5	224.3
Other	33.1	65.6
	<hr/>	<hr/>
Total operating revenues	<u>\$ 903.9</u>	<u>\$ 886.3</u>

2023

Student tuition and fees reflected an increase compared to prior year of \$9.3 million or 2.5%, resulting from a 1.0% increase in overall headcount enrollment in fall 2022, a 3.0% rate increase for nonresident students, and a 19.2% growth in online graduate programs enrollment. Grants and contracts increased \$36.6 million or 16.9% due to growth in federal contracts and a new State of Oklahoma Department of Human Services grant. Auxiliary enterprises revenue increased slightly, as the University experienced an increase in housing and food services revenues (\$5.6 million or 8.0%) due to increased occupancy rates and meal and room rate increases, offset by a decline in athletics revenues (\$4.6 million or 3.7%) primarily due to receipt of one-time revenue of \$6.0 million in fiscal year 2022. Other revenue decreased \$32.5 million or 49.5% due to recognition of revenue associated with the Cross Village housing complex ground lease (\$18.3 million) in fiscal year 2022 and adjustment of recognition of insurance proceeds (\$11.7 million) recorded in fiscal year 2022.

2022

Student tuition and fees reflected an increase compared to prior year of \$25.2 million or 7.1%, resulting from a 1.0% increase in enrollment in fall 2021, a 2.75% rate increase for resident and nonresident students, and growth in online graduate programs. Grants and contracts increased \$36.3 million or 20.1% due to growth in federal research grants from the National Science Foundation and Department of Defense and contracts with the State of Oklahoma and the University's Center for Public Management and Center for Early Childhood Professional Development. As the COVID-19 pandemic and associated safety measures were modified in accordance with health experts, the University experienced increases in housing and food services revenues (\$18.6 million or 36.3%) and athletics revenues (\$54.0 million or 78.0%).

The following summarizes the University's operating expenses for the years ended June 30 (in millions):

	<u>2023</u>	<u>2022</u>
Operating Expenses		
Compensation and benefits	\$ 605.5	\$ 535.5
Contractual services	192.2	180.5
Supplies and materials	53.2	41.9
Depreciation and amortization	86.1	77.9
Utilities	49.0	43.2
Communications	5.5	9.6
Scholarships and fellowships	54.3	75.3
Travel	30.2	20.6
Other	<u>86.5</u>	<u>52.3</u>
Total operating expenses	<u>\$ 1,162.5</u>	<u>\$ 1,036.8</u>

2023

Total operating expenses increased \$125.7 million or 12.1% in fiscal year 2023. Compensation increased \$70 million or 13.1% primarily due to an increase in the actuarially determined Oklahoma Teachers' Retirement System defined benefit plan liability, a 3.0% across-the-board raise program, and increases in faculty and staff headcount. Supplies and materials increased \$11.3 million or 27.0% primarily due to increases in food, beverage, and event expenditures related to athletic events and merchandise-for-resale within housing and food services and facilities management. Scholarships and fellowships decreased \$21.0 million or 27.9% primarily due to expiration of federal ARPA funding received and distributed as scholarships to students in fiscal year 2022. Other expenses increased \$34.2 million or 65.4% primarily due to third-party payments under a new State of Oklahoma Department of Human Services grant. Travel spending increased by \$9.6 million or 46.6%, reaching pre-pandemic levels..

2022

Total operating expenses increased \$151.1 million or 17.1% in fiscal year 2022. Compensation increased \$83.9 million or 18.6% primarily due to prior year benefit term changes to the other postemployment benefit (OPEB) program, which reduced prior year compensation expense, offset by a 4.0% increase in full-time faculty. Supplies and materials increased \$8.6 million or 25.8%, returning to pre-pandemic levels. Scholarships and fellowships increased \$15.3 million or 25.5% primarily due to federal ARPA funding received and distributed as scholarships to students. Other expenses increased \$32.9 million or 82.2% primarily due to travel spending nearing pre-pandemic levels, updates to the University's allowance for student receivable calculation, and a full-year payment to the University of Oklahoma Foundation, Inc., for advancement services.

The following summarizes the University's nonoperating revenues and expenses for the years ended June 30 (in millions):

	<u>2023</u>	<u>2022</u>
Nonoperating Revenues (Expenses)		
State appropriations	\$ 122.1	\$ 118.5
State appropriations for special projects	10.0	-
On-behalf payments	17.5	10.1
Federal grants and contracts	29.9	87.8
State grants and contracts	14.5	14.6
Private gifts	67.2	49.2
Interest on indebtedness	(33.1)	(23.0)
Net investment income	6.1	(5.3)
Endowment income	<u>21.0</u>	<u>20.1</u>
Net nonoperating revenues (expenses)	<u>\$ 255.2</u>	<u>\$ 272.0</u>

2023

State appropriations increased \$3.6 million or 3.0%, as the University's appropriation was increased for fiscal year 2023 to assist with investments in workforce/STEM initiatives. State appropriations for special projects increased due to the receipt of \$10.0 million to support one-time costs associated with the creation and launch of the Polytechnic Institute in Tulsa. Federal grants and contracts decreased \$57.9 million or 65.9% due to expiration of federal COVID-19 relief funding under the CRRSA Act and ARPA awarded in fiscal year 2022. Private gifts increased \$18.0 million or 36.6% primarily due to increased funding draws made by Athletics, the Gallogly College of Engineering, and the Michael F. Price College of Business. Interest on indebtedness increased \$10.1 million or 43.9% due to the University's conversion to the effective interest method in accounting for bond premiums and discounts in fiscal year 2022. Net investment income increased \$11.4 million or 215.1% due to improved investment performance during the fiscal year.

2022

State appropriations increased \$6.8 million or 6.1%, as the University's appropriation was increased for fiscal year 2022 to assist with investments in engineering education. Federal grants and contracts increased \$30.9 million or 54.3% due to receipt of federal COVID-19 relief funding under the CRRSA Act and ARPA. Private gifts decreased \$25.5 million or 34.1% primarily due to funding draws made in the prior year to help offset Athletics financial losses due to COVID-19. Interest on indebtedness declined \$10.0 million or 30.3% due to the University's conversion to the effective interest method in accounting for bond premiums and discounts (see *Note 12*). Net investment income decreased \$36.0 million or 117.3% due to a decline in investment performance during the fiscal year. Endowment income increased \$10.1 million or 101.0% due to increased draws of income from endowed funds at the University of Oklahoma Foundation, Inc.

The following summarizes the University's other revenues (expenses) and gains (losses) for the years ended June 30:

	2023	2022
Private gifts for capital purposes	15.8	5.8
State appropriations for capital assets	30.0	10.0
State school land funds	9.9	9.4
On-behalf payments for OCIA capital leases	5.1	5.1
Gain (loss) on disposal of fixed assets	(19.0)	(0.9)
Additions to permanent endowments	0.6	33.8
	<hr/>	<hr/>
Total other revenues (expenses) and gains (losses)	<u>\$ 42.4</u>	<u>\$ 63.2</u>

2023

Other revenues (expenses) and gains (losses) decreased by \$20.8 million or 32.9% primarily due to a transfer of \$33.8 million in restricted endowments from the University of Oklahoma Foundation, Inc., to the University in fiscal year 2022 offset by the receipt of \$30.0 million for the expansion of the National Weather Center on the University's Research Campus and creation of the University's Aerospace & Defense Innovation Institute. The University continues to receive support from state school land funds managed by the Commissioners of the Land Office, which provides annual distributions for capital improvements.

2022

Other revenues (expenses) and gains (losses) increased by \$44.0 million or 229.1% primarily due to receipt of \$10.0 million for the creation of the University's Aerospace & Defense Innovation Institute and a transfer of \$33.8 million in restricted endowments from the University of Oklahoma Foundation, Inc., to the University. The University continues to receive support from state school land funds managed by the Commissioners of the Land Office, which provides annual distributions for capital improvements.

The Statement of Cash Flows

The primary purpose of the statement of cash flows is to provide information about the cash receipts and disbursements of the University during a period. This statement also aids in the assessment of the University's ability to generate future net cash flows and meet obligations as they come due as well as needs for external financing.

The following summarizes the University's cash flows for the years ended June 30:

Condensed Statements of Cash Flows – Years Ended June 30 (in Millions)

	2023	2022
Net Cash Provided by (Used in)		
Operating activities	\$ (152.5)	\$ (107.6)
Noncapital financing activities	262.0	289.0
Capital and related financing activities	(99.9)	(76.0)
Investing activities	5.9	16.5
Increase in Cash and Cash Equivalents	15.5	121.9
Cash and Cash Equivalents, Beginning of Year	349.5	227.6
Cash and Cash Equivalents, End of Year	\$ 365.0	\$ 349.5

2023

The University's overall liquidity improved during the year, with a net increase to cash of \$15.5 million. Cash used in operating activities totaled \$152.5 million, an increase of \$44.9 million compared to cash used in the prior year. The increase in the use of cash was due to increased expenditures related to faculty and staff hiring and a 3.0% across-the-board raise program supported by increased student tuition and fees, state appropriations, and private gifts. Major sources of operating funds were tuition and fees of \$391.8 million, grants and contracts of \$249.9 million, and auxiliary enterprises of \$226.7 million, which were offset by the payment of compensation and benefits of \$600.6 million and other operating expenses of \$459.1 million.

Cash provided by noncapital financing activities totaled \$262.0 million, a decrease of \$27.0 million compared to the prior year. The decrease was primarily due to the receipt of federal COVID-19 relief funding under the CRRSA Act and ARPA in fiscal year 2022. Major sources of noncapital financing activities were state appropriations of \$122.1 million, grants and contracts of \$43.3 million, and private gifts of \$65.0 million.

Cash used in connection with capital and related financing activities totaled \$99.9 million, an increase of \$23.9 million compared to the prior year primarily due to increases in principal and interest payments. Major sources of capital and related financing activities were state appropriations for capital and special projects of \$30.0 million and principal and interest payments on capital debt and leases of \$85.7 million.

Cash provided by investing activities totaled \$5.9 million, a decrease of \$10.6 million compared to the prior year. Major sources of investing activities were investment income of \$3.4 million and proceeds from the sale of investments of \$4.0 million.

2022

The University's overall liquidity improved during the year with a net increase to cash of \$121.9 million. Cash used in operating activities totaled \$107.6 million, a decrease of \$103.7 million compared to cash used in the prior year. The decrease in the use of cash was due to an improvement in auxiliary enterprises, such as Athletics and Housing and Food that operated under COVID-19 restrictions in the prior year and an increase in net tuition and fee revenue from a 1.0% increase in headcount enrollment, a 2.75% rate increase, and expansion of online graduate program offerings. Major sources of operating funds were tuition and fees of \$375.5 million, grants and contracts of \$216.6 million, and auxiliary

enterprises of \$246.3 million, which were offset by the payment of compensation and benefits of \$562.1 million and other operating expenses of \$423.1 million.

Cash provided by noncapital financing activities totaled \$289.0 million, an increase of \$28.6 million compared to the prior year. Major sources of noncapital financing activities were state appropriations of \$118.5 million, grants and contracts of \$100.2 million, and private gifts of \$50.1 million.

Cash used in connection with capital and related financing activities totaled \$76.0 million, an increase of \$9.2 million compared to the prior year. An increase due to the receipt of bond proceeds in the current year was offset by the acquisition of the Cross Village student housing complex. Major sources of capital and related financing activities were proceeds from revenue bonds of \$184.8 million, which were offset by the acquisition Cross Village of \$180.0 million, and principal and interest payments on capital debt and leases of \$72.0 million.

Cash provided by investing activities totaled \$16.5 million, an increase of \$3.1 million compared to the prior year. Major sources of investing activities were proceeds from the sale of investments of \$15.9 million.

Capital, Lease, and Subscription Assets, and Debt Administration

The following summarizes the University's capital, lease, and subscription assets at June 30 (in millions):

	2023	2022
Land and land improvements	\$ 49.6	\$ 48.6
Buildings	1,418.8	1,467.9
Construction in progress	51.4	25.6
Furniture, fixtures, and equipment	258.6	253.2
Infrastructure	40.3	43.4
Library books and periodicals	13.6	16.8
Lease asset building	9.7	10.9
Lease asset equipment	2.8	3.6
Subscription assets	13.3	-
	<hr/>	<hr/>
Capital, lease, and subscription assets, net	<u>\$ 1,858.1</u>	<u>\$ 1,870.0</u>

2023

At June 30, 2023, the University had \$1,858.1 million invested in capital, lease, and subscription assets, net of accumulated depreciation and amortization of \$1,245.8 million. Depreciation and amortization expense for the current year totaled \$86.1 million compared to \$77.9 million in the prior year. During the year, the University has major projects in construction in progress, including the Love's Field softball stadium, freshmen housing master plan, and a radar innovation building. More detailed information related to the University's capital, lease, and subscription assets is presented in *Note 6* to the financial statements.

2022

At June 30, 2022, the University had \$1,870.0 million invested in capital and lease assets, net of accumulated depreciation and amortization of \$1,182.4 million. Depreciation and amortization expense for the current year totaled \$77.9 million compared to \$72.9 million in the prior year. During the year, the University acquired Cross Village for \$180.0 million, which expanded and upgraded student housing, food, and parking options on campus. More detailed information related to the University's capital assets and lease assets is presented in *Note 6* to the financial statements.

Debt, Lease, and Subscription Obligations

The following summarizes outstanding debt, lease, and subscription obligations by type at June 30 (in millions):

	2023	2022
General revenue bonds	\$ 1,013.7	\$ 1,057.3
Lease obligations	12.7	14.5
Subscription obligations	11.3	-
Other financing arrangements	37.9	41.7
Total outstanding debt, lease, and subscription obligations	<u>\$ 1,075.6</u>	<u>\$ 1,113.5</u>

2023

At June 30, 2023, the University had \$1,075.6 million in outstanding debt, a decrease of \$37.9 million or 3.4% over the prior year.

The University paid \$47.6 million in principal related to capital debt and lease liabilities, offset by the adoption of GASB 96, which resulted in the addition of \$11.3 million total outstanding debt.

2022

At June 30, 2022, the University had \$1,113.5 million in outstanding debt, an increase of \$145.9 million or 15.1% over the prior year.

The University issued Series 2021A bonds on a tax-exempt basis using proceeds to acquire the Cross Village student housing complex. Cross Village is home to 1,200 fully furnished single-bed units with a range of amenities including a 24-hour fitness center and a black box theater. Cross Village also features a parking garage and retail storefronts.

Future Outlook

The University's future outlook continues to be closely related to its role as the State of Oklahoma's premier comprehensive institution of higher education. It benefits from ongoing financial and political support from the State. In connection with the *Lead On, University* Strategic Plan, the University continues to scrutinize budget allocations and prioritize investment in areas aligned with the strategic plan.

For fiscal year 2024, state appropriations are budgeted to increase by \$21.8 million or 17.9%, as targeted investments were made to increase faculty salaries and invest in engineering initiatives. Additionally, in fiscal year 2024, the University expects to receive one-time state capital and special appropriation support of \$40.0 million, consistent with the prior year.

In July 2023, *Forbes* named the University the Nation's No.1 Employer for Women and the sixth best employer in Oklahoma. These accolades, along with expansion of the number of paid holidays to 14, embracing flexible work schedules, generous paid time off, and a new parental leave program, have helped the University navigate challenges in recruiting and retaining critical staff and faculty positions. Also, while current inflationary pressures have been successfully managed through various budgetary actions, longer term inflationary pressure could have a negative impact on the University's ability to execute and finance strategic priorities.

Another significant factor in the University's economic position relates to its ability to recruit and retain high-quality students. The University continues to attract top students from across the nation and more

than 130 countries around the world. In the Fall 2023 semester, headcount enrollment increased 3.0% compared to the Fall 2022 semester. A driver of this growth was the University welcoming its largest freshmen class of 5,198 in the Fall 2023 semester, an 11.0% increase compared to Fall 2022. Additionally, retention rates across all cohorts improved with the freshman-to-sophomore retention rate increasing from 88.0% to 88.9%, the highest of any public institution in the state.

The University is currently in Phase 1 of its Freshman Housing Master Plan. As part of this plan, in Summer 2023, Adams Center, a nearly 900-bed tower opened in 1964, was demolished to construct a north and south building providing 1,150 beds for first-year students. The north building construction began in Summer 2023 with a planned opening in Fall 2025. The south building construction will begin in 2024 with a planned opening in Fall 2026. Future phases exist to replace the two remaining 1960s dormitory towers.

The University of Oklahoma – Norman Campus
Statement of Net Position
June 30, 2023
(In Thousands)

Assets

Current Assets

Cash and cash equivalents	\$ 249,797
Restricted cash and cash equivalents	66,865
Accrued interest receivable	445
Accounts receivable, net of allowance for doubtful accounts	103,958
Leases receivable	3,347
Inventories and supplies	2,617
Loans to students, net of allowance for uncollectible loans	1,445
Deposits and prepaid expenses	<u>6,964</u>
Total current assets	<u>435,438</u>

Noncurrent Assets

Restricted cash and cash equivalents	48,346
Endowment investments	114,306
Other long-term investments	19,198
Investments in real estate and mineral interests	220
Net OPEB assets	1,553
Loans to students, net of allowance for uncollectible loans	7,091
Leases receivable	32,657
Deposits and prepaid expenses	9,853
Capital assets, net	1,832,376
Lease assets, net	12,501
Subscription assets, net	<u>13,306</u>
Total noncurrent assets	<u>2,091,407</u>

Total assets	<u>2,526,845</u>
--------------	------------------

Deferred Outflows of Resources

Deferred loss on refunding of bonds	8,103
Deferred loss on defeasance of bonds and master lease	142
Deferred outflows	
Pensions	119,600
OPEB	<u>5,915</u>
Total deferred outflows of resources	<u>133,760</u>

The University of Oklahoma – Norman Campus

Statement of Net Position, continued

June 30, 2023

(In Thousands)

Liabilities

Current Liabilities

Accounts payable and accrued expenses	\$	75,495
Accrued compensated absences		22,812
Unearned revenues		59,811
Accrued interest payable		18,522
Revenue bonds payable and other financing arrangements – current		55,217
Leases payable – current portion		2,629
Subscriptions payable – current portion		4,156
Deposits held in trust for others		4,083
		<hr/>
Total current liabilities		242,725

Noncurrent Liabilities

OPEB		153,201
Net pension liability		335,555
Retirement plan liability		7,187
Accrued compensated absences		9,291
Federal loan program contributions refundable		5,825
Other financing arrangements		33,874
Revenue bonds payable		962,421
Leases payable		10,117
Subscriptions payable		7,181
		<hr/>
Total noncurrent liabilities		1,524,652

Total liabilities		<hr/>
		1,767,377

Deferred Inflows of Resources

Pensions		44,390
OPEB		17,271
OCIA lease restructure		1,836
Leases		34,334
Bond refunding		1,720
		<hr/>
Total deferred inflows of resources		99,551

The University of Oklahoma – Norman Campus
Statement of Net Position, continued
June 30, 2023
(In Thousands)

Net Position

Net Investment in Capital Assets	\$	783,127
Restricted for		
Nonexpendable		87,034
Expendable		
Education, general, and auxiliary operations		12,939
Capital projects		48,728
Debt service		45,100
OPEB and pension		1,553
Athletics		10,173
Unrestricted (Deficit)		<u>(194,977)</u>
Total net position	\$	<u><u>793,677</u></u>

The University of Oklahoma – Norman Campus
Statement of Revenues, Expenses, and Changes in Net Position
Year Ended June 30, 2023
(In Thousands)

Operating Revenues

Student tuition and fees, net of scholarship allowances – \$139,420	\$	388,551
Federal grants and contracts		160,189
State grants and contracts		82,548
Private grants and contracts		10,975
Interest on student loans receivable		351
Housing and food service revenues		75,433
Athletic revenues, net of scholarship allowances – \$13,118		118,785
Sales and services of auxiliary enterprises – other		34,272
Other revenues		32,833
		903,937
Total operating revenues		903,937

Operating Expenses

Compensation and benefits		605,491
Contractual services		192,151
Supplies and materials		53,205
Depreciation and amortization		86,074
Utilities		48,968
Communications		5,545
Scholarships and fellowships		54,323
Travel		30,279
Other		86,489
		1,162,525
Total operating expenses		1,162,525

Operating Loss (258,588)

Nonoperating Revenues (Expenses)

State appropriations		122,109
State appropriations for special projects		10,000
On-behalf payments – pension-related		17,546
Federal grants and contracts		29,897
State grants and contracts		14,521
Private gifts		67,199
Interest on indebtedness		(33,138)
Net investment income		6,125
Endowment income		20,959
		255,218
Net nonoperating revenues (expenses)		255,218

Income Before Other Revenues (Expenses) and Gains (Losses) (3,370)

The University of Oklahoma – Norman Campus
Statement of Revenues, Expenses, and Changes in Net Position, continued
Year Ended June 30, 2023
(In Thousands)

Other Revenues (Expenses) and Gains (Losses)	
Private gifts for capital purposes	\$ 15,784
State appropriations for capital projects	30,000
State school land funds	9,911
On-behalf payments for OCIA financing arrangements	5,064
Loss on disposal of fixed assets	(18,967)
Additions to permanent endowments	<u>604</u>
Total other revenues (expenses) and gains (losses)	<u>42,396</u>
Change in Net Position	39,026
Net Position, Beginning of Year	<u>754,651</u>
Net Position, End of Year	<u><u>\$ 793,677</u></u>

The University of Oklahoma – Norman Campus
Statement of Cash Flows
Year Ended June 30, 2023
(In Thousands)

Cash Flows from Operating Activities	
Student tuition and fees	\$ 391,761
Sales and services of auxiliary enterprises	30,513
Housing and food service revenues	75,190
Athletic revenues	120,965
Federal grants and contracts	171,981
State grants and contracts	70,259
Private grants and contracts	7,649
Interest on loans receivable	729
Other additions	36,456
Loans issued to students	(215)
Collection of loans	1,919
Compensation and benefits	(600,568)
Other operating expenses	(459,128)
	<u>(152,489)</u>
Net cash used in operating activities	<u>(152,489)</u>
Cash Flows from Noncapital Financing Activities	
State appropriations	122,109
State appropriations for special projects	10,000
Federal grants and contracts	28,349
State grants and contracts	14,930
Endowment income	20,959
Private gifts	65,048
Additions to permanent endowment	565
Federal Family Education loan receipts	145,937
Federal Family Education loan disbursements	(145,937)
	<u>261,960</u>
Net cash provided by noncapital financing activities	<u>261,960</u>
Cash Flows from Capital and Related Financing Activities	
Private gifts for capital assets	12,426
State appropriations for capital projects	30,000
Proceeds from sale of capital assets	681
State school land funds	9,911
Purchases of capital assets	(71,702)
Principal paid on capital debt, leases, and subscription liabilities	(47,617)
Collections on leases receivable	3,495
Collections on accrued interest receivable for leases	944
Interest paid on capital debt, leases, and subscription liabilities	(38,034)
	<u>(99,896)</u>
Net cash used in capital and related financing activities	<u>(99,896)</u>

The University of Oklahoma – Norman Campus
Statement of Cash Flows, continued
Year Ended June 30, 2023
(In Thousands)

Cash Flows from Investing Activities	
Investment income	\$ 3,364
Proceeds from sales and maturities of investments	3,969
Purchases of investments	<u>(1,395)</u>
Net cash provided by investing activities	<u>5,938</u>
Increase in Cash and Cash Equivalents	15,513
Cash and Cash Equivalents, Beginning of Year	<u>349,495</u>
Cash and Cash Equivalents, End of Year	<u><u>\$ 365,008</u></u>
Reconciliation of Cash and Cash Equivalents to the Statement of Net Position	
Current assets	
Cash and cash equivalents	\$ 249,797
Restricted cash and cash equivalents	66,865
Noncurrent assets	
Restricted cash and cash equivalents	<u>48,346</u>
Total cash and cash equivalents	<u><u>\$ 365,008</u></u>
Reconciliation of Operating Loss to Net Cash Used in Operating Activities	
Operating loss	\$ (258,588)
Adjustments to reconcile operating loss to net cash used in operating activities	
Depreciation and amortization	86,074
On-behalf contributions related to pensions	17,546
Changes in assets and liabilities	
Accounts receivable	1,406
Inventories and supplies	(102)
Loans to students	1,708
Deposits and prepaid expenses	1,997
Investments	(380)
Net OPEB asset	2,968
Deferred outflows related to pensions and OPEB	(41,611)
Accounts payable and accrued expenses	18,605
Compensated absences	1,416
Unearned revenue	3,418
Deposits held in custody for others	(174)
Total OPEB liability	(4,970)
Net pension liability	154,035
Retirement plan liability	1,368
Deferred inflows related to pensions and OPEB	(132,495)
Deferred inflows related to leases receivable	<u>(4,710)</u>
Net cash used in operating activities	<u><u>\$ (152,489)</u></u>

The University of Oklahoma – Norman Campus
Statement of Cash Flows, continued
Year Ended June 30, 2023
(In Thousands)

Noncash Investing, Capital, and Financing Activities

Principal on capital debt paid by state agency on behalf of the University	\$	3,389
Interest on capital debt paid by state agency on behalf of the University	\$	1,675
Capital asset acquisitions included in accounts payable	\$	6,678
Noncash contribution of investments	\$	589
Change in fair value of investments	\$	(1,665)
Leases receivable obtained for lease assets	\$	9,402
Lease obligations incurred for property and equipment	\$	1,718
Subscription liabilities incurred for subscription assets	\$	4,328

The University of Oklahoma – Norman Campus
Notes to Financial Statements
June 30, 2023

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The University of Oklahoma – Norman Campus

Notes to Financial Statements

June 30, 2023

(In Thousands)

Note 1: Summary of Significant Accounting Policies

Nature of the Organization

The University of Oklahoma – Norman Campus (the University) is a comprehensive institution providing undergraduate, graduate, and professional education in a variety of academic programs. The University operates under the jurisdiction of the Board of Regents of the University of Oklahoma (the Board of Regents) and the Oklahoma State Regents for Higher Education (the State Regents) and is an agency of the State of Oklahoma.

Reporting Entity

The University is one of the four institutions of higher education in Oklahoma that comprise the Regents of the University of Oklahoma, which in turn is part of the Higher Education Component Unit of the State of Oklahoma. The Board of Regents has constitutional authority to govern, control, and manage the Regents of the University of Oklahoma, which consists of the University, The University of Oklahoma Health Sciences Center, Rogers State University, and Cameron University. This authority includes but is not limited to the power to designate management; the ability to significantly influence operations; acquire and take title to real and personal property in its name; and appoint or hire all necessary officers, supervisors, instructors, and employees for member institutions.

Accordingly, the University is considered an organizational unit of the Regents of the University of Oklahoma reporting entity for financial reporting purposes due to the significance of its legal, operational, and financial relationships with the Board of Regents, as defined in Section 2100 of the Governmental Accounting Standards Board (GASB) Codification of Governmental Accounting and Financial Reporting Standards.

For financial reporting purposes, the University has included all funds, organizations, agencies, boards, commissions, and authorities within the reporting entity defined above. The University has also considered all potential component units for which it is financially accountable and other organizations for which the nature or significance of their relationship with the University are such that the exclusion would cause the University's financial statements to be misleading or incomplete. GASB has set forth criteria to be considered in determining financial accountability. These criteria include appointing a voting majority of an organization's governing body and 1) the ability of the University to impose its will on that organization or 2) the potential for the organization to provide specific benefits to or impose specific financial burdens on the University. The University does not have any material component units that meet GASB criteria.

Although the University is a beneficiary of the University of Oklahoma Foundation, Inc. (the Foundation), the Foundation is independent of the University in all respects. The Foundation is not a subsidiary or affiliate of the University and is not directly or indirectly controlled by the University or the Board of Regents. Assets that the University places with the Foundation for investment, together with investment income, are held, administered, and distributed to the University under the direction and supervision of the Foundation based upon the University's policies and instructions. With the exception of assets that the University and others have placed

The University of Oklahoma – Norman Campus

Notes to Financial Statements

June 30, 2023

(In Thousands)

with the Foundation for investment (and the investment income from such assets), the assets of the Foundation are the exclusive property of the Foundation. The University is not accountable for, and does not have ownership of, any of the financial and capital resources of the Foundation. Neither the University nor the Board of Regents has the power or authority to mortgage, pledge, or encumber the assets of the Foundation. The trustees of the Foundation are entitled to make all decisions regarding the business and affairs of the Foundation, including, without limitation, distributions made to the University. Under state law, neither the principal nor income generated by the assets of the Foundation can be taken into consideration in determining the amount of state-appropriated funds allocated to the University. Third parties dealing with the University, the Board of Regents, the State Regents, and the State of Oklahoma (or any agency thereof) should not rely upon any financial information contained herein about the Foundation for any purpose without consideration of all of the foregoing conditions and limitations.

Financial Statement Presentation

The University presents its financial statements in accordance with the requirements of GASB Statement No. 34, *Basic Financial Statements and Management Discussion and Analysis for State and Local Governments*, and GASB Statement No. 35, *Basic Financial Statements and Management's Discussion and Analysis for Public Colleges and Universities*, which require a comprehensive, entity-wide perspective of the University's assets, deferred outflows of resources, liabilities, deferred inflows of resources, net position, revenues, expenses, changes in net position, and cash flows.

Basis of Accounting

For financial reporting purposes, the University is considered a special-purpose government engaged only in business-type activities. Accordingly, the University's financial statements have been presented using the economic resources measurement focus and the accrual basis of accounting. Under the accrual basis, revenues are recognized when earned and expenses are recorded when an obligation has been incurred. All intra-agency transactions have been eliminated.

Cash Equivalents

The University considers all highly liquid investments with an original maturity of three months or less to be cash equivalents. Funds invested through the State Treasurer's Cash Management Program are considered cash equivalents and are carried at amortized cost.

Restricted cash and cash equivalents pertain to amounts that are externally restricted to make debt service payments, maintain sinking or reserve funds, or to purchase capital or other noncurrent assets.

The University of Oklahoma – Norman Campus

Notes to Financial Statements

June 30, 2023

(In Thousands)

Investments

The University accounts for its investments at fair value in accordance with GASB Statement No. 31, *Accounting and Financial Reporting for Certain Investments and for External Investment Pools*, as amended by GASB Statement No. 72, *Fair Value Measurement and Application*. Changes in unrealized gains (losses) on the carrying value of investments are reported as a component of investment income in the accompanying statement of revenues, expenses, and changes in net position.

Accounts Receivable

Accounts receivable consists of tuition and fees charged to students and auxiliary enterprise services provided to external parties. Accounts receivable also include amounts due from federal, state, and local governments or private sources in connection with reimbursement of allowable expenditures made pursuant to the University's grants and contracts.

Accounts receivable are recorded net of estimated uncollectible amounts. The University determines its allowance by considering a number of factors, including length of time accounts receivable are past due and the University's previous loss history. The University writes off specific accounts receivable when they become uncollectible, and payments subsequently received on such receivables are credited to the allowance for doubtful accounts.

Inventories and Supplies

Inventories and supplies are carried at the lower of cost or market. Inventory is primarily comprised of goods held by printing services, facilities management, Goddard Health, and other miscellaneous areas.

Capital Assets

Capital assets are recorded at cost at the date of acquisition or acquisition value at the date of donation in the case of gifts. For equipment, the University's capitalization policy includes all items with a unit cost of \$5 or more and an estimated useful life of greater than one year. Construction of or renovations to buildings, infrastructure, and land improvements that significantly increase the value or extend the useful life of the structure are capitalized. Routine repairs and maintenance are charged to operating expense in the year in which the expense was incurred.

Depreciation is computed using the straight-line method over the estimated useful lives of the assets, generally 50 years for buildings; 20 years for infrastructure, land improvements, and library books; 5 years for software; and 3 to 18 years for equipment or the duration of the lease term for capital leases.

Costs incurred during construction of long-lived assets are recorded as construction in progress and are not depreciated until placed in service.

The University of Oklahoma – Norman Campus

Notes to Financial Statements

June 30, 2023

(In Thousands)

Lease Assets

Lease assets are recognized at the lease commencement date and represent the University's right to use the underlying asset for the lease term. Right to use lease assets are initially recorded as the sum of 1) the amount of the initial measurement of the lease liability, 2) lease payments made at or before the commencement of the lease term less any lease incentives received from the lessor at or before the commencement of the lease term, and 3) initial direct costs that are ancillary charges necessary to place the asset into service. Lease assets are amortized over the shorter of the lease term or useful life of the underlying asset using the straight-line method.

Subscription Assets

Subscription assets are recognized at the subscription commencement date and represent the University's right to use the underlying information technology (IT) asset for the subscription term. Right-to-use subscription assets are initially recorded as the sum of 1) the initial value of the subscription liability, 2) payments made to the vendor at the commencement of the subscription term less any subscription incentives received from the vendor at or before the commencement of the subscription term, and 3) any capitalizable initial implementation costs necessary to place the subscription asset into service. Right-to-use subscription assets are amortized over the shorter of the subscription term or useful life of the underlying asset using the straight-line method.

Capital, Lease, and Subscription Asset Impairment

Capital, lease, and subscription assets are subject to an evaluation of possible impairment when events or circumstances indicate that the related changes in carrying amounts may not be recoverable. If required, impairment losses are reported in the accompanying statement of revenues, expenses, and changes in net position. The University did not have significant impairments during the year reported.

Unearned Revenues

Unearned revenues include amounts received for tuition and fees and certain auxiliary activities prior to the end of the fiscal year that relate to a subsequent accounting period. Unearned revenues also include amounts received from grant and contract sponsors that have not yet been earned.

Accrued Compensated Absences

The liability and expense incurred for employee vacation pay are recorded as accrued compensated absences in the accompanying statement of net position and as a component of compensation and benefits expense in the accompanying statement of revenues, expenses, and changes in net position.

Compensated absence liabilities are computed using the regular pay rates in effect at the statement of net position date plus an additional amount for compensation-related payments, such as Social Security and Medicare taxes, computed using rates in effect at that date. The estimated

The University of Oklahoma – Norman Campus

Notes to Financial Statements

June 30, 2023

(In Thousands)

compensated absences liability expected to be paid more than one year after the statement of net position date is included in other long-term liabilities.

Estimated Self-Insurance Reserves

The University provides for self-insurance reserves for estimated incurred but not reported claims for its employee and student health plans, workers' compensation program, and unemployment compensation insurance program. These reserves, which are included in accounts payable and accrued expenses on the accompanying statement of net position, are estimated based upon historical submission and payment data, cost trends, utilization history, and other relevant factors. Adjustments to reserves are reflected in compensation and benefits on the accompanying statement of revenues, expenses, and changes in net position in the period in which the change in estimate is identified.

Noncurrent Liabilities

Noncurrent liabilities include 1) principal amounts of revenue bonds payable and financing, lease, or IT subscription obligations; 2) estimated amounts for accrued compensated absences; 3) other postemployment benefits (OPEB) and net pension liabilities; and 4) other liabilities that will not be paid within the next fiscal year.

Pensions and Benefit Plans

The University participates in a cost-sharing multiple-employer defined benefit pension plan, the Oklahoma Teachers' Retirement System (OTRS). For purposes of measuring the net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions, and pension expense, information about the fiduciary net position of the plan and additions to/deductions from the plan's fiduciary net position have been determined on the same basis as they are reported by the plan. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

The University participates in a cost-sharing multiple-employer defined benefit OPEB plan, OTRS. For purposes of measuring the net OPEB liability, deferred outflows of resources and deferred inflows of resources related to OPEB, and OPEB expense, information about the fiduciary net position of the plan and additions to/deductions from the plan's fiduciary net position have been determined on the same basis as they are reported by the plan. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

The University has a single-employer defined benefit OPEB plan providing health and dental insurance to retirees (the OPEB Plans). For purposes of measuring the total OPEB liability, deferred outflows of resources and deferred inflows of resources related to OPEB, and OPEB expense, information about the fiduciary net position of the plan and additions to/deductions from the plan's fiduciary net position have been determined on the same basis as they are reported by the

The University of Oklahoma – Norman Campus

Notes to Financial Statements

June 30, 2023

(In Thousands)

OPEB Plans. For this purpose, benefit payments are made on a pay-as-you-go basis as there are no assets accumulated in a trust for the purpose of this plan.

Deferred Inflows/Outflows of Resources

In accordance with GASB Statement No. 63, *Financial Reporting of Deferred Outflows of Resources, Deferred Inflows of Resources and Net Position*, deferred outflows of resources and deferred inflows of resources result from the consumption or acquisition of net assets in one period that is applicable to future periods. These items are to be reported separately from assets and liabilities.

The University reports increases in net position generated by its defined benefit pension plan or OPEB that relate to future periods and the cost of refunding debt as deferred outflows of resources in a separate section of its statement of net position.

The University reports decreases in net position generated by its defined benefit pension plan or OPEB that relate to future periods, savings of refunding debt, Oklahoma Capital Improvement Authority (OCIA) financing arrangements, and uncollected rents receivable due in future years as deferred inflows of resources in a separate section of its statement of net position.

Net Position

The University's net position is classified as follows:

Net Investment in Capital Assets – Represents the University's investment in capital, lease, and subscription assets, net of accumulated depreciation and amortization, outstanding debt obligations, and deferred inflows of resources and deferred outflows of resources related to those capital assets. To the extent debt has been incurred but not yet expended for capital assets, such amounts are not included as a component of net investment in capital assets.

Restricted Net Position – Nonexpendable – Consists of endowment and similar type funds in which donors or other outside sources have stipulated, as a condition of the gift instrument, that the principal is to be maintained inviolate and in perpetuity and invested for the purpose of producing present and future income, which may either be expended or added to principal.

Restricted Net Position – Expendable – Includes resources in which the University is legally or contractually obligated to spend in accordance with restrictions imposed by external third parties or enabling legislation.

Unrestricted Net Position (Deficit) – Represents resources derived from student tuition and fees, state appropriations, and auxiliary enterprises. These resources are used for transactions relating to the educational and general operations of the University and may be used at the discretion of the governing board to meet current expenses for any purpose. Auxiliary enterprises are substantially self-supporting activities that provide services to the public, outside parties, students, faculty, and staff.

The University of Oklahoma – Norman Campus

Notes to Financial Statements

June 30, 2023

(In Thousands)

When an expense is incurred that can be paid using either restricted or unrestricted resources, the University's policy is to first apply the expense toward restricted resources and then toward unrestricted resources.

Classification of Revenues

The University has classified its revenues as either operating or nonoperating revenues according to the following criteria:

Operating Revenues – Include activities that have the characteristics of exchange transactions, such as 1) student tuition and fees, net of scholarship allowances; 2) sales and services of auxiliary enterprises; 3) certain federal, state, and local grants and contracts; and 4) interest on institutional student loans.

Nonoperating Revenues – Include activities that have the characteristics of nonexchange transactions, such as gifts and contributions and other revenue sources that are defined as nonoperating revenues by GASB Statement No. 9, *Reporting Cash Flows of Proprietary and Non-Expendable Trust Funds and Governmental Entities That Use Proprietary Fund Accounting*, and GASB Statement No. 34, such as state appropriations, certain grants, and investment income.

Scholarship Allowances

Student tuition and fee revenue, and certain other revenues from students, are reported net of scholarship allowances in the accompanying statement of revenues, expenses, and changes in net position. Scholarship allowances are the difference between the stated charge for goods and services provided by the University and the amount that is paid by students and/or third parties making payments on the students' behalf. Certain governmental grants, such as Pell grants, and other federal, state, or nongovernmental programs are recorded as nonoperating revenues in the University's financial statements. To the extent that revenues from such programs are used to satisfy tuition and fees and other student charges, the University has recorded a scholarship allowance.

Contributions

From time to time, the University receives contributions from individuals and private organizations. Revenues from contributions (including contributions of capital assets) are recognized when all eligibility requirements, including time requirements, are met. Contributions may be restricted for either specific operating purposes or for capital purposes. Amounts that are unrestricted or that are restricted for a specific operating purpose are reported as nonoperating revenues. Amounts restricted to capital acquisitions are reported as capital grants, gifts, and donations.

Endowments are provided to the University on a voluntary basis by individuals and private organizations. Permanent endowments require that the principal or corpus of the endowment be retained in perpetuity. If a donor has not provided specific instructions, the net appreciation of the investments of endowment funds is recorded with investment income in nonoperating revenue.

The University of Oklahoma – Norman Campus

Notes to Financial Statements

June 30, 2023

(In Thousands)

Tax Status

As a state institution of higher education, the income of the University is exempt from federal and state income taxes under Section 115(a) of the Internal Revenue Code (IRC); however, income generated from activities unrelated to the exempt purpose is subject to income tax under IRC Section 511(a)(2)(B).

Use of Estimates

In preparing financial statements in conformity with generally accepted accounting principles, management is required to make estimates and assumptions that affect the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities at the date of the financial statements, and the reported amounts of revenues, expenses, gains, losses, and other changes in net position during the reporting period. Actual results could differ from those estimates.

New Accounting Pronouncements Adopted in Fiscal Year 2023

In May 2019, GASB issued Statement No. 91, *Conduit Debt Obligations*. GASB 91 provides a single method of reporting conduit debt obligations by issuers and eliminates diversity in practice associated with commitments extended by issuers, arrangements associated with conduit debt obligations, and related note disclosures. GASB 91 is now in effect for reporting periods beginning after December 15, 2021.

University management evaluated this standard and determined that it did not have a material impact on the financial statements that resulted in recognition.

In March 2020, GASB issued Statement No. 94, *Public-Private and Public-Public Partnerships and Availability Payment Arrangements*. GASB 94 defines public-private and public-public partnerships (PPP) and availability payment arrangements (APA) and establishes that an intangible right-to-use asset should be recorded for a PPP owned by the transferor and a liability should be recorded for a PPP that is not owned by the transferor. GASB 94 is now in effect for reporting periods beginning after June 15, 2022.

University management evaluated this standard and determined that it did not have a material impact on the financial statements that resulted in recognition.

In May 2020, GASB issued Statement No. 96, *Subscription-Based Information Technology Arrangements*. GASB 96 provides guidance on the accounting and financial reporting for subscription-based information technology arrangements (SBITA) for government end users. GASB 96 defines a SBITA, establishes that a SBITA results in a right-to-use subscription intangible asset and a corresponding liability, provides the capitalization criteria for outlays other than subscription payments, and requires note disclosures regarding a SBITA. To the extent relevant, the standards for SBITAs are based on standards established in GASB 87. GASB 96 is now in effect for reporting periods beginning after June 15, 2022.

The University of Oklahoma – Norman Campus

Notes to Financial Statements

June 30, 2023

(In Thousands)

In April 2022, GASB issued Statement No. 99, *Omnibus 2022*. A portion of this standard provides additional information on interpreting and applying GASB 96 by clarifying the definition of the SBITA term and further explaining what is included and excluded in the term. GASB 99 also provides additional guidance on short-term SBITAs and the remeasurement of a subscription liability.

The University recorded the cumulative effect of adopting GASB 96 and GASB 99, which resulted in recognizing activity associated with certain SBITA agreements, including a subscription asset and liability of \$13,338 at July 1, 2022. The adoption resulted in no impact to beginning net position as of July 1, 2022.

New Accounting Pronouncement Issued Not Yet Adopted

GASB has also issued a new accounting pronouncement that will be effective for the University in subsequent years. A description of the new accounting pronouncement and the fiscal year in which it is effective is described below:

In June 2022, GASB Statement No. 101, *Compensated Absences*, was issued, which provides further clarity and guidance on when and how to record liabilities associated with compensated absences. Additionally, it amends previous disclosure requirements to only require disclosure of the net change in the liability (instead of gross increases and decreases) and removes the requirement to disclose which governmental funds are typically used to liquidate the liability. GASB 101 is effective for periods beginning after December 15, 2023. Earlier application is encouraged.

University management is currently evaluating the impact this new standard will have on its financial statements.

Note 2: Deposits and Investments

Deposits

The carrying amounts of the University's deposits included as cash and cash equivalents on the accompanying statement of net position as of June 30, 2023 are as follows:

State Treasurer	\$ 298,659
U.S. and foreign financial institutions	491
Trustees related to bond indentures	65,785
Petty cash and change funds	73
	<hr/>
	\$ 365,008
	<hr/> <hr/>

The University of Oklahoma – Norman Campus

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Custodial credit risk for deposits is the risk that in the event of a bank failure the University's deposits may not be returned or the University will not be able to recover collateral securities in the possession of an outside party. To mitigate this risk, the University deposits most of its funds with the Oklahoma State Treasurer (OST). Oklahoma Statutes require the OST to ensure that all state funds are either insured by the FDIC, collateralized by securities held by the cognizant Federal Reserve Bank, or invested in U.S. government obligations. All deposits with the OST are pooled with funds of other state agencies and then, in accordance with statutory limitations, placed in banks or invested as the OST may determine, in the State's name.

Some deposits with the OST are placed in their investment pool, OK INVEST. Only agencies that are part of the State's reporting entity in the State's Annual Comprehensive Financial Report can participate in OK INVEST. OK INVEST pools the resources of all state funds and agencies and invests them in (a) U.S. Treasury securities that are explicitly backed by the full faith and credit of the U.S. government; (b) U.S. agency securities that carry an implicit guarantee of the full faith and credit of the U.S. government; (c) money market mutual funds that participate in investments, either directly or indirectly, in securities issued by the U.S. Treasury and/or agency and repurchase agreements relating to such securities; (d) collateralized certificates of deposit; (e) obligations of state and local governments; and (f) foreign bonds.

Of funds on deposit with the OST, amounts invested in OK INVEST totaled \$167,102 at June 30, 2023 and are included as cash and cash equivalents on the accompanying statement of net position.

As of June 30, 2023, the distribution of deposits in OK INVEST is as follows:

	Cost	Market Value
U.S. Treasury securities	\$ 94,926	\$ 92,109
U.S. agency securities	27,827	27,079
Mortgage-backed securities	30,970	27,361
Money market mutual funds	12,460	12,460
Certificates of deposit	427	427
Foreign bonds	492	486
	<u>\$ 167,102</u>	<u>\$ 159,922</u>

Oklahoma Statutes and the State Treasurer's Investment Policy, which can be found on the State Treasurer's website at <http://www.ok.gov/treasurer>, establish the primary objectives and guidelines governing the investment of funds in OK INVEST. Safety, liquidity, and return on investment are the objectives that establish the framework for the management of OK INVEST, with an emphasis on safety of the capital, the probable income to be derived, and meeting the State's daily cash flow requirements. The State Treasurer, at their discretion, may further limit or restrict investments on a day-to-day basis. OK INVEST includes a substantial investment in securities with an overnight maturity as well as in U.S. government securities with a maturity of up to 10 years. OK INVEST maintains an overall weighted-average maturity of no more than four years.

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Participants in OK INVEST maintain an interest in its underlying investments and, accordingly, may be exposed to certain risks. As stated in the OK INVEST Information Statement, the main risks are interest rate risk, credit/default risk, liquidity risk, and U.S. government securities risk. Interest rate risk is the risk that during periods of rising interest rates, the yield and market value of the securities will tend to be lower than prevailing market rates; in periods of falling interest rates, the yield will tend to be higher. Credit/default risk is the risk that an issuer or guarantor of a security, or a bank or other financial institution that has entered into a repurchase agreement, may default on its payment obligations. Liquidity risk is the risk that OK INVEST will be unable to pay redemption proceeds within the stated time period because of unusual market conditions, an unusually high volume of redemption requests, or other reasons. U.S. government securities risk is the risk that the U.S. government will not provide financial support to U.S. government agencies, instrumentalities, or sponsored enterprises if it is not obligated to do so by law. Various investment restrictions and limitations are enumerated in the State Treasurer's Investment Policy to mitigate those risks; however, any interest in OK INVEST is not insured or guaranteed by the State of Oklahoma, the FDIC, or any other government agency.

Investments

The University categorizes its fair value measurements within the fair value hierarchy established by generally accepted accounting principles. Fair value is 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. Fair value measurements must maximize the use of observable inputs and minimize the use of unobservable inputs. There is a hierarchy of three levels of inputs that may be used to measure fair value:

- Level 1** Quoted prices in active markets for identical assets or liabilities
- Level 2** Observable inputs other than Level 1 prices, such a quoted prices for similar assets or liabilities, quoted prices in markets that are not active, or other inputs that are observable or can be corroborated by observable market data for substantially the full term of the asset or liabilities.
- Level 3** Unobservable inputs supported by little or no market activity and significant to the fair value of the assets or liabilities

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At June 30, 2023, the University’s investments consisted of the following:

	Fair Value Measurements Using			
	Total	Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)
Investments				
Fidelity revenue-sharing investments	\$ 366	\$ 366	\$ -	\$ -
BancFirst retirement plan investments	7,858	7,858	-	-
Mineral interests	212	-	-	212
Real property	8	-	-	8
Total investments, at fair value	<u>8,444</u>	<u>\$ 8,224</u>	<u>\$ -</u>	<u>\$ 220</u>
Investments, at NAV				
CIF – OU Foundation	114,306			
EIP II – OU Foundation	<u>10,973</u>			
Total investments, at NAV	<u>125,280</u>			
Total investments	<u>\$ 133,724</u>			

Fidelity Revenue-Sharing Investments – Level 1 – These investments include bonds, stable value investments, and short-term money market mutual funds.

BancFirst Retirement Plan Investments – Level 1 – These investments include target retirement date mutual funds.

Mineral Interests – Level 3 – These investments are owned directly by the University and held for investment purposes.

Real Property – Level 3 – These investments are owned directly by the University and held for investment purposes. The real property is measured using an internal analysis that considers indications of impairment or changes in property values. Management does not adjust this investment for immaterial changes based on this assessment.

Investments Measured at NAV per Unit – Title 70, Section 4306 of the Oklahoma Statutes directs, authorizes, and empowers the University’s Board of Regents to hold, invest, or sell donor-restricted endowments in a manner that is consistent with the terms of the gift as

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stipulated by the donor and with the provision of any applicable laws. The University has entrusted the Foundation with a portion of its funds totaling \$125,280 as of June 30, 2023. The investments held at the Foundation on behalf of the University within two separate investment pools are as follows:

Consolidated Investment Fund (CIF) – Investments in this pool consist primarily of domestic and international equity securities, U.S. government securities, derivative financial instruments, and alternative holdings. The Foundation considers the underlying investments within this pool to include Level 1, 2, 3, and net asset value (NAV) inputs. The University owns 6.2% of the fund as of June 30, 2023.

Expendable Investment Pool II (EIP II) – Investments in this pool primarily consist of liquid money market funds, mutual funds, equities, and separate accounts holding U.S. government and corporate fixed income securities. The Foundation considers the underlying investments within this pool to include Level 1, 2, and NAV inputs. The University owns 21.0% of the fund as of June 30, 2023.

Ownership interests in each pool are unitized. The Foundation calculates NAV per unit monthly based on the value of the underlying assets in each pool. New investments and withdrawals from these pools for the benefit of the unit holders are transmitted at NAV per unit on the monthly valuation dates.

The University's investments have no unfunded commitments, and funds may be redeemed daily with no redemption notice. Within the CIF pool, certain investments held do have unfunded commitments and limitations on redemption frequency, including redemption notice periods. The total market value of the CIF as of June 30, 2023 totaled \$1,857,715. Unfunded commitments within this fund totaled \$250,928 at June 30, 2023. There were redemption limitations that ranged from quarterly to three years with a 30- to 90-day redemption notice period on investments with a total market value of \$267,962 at June 30, 2023. Investments held in real estate funds and private equity funds with a total market value of \$616,192 at June 30, 2023 cannot be redeemed and are subject to the terms of the individual funds. These funds typically have lives up to 10 years (with the potential for extensions, if necessary) and distributions at the discretion of the general partners.

Credit Risk – Risk that the issuer or other counterparty to an investment will not fulfill its obligation. As a means of limiting exposure to losses arising from credit risk, the University limits its exposure to this risk as follows:

- State law limits investments in obligations of state and local governments to the highest rating from at least one nationally recognized rating agency acceptable to the State Treasurer.
- Short-term investments managed by the University are generally limited to direct obligations of the United States government and its agencies, certificates of deposit, and demand deposits.

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- Investments in municipal money market funds are limited to funds with a rating of AAAM by Standard & Poor's.
- The Board of Regents has authorized endowment and similar funds to be invested in direct obligations of the U.S. government and its agencies, certificates of deposit, prime commercial paper, bankers' acceptances, demand deposits, corporate debt (no bond below a single A rating by Moody's Investors Service or Standard & Poor's Corporation may be purchased), convertible securities, and equity securities. In addition, the Board of Regents authorized investments in the CIF and EIP II.
- The University's fixed income securities are generally limited to holdings of high-quality fixed income securities.

Custodial Credit Risk – Risk that in the event of failure of the counterparty the University will not be able to recover the value of investment or collateral securities in the possession of an outside party. As a means of limiting its exposure to losses arising from custodial credit risk, the University's investment policies limit the exposure to this risk as follows:

- Investment securities held in bond debt service reserve funds are held by the respective bond trustee for the benefit of the University and bondholders.
- Endowment investments are pooled with The University of Oklahoma Health Sciences Center in the CIF and EIP II with the Foundation and held in the Board of Regents' name.
- Long-term investments are held in the CIF and EIP II with the Foundation.

Concentration of Credit Risk – The risk of loss attributed to the magnitude of the University's investment in a single issuer. The University has adopted the Foundation's "Statement of Investment Policy" for the CIF and EIP II investments with the Foundation. Within the CIF, investments consist of domestic and international equity securities, U.S. government securities, derivative financial instruments, and alternative holdings. Within the EIP II, investments consist of liquid money market funds, mutual funds, equities, and separate accounts holding U.S. government and corporate fixed income securities. Due to the diversification within these investments, the University believes it does not have any significant concentrations of credit risk. For investments not held by the Foundation, the University places no limit on the amount the University may invest in any one issuer. However, most of the investments are in pooled investments and mutual funds.

Interest Rate Risk – The risk that changes in interest rates will negatively affect the value of an investment. The University has a short-term investment strategy that limits investment maturities as a means of managing its exposure to fair value losses arising from increasing interest rates. The University has adopted the Foundation's "Statement of Investment Policy" for funds invested at the Foundation. The University is responsible for determining its operating cash flow requirements and to ensure that adequate funds are available to maintain the University's operations. In determining liquidity needs, the appropriate mix of short-term, intermediate, and long-term investments will be evaluated.

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The reconciliation between investments per the accompanying statement of net position and total investments is as follows at June 30, 2023:

Endowment investments	\$	114,306
Other long-term investments		19,198
Investments in real estate and mineral interest		220
		<u>220</u>
	\$	<u>133,724</u>

Note 3: Accounts Receivable

Accounts receivable are shown net of allowances for doubtful accounts in the accompanying statement of net position. Accounts receivable consisted of the following at June 30, 2023:

Student tuition and fees	\$	51,307
Federal, state, and private grants and contracts		56,437
Auxiliary enterprises		10,027
Other operating activities		22,630
		<u>140,401</u>
Less allowance for doubtful accounts		<u>(36,443)</u>
Accounts receivable, net	\$	<u>103,958</u>

Note 4: Inventories and Supplies

Inventories and supplies consisted of the following at June 30, 2023:

University printing services	\$	851
Facilities management		477
Goddard Health Services		290
University Press		333
Jimmie Austin Golf Course		231
Other		435
		<u>435</u>
	\$	<u>2,617</u>

Note 5: Loans to Students

Student loans made through the Federal Perkins Loan Program (the Program) comprised 55% of the student loan balance at June 30, 2023. Under certain conditions, such loans can be forgiven at annual rates of 10% to 30% of the original balance up to maximums of 50% to 100% of the original loan. The federal government reimburses the University to the extent of 10% of the

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amounts forgiven for loans originated prior to July 1, 1993 under the Program. No reimbursements are provided for loans originated after this date. Amounts refundable to the federal government upon cessation of the Program of \$5,825 at June 30, 2023 are reflected in the accompanying statement of net position as noncurrent liabilities.

As the University determines that loans are uncollectible and not eligible for reimbursement by the federal government, the loans are written off and assigned to the U.S. Department of Education. The allowance for uncollectible loans only applies to University-funded loans and the University portion of federal student loans, as the University is not obligated to fund the federal portion of uncollected student loans. The University has provided an allowance for uncollectible loans, which, in management's opinion, is sufficient to absorb loans that will ultimately be written off. At June 30, 2023, the allowance for uncollectible loans was \$493.

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June 30, 2023

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Note 6: Capital, Lease, and Subscription Assets

Capital, lease, and subscription asset activity as of and for the year ended June 30, 2023 includes the following:

	Beginning Balance (As Restated)	Additions	Transfers	Deductions	Ending Balance
Capital assets not being depreciated					
Land	\$ 44,149	\$ -	\$ (51)	\$ -	\$ 44,098
Art	142	170	-	-	312
Construction in progress	25,629	40,780	(14,934)	(50)	51,425
	<u>69,920</u>	<u>40,950</u>	<u>(14,985)</u>	<u>(50)</u>	<u>95,835</u>
Total capital assets not being depreciated					
Capital, lease, and subscription assets being depreciated/amortized					
Buildings	2,083,125	657	5,049	(29,094)	2,059,737
Equipment	274,640	19,461	8,053	(7,790)	294,364
Leasehold improvements	3,369	-	-	-	3,369
Capital improvements	278,596	10,609	651	(2,872)	286,984
Land improvements	50,725	964	1,232	-	52,921
Infrastructure	112,717	1,523	-	(101)	114,139
Library books	117,611	-	-	(642)	116,969
Lease asset building	12,860	854	-	(727)	12,987
Lease asset equipment	5,141	864	-	(939)	5,066
Subscription asset	13,338	4,328	-	-	17,666
Software	43,653	380	-	(79)	43,954
	<u>2,995,775</u>	<u>39,640</u>	<u>14,985</u>	<u>(42,244)</u>	<u>3,008,156</u>
Total capital, lease, and subscription assets being depreciated/amortized					
Less accumulated depreciation					
Buildings	615,238	38,423	-	(12,767)	640,894
Equipment	213,151	14,503	-	(6,783)	220,871
Leasehold improvements	1,658	341	-	-	1,999
Capital improvements	93,425	14,320	-	(760)	106,985
Land improvements	46,315	1,123	-	-	47,438
Infrastructure	69,308	4,594	-	(24)	73,878
Library books	100,792	3,187	-	(642)	103,337
Less accumulated amortization					
Lease asset building	1,916	2,025	-	(679)	3,262
Lease asset equipment	1,564	1,665	-	(939)	2,290
Subscription asset	-	4,360	-	-	4,360
Software	39,040	1,533	-	(79)	40,494
	<u>1,182,407</u>	<u>86,074</u>	<u>-</u>	<u>(22,673)</u>	<u>1,245,808</u>
Total accumulated depreciation and amortization					
Total capital, lease, and subscription assets being depreciated/amortized, net	<u>1,813,368</u>	<u>(46,434)</u>	<u>14,985</u>	<u>(19,571)</u>	<u>1,762,348</u>
Capital, lease, and subscription assets, net	<u>\$ 1,883,288</u>	<u>\$ (5,484)</u>	<u>\$ -</u>	<u>\$ (19,621)</u>	<u>\$ 1,858,183</u>

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The University maintains various collections of inexhaustible assets for which no value can be determined. Such collections include contributed works of art, historical treasures, and literature.

Note 7: Accounts Payable and Accrued Expenses

Accounts payable and accrued expenses consisted of the following at June 30, 2023:

Accounts payable	\$	49,964
Accrued payroll		17,654
Self-insurance reserves		7,877
		<hr/>
	\$	75,495
		<hr/> <hr/>

Note 8: Unearned Revenues

Unearned revenues consisted of the following at June 30, 2023:

Prepaid tuition and student fees	\$	17,451
Prepaid athletic ticket sales		30,266
Grants and contracts		8,714
Other auxiliary enterprises		3,380
		<hr/>
	\$	59,811
		<hr/> <hr/>

Note 9: Funds Held in Trust by Others

Beneficial Interest in State School Land Funds

The University has a beneficial interest in the Section Thirteen State Educational Institutions Fund and the New College Fund held in the care of the Commissioners of the Land Office as trustees. The University has the right to receive annually 30% of the distribution of income produced by Section Thirteen State Educational Institutions Fund assets and 100% of the distribution of income produced by the University's New College Fund.

The University received \$9,911 during the year ended June 30, 2023, which is restricted to acquisition of buildings, equipment, or other capital items. Per direction and approval of the Board of Regents, during the year ended June 30, 2023, the University distributed \$3,998 of these funds to The University of Oklahoma Health Sciences Center. Present state law prohibits the distribution of any corpus of these funds. The total funds for the University, held in trust by the Commissioners of the Land Office, are \$204,007 at June 30, 2023 and have not been reflected in the accompanying financial statements.

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Oklahoma State Regents for Higher Education Endowment Fund Program

In connection with the State Regents' Endowment Fund Program, the State of Oklahoma matches contributions received under this program. The cumulative state match amount plus any retained accumulated earnings totaled \$173,806 at June 30, 2023 and is invested by the State Regents on behalf of the University. The University is entitled to receive an annual distribution of earnings on these funds. The distribution of \$5,982 received during 2023 has been reflected as endowment income in the accompanying statement of revenues, expenses, and changes in net position. Institutional matching funds are on deposit with the Foundation for the benefit of the University.

Note 10: Leases

Lease Liabilities

The University has entered into leases of equipment, vehicles, office space, etc., the terms of which expire in various years through 2042. Variable payments of certain leases are based on the Consumer Price Index (Index). These leases were measured based upon the Index at lease commencement. Variable payments based upon future performance of the lessee or usage of the underlying asset are not included in the lease liability because they are not fixed in substance.

During the year ended June 30, 2023, the University did not recognize rental expense for variable payments (residual value guarantees or termination penalties) not previously included in the measurement of the lease liability.

The following is a schedule by year of payments under the leases as of June 30, 2023:

Year Ending June 30,	Total to be Paid	Principal	Interest
2024	\$ 2,945	\$ 2,629	\$ 316
2025	2,202	1,938	264
2026	1,411	1,184	227
2027	967	768	199
2028	602	420	182
2029–2033	2,546	1,799	747
2034–2038	2,546	2,092	454
2039–2042	2,036	1,916	120
	<u>\$ 15,255</u>	<u>\$ 12,746</u>	<u>\$ 2,509</u>

Leases Receivable

The University has entered into leases of its property, including buildings and land, to third parties for purposes such as office, warehouse, or retail space. The terms of these leases expire in various

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years through 2077. Variable payments of certain leases are based upon the Index. These leases were measured based upon the Index at lease commencement. Lease payments based on the future performance of the lessee are not included in the lease receivable because they are not fixed in substance.

Revenue recognized under lease contracts during the year ended June 30, 2023 was \$5,300, which includes both lease revenue and interest. The University did not recognize any variable payments not previously included in the measurement of the lease receivable for the year ended June 30, 2023.

Note 11: Subscription-Based Information Technology Arrangements

The University has entered into various SBITAs, the terms of which expire in various years through 2032. Variable payments based on the use of the underlying subscription asset are not included in the subscription liability because they are not fixed in substance.

During the year ended June 30, 2023, the University did not recognize subscription expense for variable payments (termination penalties) not previously included in the measurement of the subscription liability.

The following is a schedule by year of payments under the SBITAs as of June 30, 2023:

Year Ending June 30,	Total to be Paid	Principal	Interest
2024	\$ 4,574	\$ 4,156	\$ 418
2025	3,290	3,012	278
2026	2,045	1,884	161
2027	1,304	1,216	88
2028	310	269	41
2029–2032	880	800	80
	<u>\$ 12,403</u>	<u>\$ 11,337</u>	<u>\$ 1,066</u>

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Note 12: Long-Term Liabilities

Long-term liability activity was as follows for the year ended June 30, 2023:

	Interest Rates	Maturity Through	Beginning Balance (As Restated)	Additions	Deductions	Ending Balance	Current Portion
Bonds and financing arrangements							
General Revenue Refunding Bonds, Series 2012D	0.40%–3.12%	7/1/2027	\$ 11,765	\$ -	\$ (1,825)	\$ 9,940	\$ 1,870
General Revenue Bonds, Series 2013A	2.00%–3.38%	7/1/2042	9,085	-	(330)	8,755	335
General Revenue Bonds, Series 2013B	0.52%–4.29%	7/1/2042	40,340	-	(1,320)	39,020	1,355
General Revenue Refunding Bonds, Series 2013D	0.54%–5.12%	7/1/2034	9,315	-	(1,105)	8,210	1,145
General Revenue Bonds, Series 2014A	2.00%–4.50%	7/1/2043	10,475	-	(305)	10,170	320
General Revenue Bonds, Series 2014B	0.58%–5.17%	7/1/2043	10,275	-	(275)	10,000	285
General Revenue Refunding Bonds, Series 2014C	1.00%–5.00%	7/1/2034	60,375	-	(4,390)	55,985	4,620
General Revenue Bonds, Series 2015A	3.00%–5.00%	7/1/2044	26,695	-	-	26,695	-
General Revenue Bonds, Series 2015B	0.68%–2.68%	7/1/2024	2,355	-	(1,015)	1,340	1,040
General Revenue Bonds, Series 2015C	3.00%–5.00%	7/1/2045	213,705	-	-	213,705	-
General Revenue Bonds, Series 2015D	1.56%–3.37%	7/1/2025	19,885	-	(5,900)	13,985	6,085
General Revenue Refunding Bonds, Series 2016A	2.00%–5.00%	7/1/2031	52,320	-	(5,160)	47,160	5,395
General Revenue and Refunding Bonds, Series 2016B	2.00%–5.00%	7/1/2046	65,360	-	(1,175)	64,185	1,205
General Revenue and Refunding Bonds, Series 2016C	1.00%–3.38%	7/1/2032	8,940	-	(2,015)	6,925	2,060
General Revenue and Refunding Bonds, Series 2017A	3.00%–5.00%	7/1/2047	14,360	-	-	14,360	-
General Revenue and Refunding Bonds, Series 2017B	1.85%–3.00%	7/1/2025	1,469	-	(380)	1,089	385
General Revenue and Refunding Bonds, Series 2017C	2.00%–5.00%	7/1/2034	26,425	-	(1,085)	25,340	1,765
General Revenue Refunding Bonds, Series 2020A	1.37%–2.93%	7/1/2041	80,666	-	(3,410)	77,256	3,460
General Revenue Refunding Bonds, Series 2020B	3.00%–5.00%	7/1/2039	41,455	-	(2,700)	38,755	2,815
General Revenue and Refunding Bonds, Series 2020C	0.41%–3.26%	7/1/2041	149,145	-	(2,960)	146,185	8,770
General Revenue Bonds, Series 2021A	3.00%–5.00%	7/1/2051	150,535	-	(2,020)	148,515	2,530
			1,004,945	-	(37,370)	967,575	45,440
Premium (discount)			52,380	-	(6,297)	46,083	5,796
Total revenue bonds payable			1,057,325	-	(43,667)	1,013,658	51,236
OClA 2014A financing arrangements			23,241	-	(2,511)	20,730	2,575
OClA 2014C financing arrangements			13,449	-	(879)	12,570	911
ODFA financing arrangements			4,613	-	(451)	4,162	445
			41,303	-	(3,841)	37,462	3,931
Premium (discount)			442	-	(50)	392	50
Total financing arrangements			41,745	-	(3,891)	37,854	3,981
Lease liabilities			14,495	1,718	(3,467)	12,746	2,629
Subscription liabilities			13,338	4,328	(6,329)	11,337	4,156
Total bonds, financing arrangements, leases, and subscription liabilities			1,126,903	6,046	(57,354)	1,075,595	62,002
Other noncurrent liabilities							
Accrued compensated absences			30,687	24,713	(23,297)	32,103	22,812
Total other noncurrent liabilities			30,687	24,713	(23,297)	32,103	22,812
			\$ 1,157,590	\$ 30,759	\$ (80,651)	\$ 1,107,698	\$ 84,814

Revenue Bonds Payable

General revenue bonds have been issued by the Board of Regents pursuant to the Master Resolution and supplemental resolutions establishing The University of Oklahoma General Revenue Financing System. The principal and interest are secured by a pledge of general revenues of the University. General revenues consist of all lawfully available funds excluding: 1) revenues appropriated by the Oklahoma legislature from tax receipts and 2) funds whose purpose has been restricted by the donors or grantors to a purpose inconsistent with the payment of such obligations.

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Bond premiums and discounts are amortized over the life of the bonds using the effective interest method.

At June 30, 2023, total principal and interest remaining to be paid on outstanding bonds was \$1,384,093 and the total pledged revenue received was \$855,437. Debt service payments, including both principal and interest, of \$73,727 were 8.6% of pledged revenues at June 30, 2023.

Maturity Information

The scheduled maturities of the revenue bonds are as follows at June 30, 2023:

Year Ending June 30,	Principal	Interest	Total
2024	\$ 45,440	\$ 35,666	\$ 81,106
2025	46,510	34,220	80,730
2026	48,195	32,613	80,808
2027	49,915	30,865	80,780
2028	47,725	29,121	76,846
2029–2033	233,035	119,785	352,820
2034–2038	210,930	76,100	287,030
2039–2043	162,665	41,300	203,965
2044–2048	90,365	14,159	104,524
2049–2052	<u>32,795</u>	<u>2,689</u>	<u>35,484</u>
Total	<u>\$ 967,575</u>	<u>\$ 416,518</u>	<u>\$ 1,384,093</u>

Financing Arrangements

OCIA Financing Arrangements

OCIA periodically issues bonds, notes, or other obligations to finance construction of buildings or other facilities for the State of Oklahoma and its departments and agencies. OCIA may also issue refunding bonds to refinance its existing obligations. OCIA issues bonds and the State Regents allocate amounts to the University, who then enters into financing agreements with OCIA for projects being funded. These bonds have varying maturities ranging from 15 to 20 years. As a result, the University recognizes its share of the liability and the related assets in connection with the projects being constructed or acquired in its financial statements. Annually, the State Legislature appropriates funds to the State Regents to make the monthly principal and interest payments on behalf of the University. The University's financing agreements with OCIA secure the OCIA bond debt and any future debt that might be issued to refund earlier bond issues. During the year ended June 30, 2023, the State Regents made principal and interest payments totaling \$5,064 on behalf of the University. These on-behalf payments have been recorded in the University's statement of revenues, expenses, and changes in net position. As stated above, the on-behalf payments are subject to annual appropriations by the State Legislature. The arrangements

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range from 5 to 25 years and secure the OCIA bond debt and any future debt that might be issued to refund earlier bond issues.

As OCIA restructures the bond obligations, the financing arrangements are also restructured, which can result in a gain or loss on restructuring. This gain or loss is recorded as deferred inflows or deferred outflows of resources and amortized over the shorter of the remaining life of the old agreement or the life of the new agreement. As of June 30, 2023, \$1,836 was included in deferred inflows of resources.

The cost of University assets held under OCIA financing arrangements totaled \$97,063 as of June 30, 2023. Accumulated depreciation of the assets totaled \$28,081 as of June 30, 2023.

Debt service requirements on financing arrangements with OCIA are as follows:

Year Ending June 30,	Principal	Interest	Total
2024	\$ 3,486	\$ 1,521	\$ 5,007
2025	3,640	1,367	5,007
2026	3,818	1,188	5,006
2027	3,996	1,010	5,006
2028	4,172	835	5,007
2029–2033	12,788	1,571	14,359
2034–2037	1,400	48	1,448
	<u>\$ 33,300</u>	<u>\$ 7,540</u>	<u>\$ 40,840</u>

ODFA Financing Arrangements

The University has entered into various master financing agreements with ODFA and the State Regents as a beneficiary of a portion of the proceeds from the ODFA State Regents for Higher Education Master Lease Revenue Bonds. These bonds have varying maturities ranging from 15 to 20 years. The proceeds have been used by the University to fund the acquisition of major personal and real property that provide cost efficiencies in finance and administration. The lease terms vary by the useful life of the equipment purchased, but the useful life must not exceed 20 years for personal property and 30 years for real property projects. The cost of University assets that had not been fully depreciated and were held under ODFA financing arrangements totaled \$812 as of June 30, 2023. Accumulated depreciation of the leased assets totaled \$568 as of June 30, 2023. The University makes payments to the State Regents who then forward the payments to the trustee bank.

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Note 13: Retirement Plans

The University’s academic and nonacademic personnel are covered by various retirement plans depending on job classification. The plans available to University personnel include:

Name of Plan/System	Type of Plan
Oklahoma Teachers’ Retirement System (OTRS)	Cost-Sharing Multiple-Employer Defined Benefit Plan
Oklahoma Law Enforcement Retirement System (OLERS) – certain University employees	Cost-Sharing Multiple-Employer Defined Benefit Plan
University of Oklahoma Defined Contribution Plan (DCP)	Single-Employer Defined Contribution Plan
University of Oklahoma Optional Retirement Plan (ORP)	Single-Employer Defined Contribution Plan

The following is a summary of the University’s pension plans – their related liability, deferred inflows, deferred outflows, and pension expense for the year ended June 30, 2023:

	Pension Liability	Deferred Inflows	Deferred Outflows	Pension Expense
OTRS Pension	\$ 333,022	\$ 42,382	\$ 116,610	\$ 24,691
OLERS Pension	2,533	2,008	2,990	434
	<u>\$ 335,555</u>	<u>\$ 44,390</u>	<u>\$ 119,600</u>	<u>\$ 25,125</u>

Oklahoma Teachers’ Retirement System

Plan Description

The University contributes to OTRS, a cost-sharing multiple-employer defined benefit pension plan sponsored by the State of Oklahoma. OTRS provides retirement, disability, and death benefits to plan members and beneficiaries. Benefit provisions are established and may be amended by the legislature of the State of Oklahoma. Title 70 of the Oklahoma Statutes assigns the authority for management and operation of OTRS to the Board of Trustees of OTRS. OTRS issues a publicly available annual financial report that can be obtained at www.ok.gov/TRS/.

Benefits Provided

OTRS provides defined retirement benefits based on members’ final compensation, age, and term of service. In addition, the retirement program provides for benefits upon disability and to survivors upon the death of eligible members. Title 70 O.S. Section 17-105 defines all retirement benefits. The authority to establish and amend benefit provisions rests with the Oklahoma Legislature.

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Benefit provisions include:

- Members who joined OTRS prior to November 1, 2017 become 100% vested in retirement benefits earned to date after five years of credited Oklahoma service. Those who become members on or after November 1, 2017 become 100% vested in retirement benefits earned to date after seven years of credited Oklahoma service. Members who joined OTRS prior to July 1, 1992 are eligible to retire with an unreduced benefit at age 62 or when their age and years of creditable service total 80. Members who joined OTRS July 1, 1992 or after, and before November 1, 2011 may retire with an unreduced benefit at age 62 or when their age and years of creditable service total 90. Members whose age and service do not equal the eligible limit may receive reduced benefits as early as age 55. Members who joined on or after November 1, 2011 may retire with an unreduced benefit at age 65, or when the member's age is at least 60 and age and years of creditable service total at least 90. A reduced annuity is available at the minimum age of 60. The maximum retirement benefit is equal to 2% of final compensation for each year of credited service.
- Final compensation for members who joined OTRS prior to July 1, 1992 is defined as the average salary for the three highest years of compensation. Final compensation for members joining OTRS after June 30, 1992 is defined as the average of the highest five consecutive years of annual compensation in which contributions have been made. The final average compensation is limited for service credit accumulated prior to July 1, 1995 to \$40 or \$25, depending on the member's election. Monthly benefits are 1/12 of this amount. Service credits accumulated after June 30, 1995 are calculated based on each member's final average compensation, except for certain employees of the University.
- Upon the death of a member, the designated beneficiary shall receive the member's total contributions and 100% of interest on those contributions. Members who are in an active in-service status can receive an additional \$18 benefit.
- Upon the death of a retired member, OTRS will pay \$5 to the designated beneficiary, in addition to the benefits provided for the retirement option selected by the member.
- A member is eligible for disability benefits after 10 years of credited Oklahoma service.
- Upon separation from OTRS, members' contributions are refundable with interest based on certain restrictions provided in the plan or by the IRC.

Contributions

Employees of the University who are OTRS members are required to contribute to the plan at a rate established by the Oklahoma Legislature. For the year ended June 30, 2023, the contribution rate was 7.0% of annual compensation. For the year ended June 30, 2023, the local employer contribution rate was 8.55%. There is also a federal match required on all compensation paid from federal funds, which had a contribution rate of 8.0% for 2023.

The University's contributions to OTRS for the year ended June 30, 2023, which include the 8.55% regular employer contribution and the federal match, were \$22,709.

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In addition, the State of Oklahoma also contributed 5.25% of state revenues from sales, use, and individual income taxes to OTRS. The amounts contributed on behalf of the University and recognized in the University's statement of revenues, expenses, and changes in net position as both revenues and compensation and benefits expense in 2023 were \$17,221. These on-behalf payments do not meet the definition of a special funding situation.

Pension Liabilities, Pension Expense, and Deferred Outflows/Inflows of Resources Related to Pensions

At June 30, 2023, the University reported a liability of \$333,022 for its proportionate share of the net pension liability. The net pension liability was measured as of June 30, 2022 and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of June 30, 2022. The University's proportion of the net pension liability was based on the University's contributions to OTRS relative to total contributions of OTRS for all participating employers for the year ended June 30, 2022. Based upon this information, the University's proportion was 4.06% as of June 30, 2022.

For the year ended June 30, 2023, the University recognized pension expense of \$24,691.

At June 30, 2023, the University reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

Deferred outflows of resources	
Changes in proportion and contributions	\$ 29,059
University contributions subsequent to measurement date*	22,709
Changes of assumptions	22,470
Difference between expected and actual experience	10,668
Net difference between projected and actual earnings on pension plan investments	<u>31,704</u>
	<u>\$ 116,610</u>
Deferred inflows of resources	
Differences between expected and actual experience	\$ 4,166
Changes in proportion and contributions	<u>38,216</u>
	<u>\$ 42,382</u>

*Recognized as a reduction of net pension liability in the subsequent year

The average expected remaining life of the plan is determined by taking the calculated total future service years of the plan divided by the number of people in the plan, including retirees. The total future service years of the plan are determined using the mortality, termination, retirement, and disability assumptions associated with the plan. The average expected service life of the plan equals 5.23 years at June 30, 2022, the valuation date.

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Deferred outflows of resources and deferred inflows of resources will be recognized in pension expense as follows:

2024	\$	14,563
2025		8,173
2026		(4,585)
2027		31,615
2028		1,753
		<hr/>
	\$	<u>51,519</u>

Actuarial Assumptions

The total pension liability as of June 30, 2023 was determined based on actuarial valuations using the following actuarial assumptions:

Valuation date	June 30, 2022
Actuarial cost method	Entry age normal
Future ad hoc cost-of-living increases	None
Inflation rate	2.25%
Salary increase rate	3.00%
Retirement age	Experience-based tables of rates based on age, service, and gender
Mortality tables	Various based on age, gender, and status

The long-term expected rate of return on pension plan investments was determined using a building block method in which best estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation.

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The target asset allocation and best estimates of arithmetic expected real rates of return for each major asset class as of June 30, 2022 are summarized in the following table:

	Target Allocation	Long-Term Expected Real Rate of Return
Domestic equity	38.3%	4.9%
International equity	16.7%	5.5%
Domestic fixed income	22.0%	1.3%
Real estate*	10.0%	3.5%
Private equity	8.0%	7.6%
Private debt	5.0%	4.6%
	<u>100.0%</u>	

*The real estate total expected return is a combination of U.S. Direct Real Estate (unleveraged) and U.S. Value-Added Real Estate (unleveraged).

Discount Rate

The discount rate used to measure the total pension liability at June 30, 2023 was 7.0%. Based on the stated assumptions and the projection of cash flows, the pension plan's fiduciary net position and future contributions were projected to be available to finance all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

The projection of cash flows used to determine the discount rate assumed that plan member and employer contributions will be made at the current statutory levels and remain at a level percentage of payroll. The projection of cash flows also assumed that the State's contribution plus the matching contributions will remain a constant percent of projected member payroll based on the past five years of actual contributions.

Sensitivity of the Net Pension Liability to Changes in the Discount Rate

The following table presents the net pension liability of the University calculated using the discount rate of 7.0%, as well as what the University's net pension liability would be if OTRS calculated the total pension liability using a discount rate that is 1 percentage point lower (6.0%) or 1 percentage point higher (8.0%) than the current rate:

	1% Decrease (6.00%)	Current Discount Rate (7.00%)	1% Increase (8.00%)
University's net pension liability	<u>\$ 468,897</u>	<u>\$ 333,022</u>	<u>\$ 221,317</u>

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Oklahoma Law Enforcement Retirement System

OLERS is the administrator of the Oklahoma Law Enforcement Retirement Plan, a cost-sharing defined benefit pension plan established by Oklahoma Statutes. OLERS is a component unit of the State of Oklahoma and is part of the State's reporting entity. Currently, University campus police officers are included as members of this plan. The University has recorded the following amounts related to these employees' participation in OLERS:

Net pension liability	\$	2,533
Deferred outflows related to pensions	\$	2,990
Deferred inflows related to pensions	\$	2,008
Pension expense	\$	434

Because the University's participation in OLERS is not material to the University's financial statements, additional information and disclosures are not included in these financial statements. OLERS issues a publicly available annual financial report that can be obtained at www.olders.state.ok.us.

Defined Contribution Plans

Plan Description

The University offers two 401(a) defined contribution plans that are administered by Fidelity Investments Inc. – the OU Contributory Retirement Plan and the OU Retirement Plan (DCP). All contributions to these plans are made by the University and directed by the plan participants to a variety of different fund options and companies within the plans. All new employees eligible for either of the plans must complete a 12-month waiting period before receiving contributions from the University. There is a three-year vesting period for both plans.

Participation

All benefits-eligible employees must decide within the first 30 days of employment if they wish to elect Option 1, which consists of the OTRS and the OU Contributory Retirement Plan. This is a one-time irrevocable election. Salaried employees who choose Option 2 will receive contributions to the DCP.

If an election is not made within the first 30 days of employment, employees will be automatically enrolled in Option 1.

Contributions

Contributions to the DCP are based on the hire date of the plan participants. For participants hired prior to July 1, 1995 and enrolled in OTRS, the rate is 15% of regular salary, supplemental salary, and wages paid during the plan year in excess of \$9. For participants hired on or after July 1, 1995 and enrolled in OTRS, the rate is 8% of regular salary, supplemental salary, and wages paid during the plan year in excess of \$9. Employees hired on or after January 1, 2023 and enrolled in OTRS are not eligible for the DCP. The University's contributions to the DCP for the year ended June 30,

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2023 were \$13,935. The authority for contributing to this plan is contained in the following policy document, “University of Oklahoma Defined Contribution Retirement Plan,” amended and restated December 20, 2022.

The University’s contribution rate for the ORP and hourly DCP participants is 9% of regular salary, supplemental salary, and wages paid for the plan year. The University’s contributions to the ORP for the year ended June 30, 2023 were \$14,191. The authority for contributing to this plan is contained in the following policy document, “University of Oklahoma Optional Retirement Plan,” amended and restated December 20, 2022.

Special Retirement Plans

The University provides additional defined benefit and defined contribution plans for certain key employees. Contributions and benefits are determined based on individual agreements for each employee.

The University has recorded the following amounts at June 30, 2023 related to these plans:

Defined benefit plans			
Net pension liability (asset)		\$	(300)
Pension expense (offset)		\$	62
Defined contribution plans			
Net pension liability (asset)		\$	7,486
Pension expense (offset)		\$	1,650

Because the University’s participation in these plans is not material to the University’s financial statements, additional information and disclosures are not included in these financial statements.

Note 14: Other Postemployment Benefits

The following is a summary of the University’s OPEB plans – their related liability, deferred inflows, deferred outflows, and expense for the year ended June 30, 2023:

	OPEB Liability (Asset)	Deferred Inflows	Deferred Outflows	OPEB Expense (Offset)
OU OPEB	\$ 153,201	\$ 16,745	\$ 4,595	\$ (634)
OTRS OPEB	<u>(1,553)</u>	<u>526</u>	<u>1,320</u>	<u>158</u>
	<u>\$ 151,648</u>	<u>\$ 17,271</u>	<u>\$ 5,915</u>	<u>\$ (476)</u>

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Retiree Insurance Plan

Plan Description

The University’s retiree insurance plan is considered a single-employer defined benefit plan and does not issue a stand-alone financial report. The University, with approval by the Board of Regents, has the authority to establish and amend the benefit provisions and financing arrangements. No assets are accumulated in a trust that meets the criteria in paragraph 4 of GASB Statement No. 75.

Benefits Provided

Employees eligible for retirement who have been enrolled in the University’s medical insurance plan for five years immediately prior to retirement are eligible to participate in the group medical insurance plan as a retiree. Premiums are subsidized for employees hired prior to January 1, 2008, as described below. Employees hired on or after January 1, 2008 may participate in the retiree medical plan at the group rates at the retiree’s own expense. Retirees may also elect the University’s medical coverage for eligible dependents at their own expense. Retirees will be allowed a one-time opportunity to opt out of the University’s retiree medical plan coverage if the individual is enrolled in other coverage. The retiree may return to the University’s plan if medical coverage is maintained during the opt-out period. Medicare-eligible retirees enroll in Medicare Part A and Part B, with coverage provided by a Medicare Advantage plan. University medical coverage for active employees is not affected when they enroll in Medicare. As of January 1, 2021, all Medicare eligible retirees are covered by a fully insured Medicare Advantage plan.

There are currently two eligible groups for subsidized retiree medical benefits:

- Group 1 – Employees who were eligible for retirement on or before December 31, 2015. The University provides a 100% premium subsidy for retirees in this group.
- Group 2 – Employees who were eligible for retirement on or after January 1, 2016. The University will subsidize premiums for retirees in this group as follows:

Medical Insurance Premium Subsidy for Employees Eligible on or after January 1, 2016

Age at Retirement	Years of Service at Retirement			
	10–14	15–19	20–24	25+
Under 55	Employees can retire with 25 years of service. No university subsidy until age 55.			
55–61	No subsidy	55% – Must meet Rule of 80	65% – Must meet Rule of 80	75%
62–64	55%	65%	75%	85%
65+	65%	75%	85%	100%

Employees who qualify for University retirement and have been enrolled in the University’s dental insurance plan for five years immediately prior to retirement are eligible to participate in the group dental plan as a retiree. Dental premiums will be fully subsidized by the University for employees

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hired prior to January 1, 2008. Retirees may also elect coverage for dependents at their own expense.

On June 30, 2023, there were 1,145 active participants with subsidized benefits and 1,984 retirees with University benefits. All active employees who are eligible for subsidized benefits are assumed to elect coverage at retirement and are included in the calculation of the total OPEB liability. Active employees without subsidized benefits, who are required to pay the full cost of coverage, are not included in the calculation of the total OPEB liability.

Contributions

Contribution requirements of the University are established and may be amended by the Board of Regents. All contributions are made by the University. Benefits are funded on a pay-as-you-go basis. For the year ended June 30, 2023, the University made benefit payments in the amount of \$6,327 for current retirees.

Total OPEB Liability

The following schedule shows the changes in the University's total OPEB liability for fiscal year 2023:

Total OPEB liability, beginning of year	\$ 158,171
Service cost	1,861
Interest	6,417
Changes in assumptions	1,680
Differences between expected and actual experience	(8,601)
Benefit payments	<u>(6,327)</u>
Total OPEB liability, end of year	<u>\$ 153,201</u>

Changes of assumptions reflect a change in the discount rate from 4.09% in 2022 to 4.13% in 2023.

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Actuarial Assumptions

The total OPEB liability as of June 30, 2023 was determined based on actuarial valuations using the following actuarial assumptions:

Valuation and measurement date	June 30, 2023
Actuarial cost method	Entry age normal level % of salary method
Discount rate	4.13%
Inflation rate	3.00%
Payroll growth	Includes inflation plus various amounts ranging from 3.0%–11.0% given years of service
Retirement age	Experience-based tables of rates based on age and gender
Mortality tables	Various based on age, gender, and status

The discount rate was based on a range of indices, including the Bond Buyer Go 20-Bond Municipal Bond Index, the S&P Municipal Bond 20-Year High Grade Rate Index, and the Fidelity 20-Year Go Municipal Bond Index.

Sensitivity of the Total OPEB Liability to Changes in the Healthcare Cost Trend Rate and Discount Rate

The following table presents the total OPEB liability of the University for the year ended June 30, 2023, calculated using the current healthcare cost trend rate of 7.5%, decreasing to an ultimate rate of 4.5%, as well as what the University's total OPEB liability would be if it were calculated using healthcare cost trend rates that are 1 percentage point lower (6.5% decreasing to 3.5%) or 1 percentage point higher (8.5% decreasing to 5.5%) than the current healthcare cost trend rates.

	1% Decrease (6.5% Decreasing to 3.5%)	Current Healthcare Trend Rate (7.5% Decreasing to 4.5%)	1% Increase (8.5% Decreasing to 5.5%)
Total OPEB liability	\$ 133,971	\$ 153,201	\$ 176,639

The following table presents the total OPEB liability of the University for the year ended June 30, 2023, calculated using the current discount rate as well as what the University's total OPEB liability would be if calculated using rates that are 1 percentage point lower or 1 percentage point higher than the current discount rates:

	1% Decrease (3.13%)	Current Discount Rate (4.13%)	1% Increase (5.13%)
Total OPEB liability	\$ 174,135	\$ 153,201	\$ 135,962

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OPEB Expense and Deferred Outflows/Inflows of Resources Related to OPEB

For the year ended June 30, 2023, the University recognized OPEB expense (offset) of \$(634).

At June 30, 2023, the University reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

Deferred outflows of resources	
Differences between expected and actual experience	\$ 3,475
Changes of assumptions	<u>1,120</u>
	<u>\$ 4,595</u>
Deferred inflows of resources	
Differences between expected and actual experience	\$ 5,734
Changes of assumptions	<u>11,011</u>
	<u>\$ 16,745</u>

Deferred outflows and inflows of resources related to OPEB will be recognized in OPEB expense using the average expected remaining service life of the plan as follows:

Year ending June 30,	
2024	\$ 9,843
2025	<u>2,307</u>
	<u>\$ 12,150</u>

The average expected remaining service life of the plan is determined by taking the calculated total future service years of the plan divided by the number of people in the plan, including retirees. The average expected remaining service life of the plan equals three years at June 30, 2023.

Oklahoma Teachers' Retirement System

There is a closed group of retirees at June 30, 2023 who are enrolled in the Oklahoma State and Education Employees Group Insurance Board (OSEEGIB) plans. The University pays the premiums for these retirees. The liability (asset) for these retirees is included in the OTRS valuation. The University has recorded the following amounts related to these retirees' participation in OTRS:

Net OPEB asset	\$ (1,553)
Deferred outflows related to OPEB	\$ 1,320
Deferred inflows related to OPEB	\$ 526
OPEB expense	\$ 158

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Because the University's participation in OTRS is not material to the University's financial statements, additional information and disclosures are not included in these financial statements. OTRS issues a publicly available annual financial report that can be obtained at www.ok.gov/TRS/.

Note 15: The University of Oklahoma Foundation, Inc.

The Foundation is a public foundation organized to receive and administer gifts for the benefit of the University and The University of Oklahoma Health Sciences Center. The Foundation expended \$161,949 (unaudited) on behalf of the University and The University of Oklahoma Health Sciences Center in 2023 for facilities and equipment, salary supplements, general university educational assistance, and student scholarships. Of these expenditures, \$80,585 are reflected in the University's financial statements as revenue in 2023. The amounts not reflected herein consist of direct Foundation expenditures for general university educational purposes and amounts reflected in The University of Oklahoma Health Sciences Center's financial statements.

The University's investments, other than marketable securities, are also held by the Foundation (see *Note 2*).

Note 16: Risk Management

Due to the diverse risk exposure of the University, the insurance portfolio contains a comprehensive variety of coverage. Oklahoma Statutes require participation of all state agencies in basic tort, educators' legal liability, property and casualty programs, and fidelity bonding provided by the Office of Management and Enterprise Services Division of Capital Assets Management Risk Management Department (OMES Risk Management). In addition to these basic policies, the University's Office of Enterprise Risk Management (ERM) establishes guidelines for risk assessment, risk avoidance, risk acceptance, and risk transfer.

The University and its individual employees are provided sovereign immunity when performing official business within the course and scope of their employment in accordance with the *Oklahoma Governmental Tort Claims Act*.

Beyond acceptable retention levels, complete risk transfer is practiced by purchasing conventional insurance coverage through an insurance broker or through OMES Risk Management. These coverages are as follows:

- Buildings and contents are insured for replacement value. Each loss incident is subject to a \$750 deductible. Coverage is purchased by the University from OMES Risk Management. The University has filed five claims with the State under these policies in the past three fiscal years.
- General liability and tort claim coverages (including comprehensive general liability, product liability, and auto liability) are purchased by the University from OMES Risk Management. Coverage for cybersecurity is purchased through an insurance broker. The University has not filed any material claims with the State in the past three fiscal years.

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- Additional coverage is purchased by the University (including property, aircraft liability, and watercraft liability) based on specific departmental and institutional needs and risks, but the related risks are not considered material to the University as a whole. The University has not filed any material claims under these policies in the past three fiscal years.

Settled claims have not exceeded coverage in any of the three preceding years.

Self-Funded Programs

The University is self-funded for unemployment compensation, workers' compensation, employee health and dental care, and student healthcare. These programs are all administered by a third party and the estimated liabilities for incurred but not reported claims recorded on the University's financial statements are based on annual actuarial valuations.

Unemployment benefits that separated employees receive are determined by Oklahoma Statutes and are administered by the Oklahoma Employment Security Commission (OESC). As a reimbursing employer, the University is billed quarterly by the OESC for benefits paid to former employees. The University's reserve with the OESC is the average claims paid over the past three years.

Workers' compensation benefits are prescribed by State Statutes and include lump-sum payments for rated disabilities, in addition to medical expenses and a portion of salary loss, resulting from an on-the-job injury or illness. The University maintains a cash deposit with the administrator and reimburses the administrator for claims paid on a monthly basis, and administrative expenses are paid on a quarterly basis.

Health and dental insurance premiums collected from employees, retirees, and students are recorded in a self-insurance pool at the University. The claims and administrative expenses are paid as incurred directly from this pool and the cash balance is included in cash and cash equivalents on the accompanying statement of net position. As of June 30, 2023, the cash balance of the self-insurance pool was \$29,943.

Changes in the claims liability for the University from July 1, 2022 to June 30, 2023 are as follows:

	Unemployment	Workers' Compensation	Health and Dental	Total
Liabilities, July 1, 2022	\$ 370	\$ 725	\$ 5,842	\$ 6,937
Claims incurred and changes in estimates	(95)	678	79,384	79,967
Claim payments	<u>(97)</u>	<u>(661)</u>	<u>(78,269)</u>	<u>(79,027)</u>
Liabilities, June 30, 2023	<u>\$ 178</u>	<u>\$ 742</u>	<u>\$ 6,957</u>	<u>\$ 7,877</u>

The University of Oklahoma – Norman Campus

Notes to Financial Statements

June 30, 2023

(In Thousands)

Note 17: Contingencies and Commitments

At June 30, 2023, the University had outstanding commitments under construction contracts totaling \$39,924.

The University is party to various lawsuits arising out of the normal conduct of its operations. In the opinion of University management, the ultimate resolution of these matters will not have a material adverse effect upon the University's financial position.

The University participates in certain federal and state grant programs. These activities are subject to financial and compliance audits by the grantor. Such audits could lead to requests for reimbursement to the grantor agency for expenditures disallowed under terms of the grant. Management is not aware of any disallowed expenditures or any potential liabilities that would have a material adverse effect upon the University's financial position.

As part of the normal course of operations, the University routinely enters into contracts with an intermediary to purchase natural gas at future dates. The University endeavors to acquire natural gas at the lowest possible cost and to reduce volatility in operating expenses through these purchases. Under the terms of the purchase contracts, the University agrees to purchase a set volume of natural gas at a set price for a particular month. Purchased volume is generally determined based on a percent of average historical usage for that month. Any consumption beyond the purchased volume is obtained at current market rates. As of June 30, 2023, the University has entered into agreements to purchase \$5,292 of natural gas through October 2025.

The University awarded all emergency student aid and drew all institutional support available under the CARES Act, CRRSA Act, and ARPA in fiscal year 2022. While many health and safety protocols implemented during the COVID-19 pandemic have been rescinded in consultation with healthcare professionals, the University still actively monitors COVID-19 cases. A resurgence in COVID-19 cases could impact the University's ability to offer in-person and on-campus activities.

The University of Oklahoma – Norman Campus

Notes to Financial Statements

June 30, 2023

(In Thousands)

Note 18: Operating Expense by Functional Classification

The University's operating expenses by functional classification were as follows for the year ended June 30, 2023:

Instruction	\$	314,752
Research		152,485
Public service		109,495
Academic support		92,734
Student services		45,073
Institutional support		54,265
Operation and maintenance of plant		88,573
Scholarships		55,017
Auxiliary enterprises		<u>250,131</u>
Total	\$	<u><u>1,162,525</u></u>

Note 19: Subsequent Events

The University has evaluated events and transactions that occurred subsequent to June 30, 2023 through October 30, 2023, the date these financial statements were available to be issued, and determined there are no material subsequent events or transactions that would require additional disclosure in the University's financial statements.

Required Supplementary Information

The University of Oklahoma – Norman Campus
Schedule of Changes in Total OPEB Liability and Related Ratios (Unaudited)
(In Thousands)

	2023	2022	2021	2020	2019	2018
Service cost	\$ 1,861	\$ 3,210	\$ 5,484	\$ 2,876	\$ 2,870	\$ 3,592
Interest	6,417	3,929	7,992	9,725	10,469	9,929
Change of benefit terms	-	-	(129,954)	-	-	-
Changes of assumptions	1,680	(33,033)	17,650	25,935	23,204	(6,806)
Differences between expected and actual experience	(8,601)	10,425	(14,917)	(11,691)	(23,092)	(6,087)
Benefit payments	<u>(6,327)</u>	<u>(5,107)</u>	<u>(4,925)</u>	<u>(7,175)</u>	<u>(6,654)</u>	<u>(6,795)</u>
Net change in total OPEB liability	(4,970)	(20,576)	(118,670)	19,670	6,797	(6,167)
Total OPEB liability – beginning	<u>158,171</u>	<u>178,747</u>	<u>297,417</u>	<u>277,747</u>	<u>270,950</u>	<u>277,117</u>
Total OPEB liability – ending	<u><u>\$ 153,201</u></u>	<u><u>\$ 158,171</u></u>	<u><u>\$ 178,747</u></u>	<u><u>\$ 297,417</u></u>	<u><u>\$ 277,747</u></u>	<u><u>\$ 270,950</u></u>
Covered employee payroll	\$ 391,556	\$ 360,310	\$ 356,964	\$ 345,236	\$ 331,244	\$ 338,110
Total OPEB liability as a percentage of covered payroll	39.1%	43.9%	50.1%	86.1%	83.8%	80.1%

Notes to Schedule

No assets are accumulated in a trust that meets the criteria in paragraph 4 of GASB Statement No. 75.

The University of Oklahoma – Norman Campus
Schedule of Changes in Total OPEB Liability and Related Ratios (Unaudited)
(In Thousands)

Changes of assumptions and other inputs reflect the effects of changes in the discount rate each period. The following are the discount rates used in each period:

2023	4.13%
2022	4.09%
2021	2.19%
2020	2.66%
2019	3.51%
2018	3.87%

This schedule is intended to show a 10-year trend. Additional years will be reported as they become available.

Changes in benefit terms reflect a substantive plan provision change effective January 1, 2021, when all Medicare-eligible retirees moved to a fully insured Medicare Advantage plan.

The University of Oklahoma – Norman Campus
Schedule of the University's Proportionate Share of the Net Pension Liability (Unaudited)
Oklahoma Teachers' Retirement System
(In Thousands)

	2022	2021	2020	2019	2018	2017	2016	2015	2014
University's proportion of the net pension liability	4.06%	3.55%	3.97%	4.68%	4.55%	4.64%	4.76%	4.81%	4.27%
University's proportionate share of the net pension liability	\$ 333,022	\$ 181,352	\$ 376,881	\$ 309,430	\$ 277,494	\$ 312,042	\$ 409,362	\$ 302,466	\$ 243,235
University's covered employee payroll	\$ 222,433	\$ 205,822	\$ 205,049	\$ 208,910	\$ 212,561	\$ 208,855	\$ 215,864	\$ 213,329	\$ 207,859
University's proportionate share of the net pension liability as a percentage of its covered employee payroll	149.72%	88.11%	183.80%	148.12%	130.55%	149.41%	189.64%	141.78%	117.02%
Plan fiduciary net position as a percentage of the total pension liability	70.05%	80.80%	63.47%	71.56%	72.74%	69.32%	62.24%	70.31%	72.43%

Notes to Schedule

Year as of measurement date.

This schedule is intended to show a 10-year trend. Additional years will be reported as they become available.

The University of Oklahoma – Norman Campus
Schedule of the University’s Contributions (Unaudited)
Oklahoma Teachers’ Retirement System
(In Thousands)

	2023	2022	2021	2020	2019	2018	2017	2016	2015
Contractually required contribution	\$ 22,709	\$ 20,697	\$ 19,014	\$ 19,333	\$ 22,106	\$ 21,992	\$ 21,834	\$ 22,926	\$ 22,451
Actual contribution	<u>22,709</u>	<u>20,697</u>	<u>19,014</u>	<u>19,333</u>	<u>22,106</u>	<u>21,992</u>	<u>21,834</u>	<u>22,926</u>	<u>22,451</u>
Contribution (excess) deficiency	<u>\$ -</u>								
University’s covered employee payroll*	\$ 240,550	\$ 222,433	\$ 205,822	\$ 205,049	\$ 208,910	\$ 212,561	\$ 208,855	\$ 215,864	\$ 213,329
Contributions as a percentage of covered employee payroll	9.44%	9.30%	9.24%	9.43%	10.58%	10.35%	10.45%	10.62%	10.52%

*Increase in covered employee payroll in 2022 due to SB 683, effective July 1, 2021, which changed when an optional employee is eligible to participate and makes their election regarding participation permanent.

Notes to Schedule

Year as of fiscal year-end date.

This schedule is intended to show a 10-year trend. Additional years will be reported as they become available.

Supplementary Information

The University of Oklahoma – Norman Campus

Schedule of Expenditures of Federal Awards

Year Ended June 30, 2023

Cluster Name	Sponsor	Federal Program Name	Direct/Pass Through	FALN	Award Number	Expenditure	Subrecipient Expenditures
<u>Department of Agriculture</u>							
RESEARCH AND DEVELOPMENT	Department of Agriculture	Agricultural Research - Basic and Applied Research	Direct	10.001		80,926	
RESEARCH AND DEVELOPMENT	Oklahoma State University	Agricultural Research - Basic and Applied Research	Pass Through	10.001	2561400OU2	188,501	
RESEARCH AND DEVELOPMENT	Research Corporation for Science Advance	Agricultural Research - Basic and Applied Research	Pass Through	10.001	28365	30,111	
RESEARCH AND DEVELOPMENT	Research Corporation for Science Advance	Agricultural Research - Basic and Applied Research	Pass Through	10.001	29018	28,055	
RESEARCH AND DEVELOPMENT	Department of Agriculture	Agriculture and Food Research Initiative (AFRI)	Direct	10.310		334,227	
RESEARCH AND DEVELOPMENT	Michigan State University	Agriculture and Food Research Initiative (AFRI)	Pass Through	10.310	RC113291-OU	45,452	7,096
RESEARCH AND DEVELOPMENT	University of Massachusetts	Agriculture and Food Research Initiative (AFRI)	Pass Through	10.310	Subaward No.: 21-016056 A	2,919	
RESEARCH AND DEVELOPMENT	New Mexico State University	Agriculture and Food Research Initiative (AFRI)	Pass Through	10.310	Q01998	32,649	
RESEARCH AND DEVELOPMENT	Pennsylvania State University	Agriculture and Food Research Initiative (AFRI)	Pass Through	10.310	S002142USDA	31,619	446,866
RESEARCH AND DEVELOPMENT	Department of Agriculture	Partnership Agreements	Direct	10.699		3,890	
	Department of Agriculture - Total					778,349	7,096
<u>Department of Commerce</u>							
RESEARCH AND DEVELOPMENT	Department of Commerce	Bipartisan Budget Act of 2018	Direct	11.022		51,633	
RESEARCH AND DEVELOPMENT	Department of Commerce	Economic Adjustment Assistance	Direct	11.307		244,958	
RESEARCH AND DEVELOPMENT	Department of Commerce	Climate and Atmospheric Research	Direct	11.431		920,668	384,207
RESEARCH AND DEVELOPMENT	Department of Commerce	Office of Oceanic and Atmospheric Research (OAR) Joint and Cooperative Institutes	Direct	11.432		20,999,075	100,513
RESEARCH AND DEVELOPMENT	Department of Commerce	Weather and Air Quality Research	Direct	11.459		4,143,668	19,843
RESEARCH AND DEVELOPMENT	Department of Commerce	Applied Meteorological Research	Direct	11.468		60,388	
RESEARCH AND DEVELOPMENT	North Pacific Research Board	Unallied Science Program	Pass Through	11.472	NA21NMF4720289-2112	54,730	
RESEARCH AND DEVELOPMENT	Department of Commerce	Center for Sponsored Coastal Ocean Research - Coastal Ocean Program	Direct	11.478		73,826	
RESEARCH AND DEVELOPMENT	Department of Commerce	Measurement and Engineering Research and Standards	Direct	11.609		47,392	
RESEARCH AND DEVELOPMENT	Colorado State University	Measurement and Engineering Research and Standards	Pass Through	11.609	G-99042-11	248,672	296,064
	Department of Commerce - Total					26,845,010	504,563
<u>Department of Defense</u>							
RESEARCH AND DEVELOPMENT	Department of Defense	Basic and Applied Scientific Research	Direct	12.300		3,423,477	88,471
RESEARCH AND DEVELOPMENT	Department of Defense	Basic Scientific Research - Combating Weapons of Mass Destruction	Direct	12.351		(2,174)	
RESEARCH AND DEVELOPMENT	Univ of North Carolina at Chapel Hill	Basic Scientific Research - Combating Weapons of Mass Destruction	Pass Through	12.351	5113071	10,335	8,161
RESEARCH AND DEVELOPMENT	Department of Defense	Military Medical Research and Development	Direct	12.420		520,643	160,680
RESEARCH AND DEVELOPMENT	Univ of Oklahoma Health Sciences Center	Military Medical Research and Development	Pass Through	12.420	RS20230111-01	21,443	542,086
RESEARCH AND DEVELOPMENT	Department of Defense	Basic Scientific Research	Direct	12.431		378,143	
RESEARCH AND DEVELOPMENT	Virginia Polytechnic Inst & State Univ	Basic Scientific Research	Pass Through	12.431	450938-19C86	42,042	420,185
RESEARCH AND DEVELOPMENT	Department of Defense	Basic, Applied, and Advanced Research in Science and Engineering	Direct	12.630		481,982	
RESEARCH AND DEVELOPMENT	Department of Defense	Air Force Defense Research Sciences Program	Direct	12.800		374,686	226,281
RESEARCH AND DEVELOPMENT	Department of Defense	Research and Technology Development	Direct	12.910		113,438	
RESEARCH AND DEVELOPMENT	SRI International	Research and Technology Development	Pass Through	12.910	P069838	1,178	
RESEARCH AND DEVELOPMENT	Texas A&M University	Research and Technology Development	Pass Through	12.910	M1901609	131,345	
RESEARCH AND DEVELOPMENT	Texas A&M University	Research and Technology Development	Pass Through	12.910	M2301506	81,147	327,108
	Department of Defense - Total					5,577,685	475,432
<u>Department of Housing and Urban Development</u>							
RESEARCH AND DEVELOPMENT	Oklahoma Housing Finance Agency	Home Investment Partnerships Program	Pass Through	14.239	FY22ORA2-33	609,589	
	Department of Housing and Urban Development - Total					609,589	-

The accompanying notes are an integral part of this Schedule.

The University of Oklahoma – Norman Campus

Schedule of Expenditures of Federal Awards

Year Ended June 30, 2023

Cluster Name	Sponsor	Federal Program Name	Direct/Pass Through	FALN	Award Number	Expenditure	Subrecipient Expenditures
	Department of the Interior						
RESEARCH AND DEVELOPMENT	Department of the Interior	Earth Mapping Resources Initiative	Direct	15.073			9,259
RESEARCH AND DEVELOPMENT	Department of the Interior	Tribal Climate Resilience	Direct	15.156			84,494
RESEARCH AND DEVELOPMENT	Department of the Interior	Cultural Resource Management	Direct	15.224			128,360
RESEARCH AND DEVELOPMENT	Department of the Interior	Applied Science Program Cooperative Agreements Related to Coal Mining and Reclamation	Direct	15.255			50,942
RESEARCH AND DEVELOPMENT	Department of the Interior	Water Desalination Research and Development Program	Direct	15.506			79,349
RESEARCH AND DEVELOPMENT	Department of the Interior	SECURE Water Act-Research Agreements	Direct	15.560			3,602
RESEARCH AND DEVELOPMENT	OK Wildlife and Conservation Commission	Sport Fish Restoration Program	Pass Through	15.605	3209007418		(263)
RESEARCH AND DEVELOPMENT	Department of the Interior	Cooperative Endangered Species Conservation Fund	Direct	15.615		4,585	
RESEARCH AND DEVELOPMENT	OK Wildlife and Conservation Commission	Cooperative Endangered Species Conservation Fund	Pass Through	15.615	F21AP00067E93R1	6,433	
RESEARCH AND DEVELOPMENT	OK Wildlife and Conservation Commission	Cooperative Endangered Species Conservation Fund	Pass Through	15.615	F21AP03585-E-94-R-2	16,170	9,359
RESEARCH AND DEVELOPMENT	OK Wildlife and Conservation Commission	Cooperative Endangered Species Conservation Fund	Pass Through	15.615	F21AP03619E-22-R-25	5,650	
RESEARCH AND DEVELOPMENT	OK Wildlife and Conservation Commission	Cooperative Endangered Species Conservation Fund	Pass Through	15.615	F22AP02970 (E-94-R-3)	8,815	
RESEARCH AND DEVELOPMENT	OK Wildlife and Conservation Commission	Cooperative Endangered Species Conservation Fund	Pass Through	15.615	F22AP02979 (E-22-R-26)	3,150	44,803
RESEARCH AND DEVELOPMENT	Alaska Department of Game and Fish	State Wildlife Grants	Pass Through	15.634	Cooperative Agr No 21-099	4,439	
RESEARCH AND DEVELOPMENT	OK Wildlife and Conservation Commission	State Wildlife Grants	Pass Through	15.634	3209006377	3	
RESEARCH AND DEVELOPMENT	OK Wildlife and Conservation Commission	State Wildlife Grants	Pass Through	15.634	F18AF00623T-106-R-1	34,877	
RESEARCH AND DEVELOPMENT	OK Wildlife and Conservation Commission	State Wildlife Grants	Pass Through	15.634	F18AF00629 (T-107-R-1)	16,689	
RESEARCH AND DEVELOPMENT	OK Wildlife and Conservation Commission	State Wildlife Grants	Pass Through	15.634	F19AF001212(T112R1)	25,622	
RESEARCH AND DEVELOPMENT	OK Wildlife and Conservation Commission	State Wildlife Grants	Pass Through	15.634	F19AF00247T111R1	1,102	
RESEARCH AND DEVELOPMENT	OK Wildlife and Conservation Commission	State Wildlife Grants	Pass Through	15.634	F20AF00023(T-116-R-1)	28,020	
RESEARCH AND DEVELOPMENT	OK Wildlife and Conservation Commission	State Wildlife Grants	Pass Through	15.634	F20AF10405(T-118-R-1)	59,627	
RESEARCH AND DEVELOPMENT	OK Wildlife and Conservation Commission	State Wildlife Grants	Pass Through	15.634	F22AF03005	3,538	173,917
RESEARCH AND DEVELOPMENT	National Fish & Wildlife Foundation	NFWF-USFWS Conservation Partnership	Pass Through	15.663	120119066605		(1,891)
RESEARCH AND DEVELOPMENT	Department of the Interior	Fish and Wildlife Coordination and Assistance Programs	Direct	15.664			8,309
RESEARCH AND DEVELOPMENT	Department of the Interior	Adaptive Science	Direct	15.670			11,989
RESEARCH AND DEVELOPMENT	Oklahoma State University	Assistance to State Water Resources Research Institutes	Pass Through	15.805	2-569950.OU1	60,754	
RESEARCH AND DEVELOPMENT	Oklahoma Water Resources Board	Assistance to State Water Resources Research Institutes	Pass Through	15.805	2-560606 OU	23,724	84,478
RESEARCH AND DEVELOPMENT	Department of the Interior	Earthquake Hazards Reduction Program	Direct	15.807			40,878
RESEARCH AND DEVELOPMENT	Department of the Interior	U.S. Geological Survey Research and Data Collection	Direct	15.808		77,870	21,806
RESEARCH AND DEVELOPMENT	University of Kansas	U.S. Geological Survey Research and Data Collection	Pass Through	15.808	FY2022037	9,958	87,828
RESEARCH AND DEVELOPMENT	Department of the Interior	National Cooperative Geologic Mapping Program	Direct	15.810			234,340
RESEARCH AND DEVELOPMENT	Department of the Interior	National Geological and Geophysical Data Preservation Program	Direct	15.814			57,928
RESEARCH AND DEVELOPMENT	Department of the Interior	National and Regional Climate Adaptation Science Centers	Direct	15.820			2,323,803
RESEARCH AND DEVELOPMENT	Oklahoma Historical Society	Historic Preservation Fund Grants-In-Aid	Pass Through	15.904	21-101	8,165	
RESEARCH AND DEVELOPMENT	Oklahoma Historical Society	Historic Preservation Fund Grants-In-Aid	Pass Through	15.904	21-401	4,888	
RESEARCH AND DEVELOPMENT	Oklahoma Historical Society	Historic Preservation Fund Grants-In-Aid	Pass Through	15.904	21-402	4,368	
RESEARCH AND DEVELOPMENT	Oklahoma Historical Society	Historic Preservation Fund Grants-In-Aid	Pass Through	15.904	22-101	79,531	96,952
RESEARCH AND DEVELOPMENT	University of Nebraska -Lincoln	Cooperative Research and Training Programs - Resources of the National Park System	Pass Through	15.945	2505260074002	12,585	
	Department of the Interior - Total					3,531,662	1,347,564
	Department of Justice						
RESEARCH AND DEVELOPMENT	Family Safety Center	Crime Victim Assistance/Discretionary Grants	Pass Through	16.582	AGRFY20ORA525	23,187	
RESEARCH AND DEVELOPMENT	Palomar OKC	Crime Victim Assistance/Discretionary Grants	Pass Through	16.582	FY22-ORA4-38	587	23,774
RESEARCH AND DEVELOPMENT	Resonance Center for Women	Second Chance Act Prisoner Reentry Initiative	Pass Through	16.812	SRA FY19-ORA4-42		394
RESEARCH AND DEVELOPMENT	Oklahoma Department of Corrections	Swift, Certain, and Fair Supervision Program: Applying the Principles Behind Project HOPE	Pass Through	16.828	SRA FY19-ORA-4-11		6,689
	Department of Justice - Total					30,857	-
	Department of State						
RESEARCH AND DEVELOPMENT	Amer Councils for International Education	AEECA/ESF PD Programs	Pass Through	19.900	AGMT12212021	10,847	
	Department of State - Total					10,847	-

The accompanying notes are an integral part of this Schedule.

The University of Oklahoma – Norman Campus

Schedule of Expenditures of Federal Awards

Year Ended June 30, 2023

Cluster Name	Sponsor	Federal Program Name	Direct/Pass Through	FALN	Award Number	Expenditure	Subrecipient Expenditures
	Department of Transportation						
RESEARCH AND DEVELOPMENT	Department of Transportation	Air Transportation Centers of Excellence	Direct	20.109		160,268	75,323
RESEARCH AND DEVELOPMENT	Oklahoma State Dept of Transportation	Highway Research and Development Program	Pass Through	20.200	2160-21-01	7,228	
RESEARCH AND DEVELOPMENT	Oklahoma State Dept of Transportation	Highway Research and Development Program	Pass Through	20.200	2160-21-05 JP01946(78)	32,559	
RESEARCH AND DEVELOPMENT	Oklahoma State Dept of Transportation	Highway Research and Development Program	Pass Through	20.200	2160-22-01 JP:01946(85)	39,998	
RESEARCH AND DEVELOPMENT	Oklahoma State Dept of Transportation	Highway Research and Development Program	Pass Through	20.200	2160-22-02 JP:01946(85)	21,125	
RESEARCH AND DEVELOPMENT	Oklahoma State Dept of Transportation	Highway Research and Development Program	Pass Through	20.200	2160-22-03 JP:01946(85)	12,918	
RESEARCH AND DEVELOPMENT	Oklahoma State Dept of Transportation	Highway Research and Development Program	Pass Through	20.200	2160-22-04 JP:01946(85)	33,175	
RESEARCH AND DEVELOPMENT	Oklahoma State Dept of Transportation	Highway Research and Development Program	Pass Through	20.200	2160-22-06 JP:01946(85)	51,829	
RESEARCH AND DEVELOPMENT	Oklahoma State Dept of Transportation	Highway Research and Development Program	Pass Through	20.200	2160-22-08 JP: 01946(85)	19,557	
RESEARCH AND DEVELOPMENT	Oklahoma State Dept of Transportation	Highway Research and Development Program	Pass Through	20.200	2160-22-10 JP#01946(85)	(5,786)	
RESEARCH AND DEVELOPMENT	Oklahoma State Dept of Transportation	Highway Research and Development Program	Pass Through	20.200	2160-22-11 JP:01946(85)	20,476	
RESEARCH AND DEVELOPMENT	Oklahoma State Dept of Transportation	Highway Research and Development Program	Pass Through	20.200	SPR 2314 - JP#01946(85)	15,907	
RESEARCH AND DEVELOPMENT	Oklahoma State Dept of Transportation	Highway Research and Development Program	Pass Through	20.200	SPR 2315 - JP#01946(85)	43,610	6,999
RESEARCH AND DEVELOPMENT	Oklahoma State Dept of Transportation	Highway Research and Development Program	Pass Through	20.200	SPR2160B	171,358	
RESEARCH AND DEVELOPMENT	Oklahoma State Dept of Transportation	Highway Research and Development Program	Pass Through	20.200	SPR2286 JP:01946(85)	7,617	
RESEARCH AND DEVELOPMENT	Oklahoma State Dept of Transportation	Highway Research and Development Program	Pass Through	20.200	SPR2286 JP:1946(87)	7,440	
RESEARCH AND DEVELOPMENT	Oklahoma State Dept of Transportation	Highway Research and Development Program	Pass Through	20.200	SPR2292 JP:01946(87)	101,323	
RESEARCH AND DEVELOPMENT	Oklahoma State Dept of Transportation	Highway Research and Development Program	Pass Through	20.200	SPR2311	(1,636)	
RESEARCH AND DEVELOPMENT	Oklahoma State Dept of Transportation	Highway Research and Development Program	Pass Through	20.200	SPR2313 JP01946(78)	13,360	
RESEARCH AND DEVELOPMENT	Oklahoma State Dept of Transportation	Highway Research and Development Program	Pass Through	20.200	STIC-2998(311)DC	37,329	
RESEARCH AND DEVELOPMENT	Oklahoma State University	Highway Research and Development Program	Pass Through	20.200	1-506442-OU-1	3,373	632,760
RESEARCH AND DEVELOPMENT	Oklahoma State Dept of Transportation	Highway Planning and Construction	Pass Through	20.205	SPR1916	15	
RESEARCH AND DEVELOPMENT	Oklahoma State Dept of Transportation	Formula Grants for Other Than Urbanized Areas	Pass Through	20.509	FTA5311-TP22(450)	249,760	
RESEARCH AND DEVELOPMENT	Oklahoma Highway Safety Office	National Priority Safety Programs	Pass Through	20.616	OHSO-FY2022-OU-00166	145,486	5,002
RESEARCH AND DEVELOPMENT	Florida International University	University Transportation Centers Program	Pass Through	20.701	000597	128,420	
RESEARCH AND DEVELOPMENT	Department of Transportation	Pipeline Safety Research Competitive Academic Agreement Program (CAAP)	Direct	20.724		141,532	
	Department of Transportation - Total					1,458,241	87,324
	Department of the Treasury						
RESEARCH AND DEVELOPMENT	City of Oklahoma City	COVID-19 - Coronavirus Relief Fund	Pass Through	21.019	AGR03102021	381	
	Department of the Treasury - Total					381	-
	Library of Congress						
RESEARCH AND DEVELOPMENT	Library of Congress	Of the People: Community Collections Grants	Direct	42.013		14,546	
	Library of Congress - Total					14,546	-
	National Aeronautics and Space Administration						
RESEARCH AND DEVELOPMENT	National Aeronautics and Space Administration	Aerospace Education Services Program	Direct	43.001		2,289,405	133,643
RESEARCH AND DEVELOPMENT	Columbia University	Aerospace Education Services Program	Pass Through	43.001	2GG013218	(2,670)	
RESEARCH AND DEVELOPMENT	Jet Propulsion Laboratory	Aerospace Education Services Program	Pass Through	43.001	1645832	264,919	
RESEARCH AND DEVELOPMENT	Jet Propulsion Laboratory	Aerospace Education Services Program	Pass Through	43.001	1672848	22,966	
RESEARCH AND DEVELOPMENT	Jet Propulsion Laboratory	Aerospace Education Services Program	Pass Through	43.001	1675478	70,560	
RESEARCH AND DEVELOPMENT	Jet Propulsion Laboratory	Aerospace Education Services Program	Pass Through	43.001	1684990	19,887	
RESEARCH AND DEVELOPMENT	Jet Propulsion Laboratory	Aerospace Education Services Program	Pass Through	43.001	RSA1674573	11,301	
RESEARCH AND DEVELOPMENT	SETI Institute	Aerospace Education Services Program	Pass Through	43.001	SC-3490	9,159	
RESEARCH AND DEVELOPMENT	Space Telescope Science Institute	Aerospace Education Services Program	Pass Through	43.001	HST-GO-16263001-A	14,361	
RESEARCH AND DEVELOPMENT	Space Telescope Science Institute	Aerospace Education Services Program	Pass Through	43.001	HST-GO-16286001-A	31,809	
RESEARCH AND DEVELOPMENT	Texas A&M University	Aerospace Education Services Program	Pass Through	43.001	M2001631	12,780	2,744,477
RESEARCH AND DEVELOPMENT	Oklahoma State University	Technology Transfer	Pass Through	43.002	1501971OU		50,744
RESEARCH AND DEVELOPMENT	Oklahoma State University	Office of Stem Engagement (OSTEM)	Pass Through	43.008	1500351OU	41,615	
RESEARCH AND DEVELOPMENT	Oklahoma State University	Office of Stem Engagement (OSTEM)	Pass Through	43.008	1500361OUNIF	9,996	
RESEARCH AND DEVELOPMENT	Oklahoma State University	Office of Stem Engagement (OSTEM)	Pass Through	43.008	1501621OU	1,517	
RESEARCH AND DEVELOPMENT	Oklahoma State University	Office of Stem Engagement (OSTEM)	Pass Through	43.008	1-511123-OU1-TG	936	
RESEARCH AND DEVELOPMENT	Oklahoma State University	Office of Stem Engagement (OSTEM)	Pass Through	43.008	1-511123-OU2-TG	1,328	
RESEARCH AND DEVELOPMENT	Oklahoma State University	Office of Stem Engagement (OSTEM)	Pass Through	43.008	1573309OU	6,631	
RESEARCH AND DEVELOPMENT	Oklahoma State University	Office of Stem Engagement (OSTEM)	Pass Through	43.008	1-577950-OU4 RIG	13,223	
RESEARCH AND DEVELOPMENT	Oklahoma State University	Office of Stem Engagement (OSTEM)	Pass Through	43.008	1577960OU	33,626	32,781
RESEARCH AND DEVELOPMENT	Oklahoma State University	Office of Stem Engagement (OSTEM)	Pass Through	43.008	1578330OU	35,991	21,667
	National Aeronautics and Space Administration - Total					2,940,084	188,091

The accompanying notes are an integral part of this Schedule.

The University of Oklahoma – Norman Campus

Schedule of Expenditures of Federal Awards

Year Ended June 30, 2023

Cluster Name	Sponsor	Federal Program Name	Direct/Pass Through	FALN	Award Number	Expenditure	Subrecipient Expenditures
RESEARCH AND DEVELOPMENT	<u>National Endowment for the Humanities</u>						
	National Endowment for the Humanities	National Leadership Grants	Direct	45.312		75,779	
	National Endowment for the Humanities - Total					<u>75,779</u>	-
	<u>National Science Foundation</u>						
RESEARCH AND DEVELOPMENT	National Science Foundation	Engineering Grants	Direct	47.041		2,315,274	43,804
RESEARCH AND DEVELOPMENT	Texas A&M University	Engineering Grants	Pass Through	47.041	M2103259	104,799	
RESEARCH AND DEVELOPMENT	University of Pennsylvania	Engineering Grants	Pass Through	47.041	582936	67,068	2,487,141
RESEARCH AND DEVELOPMENT	National Science Foundation	Mathematical and Physical Sciences	Direct	47.049		2,447,701	42,410
RESEARCH AND DEVELOPMENT	Texas A&M University	Mathematical and Physical Sciences	Pass Through	47.049	M2003240	1,207	
RESEARCH AND DEVELOPMENT	University of Nebraska	Mathematical and Physical Sciences	Pass Through	47.049	45-0514-1007-202	32,388	
RESEARCH AND DEVELOPMENT	University of Texas at Arlington	Mathematical and Physical Sciences	Pass Through	47.049	126510013061	1,403	
RESEARCH AND DEVELOPMENT	University of Texas at Arlington	Mathematical and Physical Sciences	Pass Through	47.049	2021GC0361	36,464	2,519,163
RESEARCH AND DEVELOPMENT	National Science Foundation	Geosciences	Direct	47.050		9,027,061	3,811,297
RESEARCH AND DEVELOPMENT	Louisiana State University	Geosciences	Pass Through	47.050	PO-0000150383	21,711	
RESEARCH AND DEVELOPMENT	Louisiana State University	Geosciences	Pass Through	47.050	PO-0000211486	5,569	
RESEARCH AND DEVELOPMENT	Pennsylvania State University	Geosciences	Pass Through	47.050	S001705-NSF	32,512	
RESEARCH AND DEVELOPMENT	Texas A&M University	Geosciences	Pass Through	47.050	M2103412-28-520040-00006	20,211	
RESEARCH AND DEVELOPMENT	The City University of New York	Geosciences	Pass Through	47.050	CM00007159	109,322	
RESEARCH AND DEVELOPMENT	University of California at Santa Cruz	Geosciences	Pass Through	47.050	A180296S001P0668738	34,915	30,851
RESEARCH AND DEVELOPMENT	University of Delaware	Geosciences	Pass Through	47.050	UDR0000287	28,554	
RESEARCH AND DEVELOPMENT	University of Illinois-Urbana/Champaign	Geosciences	Pass Through	47.050	101348-19011	45,742	
RESEARCH AND DEVELOPMENT	University of Southern California	Geosciences	Pass Through	47.050	131486099	54,080	9,379,677
RESEARCH AND DEVELOPMENT	National Science Foundation	Computer and Information Science and Engineering	Direct	47.070		441,318	
RESEARCH AND DEVELOPMENT	University of Illinois-Urbana/Champaign	Computer and Information Science and Engineering	Pass Through	47.070	08384216121	19,642	
RESEARCH AND DEVELOPMENT	University of Kentucky	Computer and Information Science and Engineering	Pass Through	47.070	3200003492-21-023	271	
RESEARCH AND DEVELOPMENT	University of Missouri	Computer and Information Science and Engineering	Pass Through	47.070	C000662833	5,003	466,234
RESEARCH AND DEVELOPMENT	National Science Foundation	Biological Sciences	Direct	47.074		2,728,664	247,510
RESEARCH AND DEVELOPMENT	Cornell University	Biological Sciences	Pass Through	47.074	23-02	7,561	
RESEARCH AND DEVELOPMENT	Georgetown University	Biological Sciences	Pass Through	47.074	425339 GR425286_OU	199,648	
RESEARCH AND DEVELOPMENT	Pennsylvania State University	Biological Sciences	Pass Through	47.074	S002725-NSF	154,034	
RESEARCH AND DEVELOPMENT	University of California, Davis	Biological Sciences	Pass Through	47.074	A22-1825-S001	1,780	
RESEARCH AND DEVELOPMENT	University of California, Los Angeles	Biological Sciences	Pass Through	47.074	2301GXB402	77,088	
RESEARCH AND DEVELOPMENT	University of Tennessee	Biological Sciences	Pass Through	47.074	A20-0236-S001	12,372	
RESEARCH AND DEVELOPMENT	Yale University	Biological Sciences	Pass Through	47.074	GR103378	8,212	3,189,359
RESEARCH AND DEVELOPMENT	National Science Foundation	Social, Behavioral, and Economic Sciences	Direct	47.075		378,321	36,110
RESEARCH AND DEVELOPMENT	University of Missouri	Social, Behavioral, and Economic Sciences	Pass Through	47.075	C00069794-2	6,006	
RESEARCH AND DEVELOPMENT	West Virginia University	Social, Behavioral, and Economic Sciences	Pass Through	47.075	22-599-OU	5,998	390,325
RESEARCH AND DEVELOPMENT	National Science Foundation	Education and Human Resources	Direct	47.076		994,292	50,799
RESEARCH AND DEVELOPMENT	Oklahoma State University	Education and Human Resources	Pass Through	47.076	1569178	(108,160)	
RESEARCH AND DEVELOPMENT	Oklahoma State University	Education and Human Resources	Pass Through	47.076	1578530OU	37,203	
RESEARCH AND DEVELOPMENT	Oklahoma State University	Education and Human Resources	Pass Through	47.076	AGR06222021yr2	695	
RESEARCH AND DEVELOPMENT	Oklahoma State University	Education and Human Resources	Pass Through	47.076	AGR06222021YR3	11,569	
RESEARCH AND DEVELOPMENT	Oklahoma State University	Education and Human Resources	Pass Through	47.076	AGR08252022YR4	25,188	
RESEARCH AND DEVELOPMENT	Texas A&M University	Education and Human Resources	Pass Through	47.076	M2202536	35,729	
RESEARCH AND DEVELOPMENT	Texas A&M University Corpus Christie	Education and Human Resources	Pass Through	47.076	M2102173	104,620	
RESEARCH AND DEVELOPMENT	University of Buffalo	Education and Human Resources	Pass Through	47.076	R1239043	51,826	
RESEARCH AND DEVELOPMENT	University of New Hampshire	Education and Human Resources	Pass Through	47.076	PZL0228	16,144	1,169,106
RESEARCH AND DEVELOPMENT	National Science Foundation	Polar Programs	Direct	47.078			160,116
RESEARCH AND DEVELOPMENT	National Science Foundation	International Science and Engineering (OISE)	Direct	47.079		9,033	
RESEARCH AND DEVELOPMENT	University of Vermont	International Science and Engineering (OISE)	Pass Through	47.079	AWD00001163SUB00000411	32,712	41,745
RESEARCH AND DEVELOPMENT	National Science Foundation	Office of Integrative Activities	Direct	47.083		1,064,354	155,575
RESEARCH AND DEVELOPMENT	Oklahoma State University	Office of Integrative Activities	Pass Through	47.083	052121	(3,999)	
RESEARCH AND DEVELOPMENT	Oklahoma State University	Office of Integrative Activities	Pass Through	47.083	EPSCOR20201	253,472	
RESEARCH AND DEVELOPMENT	Oklahoma State University	Office of Integrative Activities	Pass Through	47.083	EPSCOR20202	799,214	
RESEARCH AND DEVELOPMENT	Oklahoma State University	Office of Integrative Activities	Pass Through	47.083	EPSCOR20203	227,017	
RESEARCH AND DEVELOPMENT	Oklahoma State University	Office of Integrative Activities	Pass Through	47.083	EPSCoR-2020-3	74,671	
RESEARCH AND DEVELOPMENT	Oklahoma State University	Office of Integrative Activities	Pass Through	47.083	EPSCOR20204	648,349	
RESEARCH AND DEVELOPMENT	Oklahoma State University	Office of Integrative Activities	Pass Through	47.083	EPSCoR-2020-5	486,420	
RESEARCH AND DEVELOPMENT	Oklahoma State University	Office of Integrative Activities	Pass Through	47.083	EPSCoR-2022-1	78,737	
RESEARCH AND DEVELOPMENT	Oklahoma State University	Office of Integrative Activities	Pass Through	47.083	EPSCoR-2022-4	48,395	

The accompanying notes are an integral part of this Schedule.

The University of Oklahoma – Norman Campus

Schedule of Expenditures of Federal Awards

Year Ended June 30, 2023

Cluster Name	Sponsor	Federal Program Name	Direct/Pass Through	FALN	Award Number	Expenditure	Subrecipient Expenditures
RESEARCH AND DEVELOPMENT	Rutgers University	Office of Integrative Activities	Pass Through	47.083	SUB00002587	5,815	
RESEARCH AND DEVELOPMENT	South Dakota School of Mines and Tech	Office of Integrative Activities	Pass Through	47.083	SDSMTUOK1805	291	
RESEARCH AND DEVELOPMENT	University of Connecticut	Office of Integrative Activities	Pass Through	47.083	115706	62,079	
RESEARCH AND DEVELOPMENT	University of Kansas	Office of Integrative Activities	Pass Through	47.083	FY2020-023	101,688	
RESEARCH AND DEVELOPMENT	University of Kansas	Office of Integrative Activities	Pass Through	47.083	FY2021-023	35,369	3,881,872
RESEARCH AND DEVELOPMENT	National Science Foundation	NSF Technology, Innovation and Partnerships	Direct	47.084		29,666	
RESEARCH AND DEVELOPMENT	Filtravate Inc.	NSF Technology, Innovation and Partnerships	Pass Through	47.084	FY-23-22-0562-19	70,107	99,773
	National Science Foundation - Total					23,784,511	4,418,356
	Environmental Protection Agency						
RESEARCH AND DEVELOPMENT	Oklahoma Conservation Commission	Water Pollution Control State, Interstate, and Tribal Program Support	Pass Through	66.419	I-01F83601	12,245	
RESEARCH AND DEVELOPMENT	East Central University	Innovative Water Infrastructure Workforce Development Program	Pass Through	66.445	ECU-OU-EDPASS2022-OU22-01	66,397	
RESEARCH AND DEVELOPMENT	Grand River Dam Authority	Environmental Education Grants	Pass Through	66.951	42897	15,026	
	Environmental Protection Agency - Total					93,668	-
	Department of Energy						
RESEARCH AND DEVELOPMENT	Department of Energy	Department of Energy Contract	Direct	81.000		16,336	
RESEARCH AND DEVELOPMENT	University of California, Berkeley	Department of Energy Contract	Pass Through	81.000	7610795	605,396	621,732
RESEARCH AND DEVELOPMENT	Department of Energy	Office of Science Financial Assistance Program	Direct	81.049		2,639,053	286,789
RESEARCH AND DEVELOPMENT	GreenPath Systems, LLC - US	Office of Science Financial Assistance Program	Pass Through	81.049	FY23-22-0744-12	89,563	
RESEARCH AND DEVELOPMENT	GreenPath Systems, LLC - US	Office of Science Financial Assistance Program	Pass Through	81.049	FY23-22-0929-21	22,204	
RESEARCH AND DEVELOPMENT	GreenPath Systems, LLC - US	Office of Science Financial Assistance Program	Pass Through	81.049	FY23-23-0309-39	7,977	
RESEARCH AND DEVELOPMENT	Hedgefog Research	Office of Science Financial Assistance Program	Pass Through	81.049	FY22-ORA4-41	71,293	
RESEARCH AND DEVELOPMENT	PETROLERN LLC	Office of Science Financial Assistance Program	Pass Through	81.049	FY23-22-0854-34	12,445	
RESEARCH AND DEVELOPMENT	University Corp for Atmospheric Research	Office of Science Financial Assistance Program	Pass Through	81.049	SUBAWD002201	83,896	
RESEARCH AND DEVELOPMENT	University of California, Berkeley	Office of Science Financial Assistance Program	Pass Through	81.049	00010210	155,877	
RESEARCH AND DEVELOPMENT	University of Colorado	Office of Science Financial Assistance Program	Pass Through	81.049	1559978	161,897	
RESEARCH AND DEVELOPMENT	University of Washington	Office of Science Financial Assistance Program	Pass Through	81.049	UWSC11417	36,433	
RESEARCH AND DEVELOPMENT	Vespr Solar LLC	Office of Science Financial Assistance Program	Pass Through	81.049	FY23-22-0823-22	23,630	
RESEARCH AND DEVELOPMENT	Washington State University	Office of Science Financial Assistance Program	Pass Through	81.049	132345 WSU001029	81,454	
RESEARCH AND DEVELOPMENT	Zanskar Geothermal & Minerals, Inc.	Office of Science Financial Assistance Program	Pass Through	81.049	FY22-ORA1-44	32,491	3,418,215
RESEARCH AND DEVELOPMENT	Department of Energy	Conservation Research and Development	Direct	81.086		131,927	65,898
RESEARCH AND DEVELOPMENT	University of Miami	Conservation Research and Development	Pass Through	81.086	OS00000401	89,939	221,866
RESEARCH AND DEVELOPMENT	Department of Energy	Renewable Energy Research and Development	Direct	81.087		168,676	41,083
RESEARCH AND DEVELOPMENT	Helios Remote Sensing Systems	Renewable Energy Research and Development	Pass Through	81.087	FY23-ORA3-15	63,816	
RESEARCH AND DEVELOPMENT	Oklahoma State University	Renewable Energy Research and Development	Pass Through	81.087	1576059OU	(32)	
RESEARCH AND DEVELOPMENT	Rice University	Renewable Energy Research and Development	Pass Through	81.087	X03017143	233,105	
RESEARCH AND DEVELOPMENT	University of Utah	Renewable Energy Research and Development	Pass Through	81.087	10036912-UO-2-2404-AF1	186,718	
RESEARCH AND DEVELOPMENT	University of Utah	Renewable Energy Research and Development	Pass Through	81.087	10039612-UO-5-2615-AF1	213,633	
RESEARCH AND DEVELOPMENT	University of Wisconsin	Renewable Energy Research and Development	Pass Through	81.087	0000001867	128,679	
RESEARCH AND DEVELOPMENT	Welltec	Renewable Energy Research and Development	Pass Through	81.087	1-2410	827,024	1,821,619
RESEARCH AND DEVELOPMENT	Department of Energy	Fossil Energy Research and Development	Direct	81.089		719,551	68,366
RESEARCH AND DEVELOPMENT	Clemson University Research Foundation	Fossil Energy Research and Development	Pass Through	81.089	21742192023596	100,363	
RESEARCH AND DEVELOPMENT	Electric Power Research Institute	Fossil Energy Research and Development	Pass Through	81.089	10010325	135,124	
RESEARCH AND DEVELOPMENT	New Mexico Institute of Mining and Tech	Fossil Energy Research and Development	Pass Through	81.089	P0019566	399,031	
RESEARCH AND DEVELOPMENT	Oklahoma State University	Fossil Energy Research and Development	Pass Through	81.089	1579140OU	13,896	
RESEARCH AND DEVELOPMENT	Univ of Kansas Medical Ctr Rsch Inst	Fossil Energy Research and Development	Pass Through	81.089	FY2022-019	57,893	1,425,858
RESEARCH AND DEVELOPMENT	Department of Energy	Nuclear Energy Research, Development and Demonstration	Direct	81.121		313,583	66,391
RESEARCH AND DEVELOPMENT	Department of Energy	Advanced Research and Projects Agency - Energy Financial Assistance Program	Direct	81.135		14,589	
	Department of Energy - Total					7,837,462	528,527
	Department of Education						
RESEARCH AND DEVELOPMENT	Department of Education	Research in Special Education	Direct	84.324		405,936	165,629
RESEARCH AND DEVELOPMENT	Department of Education	Gaining Early Awareness and Readiness for Undergraduate Programs	Direct	84.334		10,894,678	584,263
	Department of Education - Total					11,300,614	749,892

The accompanying notes are an integral part of this Schedule.

The University of Oklahoma – Norman Campus

Schedule of Expenditures of Federal Awards

Year Ended June 30, 2023

Cluster Name	Sponsor	Federal Program Name	Direct/Pass Through	FALN	Award Number	Expenditure	Subrecipient Expenditures
	Department of Health and Human Services						
RESEARCH AND DEVELOPMENT	Ohio State University	Family Smoking Prevention and Tobacco Control Act Regulatory Research	Pass Through	93.077	GR120805 SPC-1000004702	(636)	
RESEARCH AND DEVELOPMENT	Univ of Oklahoma Health Sciences Center	Maternal and Child Health Federal Consolidated Programs	Pass Through	93.110	RM20211301-02	9,958	
RESEARCH AND DEVELOPMENT	Department of Health and Human Services	Environmental Health	Direct	93.113		17,455	7,306
RESEARCH AND DEVELOPMENT	Department of Health and Human Services	Human Genome Research	Direct	93.172		1,013,613	362,219
RESEARCH AND DEVELOPMENT	Columbia University Medical Center	Human Genome Research	Pass Through	93.172	1(GG016463-01)	19,272	
RESEARCH AND DEVELOPMENT	Department of Health and Human Services	Research Related to Deafness and Communication Disorders	Direct	93.173			1,032,885
RESEARCH AND DEVELOPMENT	Department of Health and Human Services	Research and Training in Complementary and Alternative Medicine	Direct	93.213			232,661
RESEARCH AND DEVELOPMENT	University of Houston	Mental Health Research Grants	Pass Through	93.242	R-21-0074		290,302
RESEARCH AND DEVELOPMENT	Department of Health and Human Services	Drug Abuse and Addiction Research Programs	Direct	93.279			10,633
RESEARCH AND DEVELOPMENT	University of Southern California	Discovery and Applied Research for Technological Innovations to Improve Human Health	Pass Through	93.286	SCON-00002315		64,497
RESEARCH AND DEVELOPMENT	Department of Health and Human Services	Minority Health and Health Disparities Research	Direct	93.307			39,154
RESEARCH AND DEVELOPMENT	Univ of Oklahoma Health Sciences Center	Trans-NIH Research Support	Pass Through	93.310	RM20180476-90		18,281
RESEARCH AND DEVELOPMENT	Oklahoma State Department of Health	Epidemiology and Laboratory Capacity for Infectious Diseases	Pass Through	93.323	AGR05242022		54,614
RESEARCH AND DEVELOPMENT	Department of Health and Human Services	Cancer Cause and Prevention Research	Direct	93.393			1,385,418
RESEARCH AND DEVELOPMENT	Department of Health and Human Services	Cancer Detection and Diagnosis Research	Direct	93.394			125,779
RESEARCH AND DEVELOPMENT	Department of Health and Human Services	Cancer Treatment Research	Direct	93.395			185,019
RESEARCH AND DEVELOPMENT	Department of Health and Human Services	Cancer Centers Support Grants	Direct	93.397		(17,992)	34,683
RESEARCH AND DEVELOPMENT	Univ of Oklahoma Health Sciences Center	Cancer Centers Support Grants	Pass Through	93.397	RM2017177604	(19,705)	55,891
RESEARCH AND DEVELOPMENT	Univ of Oklahoma Health Sciences Center	Cancer Centers Support Grants	Pass Through	93.397	RM20171776-33	53,347	
RESEARCH AND DEVELOPMENT	Univ of Oklahoma Health Sciences Center	Cancer Centers Support Grants	Pass Through	93.397	RM20171776-35	105,929	
RESEARCH AND DEVELOPMENT	Univ of Oklahoma Health Sciences Center	Cancer Centers Support Grants	Pass Through	93.397	RM20171776-42	(6,031)	
RESEARCH AND DEVELOPMENT	Univ of Oklahoma Health Sciences Center	Cancer Centers Support Grants	Pass Through	93.397	RM20171776-48	818	
RESEARCH AND DEVELOPMENT	Univ of Oklahoma Health Sciences Center	Cancer Centers Support Grants	Pass Through	93.397	RM20171776-70	20,934	
RESEARCH AND DEVELOPMENT	Univ of Oklahoma Health Sciences Center	Cancer Centers Support Grants	Pass Through	93.397	RM20171776-73	60,313	
RESEARCH AND DEVELOPMENT	Department of Health and Human Services	Cancer Research Manpower	Direct	93.398			197,613
RESEARCH AND DEVELOPMENT	Department of Health and Human Services	Head Start	Direct	93.600			276,322
RESEARCH AND DEVELOPMENT	University of Denver	Child Welfare Services Training Grants	Pass Through	93.648	SC37941-05		78,846
RESEARCH AND DEVELOPMENT	Department of Health and Human Services	Cardiovascular Diseases Research	Direct	93.837			535,034
RESEARCH AND DEVELOPMENT	Emory University	Blood Diseases and Resources Research	Pass Through	93.839	A450737		95,730
RESEARCH AND DEVELOPMENT	Department of Health and Human Services	Arthritis, Musculoskeletal and Skin Diseases Research	Direct	93.846			18,474
RESEARCH AND DEVELOPMENT	University of Massachusetts	Diabetes, Digestive, and Kidney Diseases Extramural Research	Pass Through	93.847	23-017272 B 00		348,055
RESEARCH AND DEVELOPMENT	Department of Health and Human Services	Extramural Research Programs in the Neurosciences and Neurological Disorders	Direct	93.853			61,649
RESEARCH AND DEVELOPMENT	Department of Health and Human Services	Allergy, Immunology and Transplantation Research	Direct	93.855		3,728,454	228,915
RESEARCH AND DEVELOPMENT	Baylor College of Medicine	Allergy, Immunology and Transplantation Research	Pass Through	93.855	P700000038	73,267	
RESEARCH AND DEVELOPMENT	Colorado State University	Allergy, Immunology and Transplantation Research	Pass Through	93.855	G6411202	163,594	
RESEARCH AND DEVELOPMENT	Cornell University	Allergy, Immunology and Transplantation Research	Pass Through	93.855	91434-20383	141,677	
RESEARCH AND DEVELOPMENT	Memorial Sloan-Kettering Cancer Center	Allergy, Immunology and Transplantation Research	Pass Through	93.855	BD523881A	(9,295)	
RESEARCH AND DEVELOPMENT	Memorial Sloan-Kettering Cancer Center	Allergy, Immunology and Transplantation Research	Pass Through	93.855	MSKSUB00000010	432,351	
RESEARCH AND DEVELOPMENT	Oklahoma Medical Research Foundation	Allergy, Immunology and Transplantation Research	Pass Through	93.855	017018-032OUWU	112,271	
RESEARCH AND DEVELOPMENT	University of Central Florida	Allergy, Immunology and Transplantation Research	Pass Through	93.855	GR101903	225,507	4,867,826
RESEARCH AND DEVELOPMENT	Department of Health and Human Services	Biomedical Research and Research Training	Direct	93.859		4,761,383	883,979
RESEARCH AND DEVELOPMENT	Univ of North Texas Health Science Ctr	Biomedical Research and Research Training	Pass Through	93.859	RF00056-SUB000037	27,590	
RESEARCH AND DEVELOPMENT	Univ of Oklahoma Health Sciences Center	Biomedical Research and Research Training	Pass Through	93.859	RM20180476-42	158,045	
RESEARCH AND DEVELOPMENT	Univ of Oklahoma Health Sciences Center	Biomedical Research and Research Training	Pass Through	93.859	RM20180476-89	18,574	
RESEARCH AND DEVELOPMENT	Univ of Oklahoma Health Sciences Center	Biomedical Research and Research Training	Pass Through	93.859	RM20180476-91	43,037	
RESEARCH AND DEVELOPMENT	Univ of Oklahoma Health Sciences Center	Biomedical Research and Research Training	Pass Through	93.859	RM20180476-94	29,227	
RESEARCH AND DEVELOPMENT	Univ of Oklahoma Health Sciences Center	Biomedical Research and Research Training	Pass Through	93.859	RM20180476-96	5,769	
RESEARCH AND DEVELOPMENT	Univ of Oklahoma Health Sciences Center	Biomedical Research and Research Training	Pass Through	93.859	RM20181585-109	7,750	
RESEARCH AND DEVELOPMENT	Univ of Oklahoma Health Sciences Center	Biomedical Research and Research Training	Pass Through	93.859	RM20181585-48	10,373	
RESEARCH AND DEVELOPMENT	Univ of Oklahoma Health Sciences Center	Biomedical Research and Research Training	Pass Through	93.859	RM20191176-22	92,674	
RESEARCH AND DEVELOPMENT	University of Arkansas	Biomedical Research and Research Training	Pass Through	93.859	SA1701154	14,605	
RESEARCH AND DEVELOPMENT	Villanova University	Biomedical Research and Research Training	Pass Through	93.859	530093Oklahoma	5,558	
RESEARCH AND DEVELOPMENT	Department of Health and Human Services	Child Health and Human Development Extramural Research	Direct	93.865		133,057	14,095
RESEARCH AND DEVELOPMENT	Children's Hospital of Philadelphia	Child Health and Human Development Extramural Research	Pass Through	93.865	PO20176816	91,651	
RESEARCH AND DEVELOPMENT	Cincinnati Children's Hospital Med Ctr	Child Health and Human Development Extramural Research	Pass Through	93.865	312998	31,942	
RESEARCH AND DEVELOPMENT	Georgetown University	Child Health and Human Development Extramural Research	Pass Through	93.865	AWD7773426GR205992	425,642	
RESEARCH AND DEVELOPMENT	Northwestern University	Child Health and Human Development Extramural Research	Pass Through	93.865	60053811 UO	11,787	694,079
RESEARCH AND DEVELOPMENT	Syracuse University	Aging Research	Pass Through	93.866	30917-05467-S19		9,080
RESEARCH AND DEVELOPMENT	Univ of Oklahoma Health Sciences Center	Maternal, Infant and Early Childhood Home Visiting Grant Program	Pass Through	93.870	RM20220914-01	10,635	
	Department of Health and Human Services - Total					17,097,273	3,545,159

The accompanying notes are an integral part of this Schedule.

The University of Oklahoma – Norman Campus

Schedule of Expenditures of Federal Awards

Year Ended June 30, 2023

Cluster Name	Sponsor	Federal Program Name	Direct/Pass Through	FALN	Award Number	Expenditure	Subrecipient Expenditures
RESEARCH AND DEVELOPMENT	<u>Department of Homeland Security</u>						
	University of Omaha	Centers for Homeland Security	Pass Through	97.061	44-0108-1001-415	146,802	-
	Department of Homeland Security - Total					<u>146,802</u>	-
Total Research and Development						102,133,360	11,852,004
N/A	<u>Department of Agriculture</u>						
	Oklahoma State Department of Health	Special Supplemental Nutrition Program for Women, Infants, and Children	Pass Through	10.557	PO3409025061	236,643	-
	Department of Agriculture - Total					<u>236,643</u>	-
N/A	<u>Department of Commerce</u>						
	Department of Commerce	Economic Development Technical Assistance	Direct	11.303		173,615	-
	Department of Commerce - Total					<u>173,615</u>	-
N/A	<u>Department of Defense</u>						
	Department of Defense	Centers for Academic Excellence	Direct	12.598		284,067	29,939
	Department of Defense - Total					<u>284,067</u>	<u>29,939</u>
N/A	<u>Department of the Interior</u>						
	Department of the Interior	Cultural Resources Management	Direct	15.511		11,112	-
	Department of the Interior	National Geological and Geophysical Data Preservation Program	Direct	15.814		(17,578)	-
	Department of the Interior	National and Regional Climate Adaptation Science Centers	Direct	15.820		117,366	18,738
	Department of the Interior	Native American Graves Protection and Repatriation Act	Direct	15.922		16,826	-
	Department of the Interior - Total					<u>127,726</u>	<u>18,738</u>
N/A	<u>Department of State</u>						
	Department of State	Professional and Cultural Exchange Programs - Citizen Exchanges	Direct	19.415		545,223	-
	Department of State - Total					<u>545,223</u>	-
N/A	<u>Department of Transportation</u>						
	Department of Transportation	Airport Improvement Program	Direct	20.106		16,373	-
	Department of Transportation	COVID - Airport Improvement Program	Direct	20.106		171,318	187,691
	Department of Transportation	Air Transportation Centers of Excellence	Direct	20.109		199,362	-
	Oklahoma State Dept of Transportation	Highway Research and Development Program	Pass Through	20.200	SPR2161	411	-
	Oklahoma State Dept of Transportation	Highway Research and Development Program	Pass Through	20.200	SPR2161 JP01946(87)	160,733	161,144
	Department of Transportation - Total					<u>548,197</u>	-
N/A	<u>National Endowment for the Humanities</u>						
	Norman Arts & Humanities Council	Promotion of the Arts - Grants to Organizations and Individuals	Pass Through	45.024	1894639-66-22	8,953	-
	Norman Arts & Humanities Council	Promotion of the Arts - Grants to Organizations and Individuals	Pass Through	45.024	EVTSTTLCEWS5	18,105	-
	Norman Arts Council	Promotion of the Arts - Grants to Organizations and Individuals	Pass Through	45.024	1894639-66-22	7,432	34,490
	Oklahoma Humanities Council	Promotion of the Humanities - Federal/State Partnership	Pass Through	45.129	Y21.329	15,000	-
	Oklahoma Humanities Council	Promotion of the Humanities - Federal/State Partnership	Pass Through	45.129	Y22.059	1,394	-
	Oklahoma Humanities Council	Promotion of the Humanities - Federal/State Partnership	Pass Through	45.129	Y23.032	1,500	17,894
	National Endowment for the Humanities	Preservation of Artistic Heritage	Direct	45.149		40,538	-
	National Endowment for the Humanities	Promotion of the Humanities - Fellowships and Stipends	Direct	45.160		29,698	-
	National Endowment for the Humanities	Promotion of the Humanities - Public Programs	Direct	45.164		317,497	-
	National Writing Project	Promotion of the Humanities - Public Programs	Pass Through	45.164	92-OK02-2022BMPU	60,406	377,903
	National Endowment for the Humanities - Total					<u>500,523</u>	-
N/A	<u>Institute of Museum and Library Services</u>						
	Oklahoma Department of Libraries	Grants to States	Pass Through	45.310	F-22-213	7,352	-
	Institute of Museum and Library Services	National Leadership Grants	Direct	45.312		76,311	27,663
	Institute of Museum and Library Services - Total					<u>83,663</u>	<u>27,663</u>
N/A	<u>Small Business Administration</u>						
	Small Business Administration	Federal and State Technology Partnership Program	Direct	59.058		36,055	-
	Small Business Administration	SBIR Catalyst	Direct	59.076		80,211	-
	Small Business Administration - Total					<u>116,266</u>	-

The accompanying notes are an integral part of this Schedule.

The University of Oklahoma – Norman Campus

Schedule of Expenditures of Federal Awards

Year Ended June 30, 2023

Cluster Name	Sponsor	Federal Program Name	Direct/Pass Through	FALN	Award Number	Expenditure	Subrecipient Expenditures
Department of Education							
N/A	Oklahoma Dept of Rehabilitation Services	Rehabilitation Services - Vocational Rehabilitation Grants to States	Pass Through	84.126	8050013884	10,004	
N/A	Oklahoma Dept of Rehabilitation Services	Rehabilitation Services - Vocational Rehabilitation Grants to States	Pass Through	84.126	8050013885	849,358	
N/A	Oklahoma Dept of Rehabilitation Services	Rehabilitation Services - Vocational Rehabilitation Grants to States	Pass Through	84.126	8050013886	20,889	
N/A	Oklahoma Dept of Rehabilitation Services	Rehabilitation Services - Vocational Rehabilitation Grants to States	Pass Through	84.126	8059020342	175,334	
N/A	Oklahoma Dept of Rehabilitation Services	Rehabilitation Services - Vocational Rehabilitation Grants to States	Pass Through	84.126	8059020344	217,203	
N/A	Oklahoma Dept of Rehabilitation Services	Rehabilitation Services - Vocational Rehabilitation Grants to States	Pass Through	84.126	8059020345	3,218,601	4,491,389
N/A	Department of Education	Safe and Drug-Free Schools and Communities - National Programs	Direct	84.184			253,433
N/A	Oklahoma State Department of Education	Javits Gifted and Talented Students Education Grant Program	Pass Through	84.206	PO2659017146		2,200
N/A	Department of Education	Special Education - Personnel Development to Improve Services and Results for Children with Disabilities	Direct	84.325		645,626	141,098
N/A	University of Arkansas	Special Education - Personnel Development to Improve Services and Results for Children with Disabilities	Pass Through	84.325	UA2020145	255,732	
N/A	University of North Florida	Special Education - Personnel Development to Improve Services and Results for Children with Disabilities	Pass Through	84.325	2111-001	270,322	1,171,680
N/A	Department of Education	Special Education - Technical Assistance and Dissemination to Improve Services and Results for Children	Direct	84.326			146,047
N/A	Department of Education	Child Care Access Means Parents in School	Direct	84.335			138,273
N/A	Oklahoma State Department of Education	COVID-19 - Education Stabilization Fund	Pass Through	84.425U	COVID-19, 84.425U	22,770	
N/A	Oklahoma State Department of Education	COVID-19 - Education Stabilization Fund	Pass Through	84.425U	COVID-19, 84.425U	114,643	137,413
Department of Education - Total						6,340,435	141,098
Department of Health and Human Services							
N/A	Department of Health and Human Services	Substance Abuse and Mental Health Services - Projects of Regional and National Significance	Direct	93.243		1,028,829	
N/A	OK Dept Mental Hlth Substance Abuse Svcs	Substance Abuse and Mental Health Services - Projects of Regional and National Significance	Pass Through	93.243	4529064549	40,072	
N/A	OK Dept Mental Hlth Substance Abuse Svcs	Substance Abuse and Mental Health Services - Projects of Regional and National Significance	Pass Through	93.243	4529065275	99,279	
N/A	OK Dept Mental Hlth Substance Abuse Svcs	Substance Abuse and Mental Health Services - Projects of Regional and National Significance	Pass Through	93.243	4529049840	(4,603)	
N/A	Univ of Oklahoma Health Sciences Center	Substance Abuse and Mental Health Services - Projects of Regional and National Significance	Pass Through	93.243	RS20201621-06	215,568	
N/A	Univ of Oklahoma Health Sciences Center	Substance Abuse and Mental Health Services - Projects of Regional and National Significance	Pass Through	93.243	RS20201621-07	1,556,023	
N/A	University of Missouri Kansas City	Substance Abuse and Mental Health Services - Projects of Regional and National Significance	Pass Through	93.243	00000000000079829	14,706	2,949,874
N/A	Oklahoma State Department of Health	Immunization Grants	Pass Through	93.268	3409025136		191,843
N/A	Department of Health and Human Services	Drug-Free Communities Support Program Grants	Direct	93.276			62,260
N/A	Developmental Disabilities Basic Support and Advo	Developmental Disabilities Basic Support and Advocacy Grants	Pass Through	93.630	0803818		22,110
N/A	Research Found of State Univ of New York	Child Welfare Services Training Grants	Pass Through	93.648	10-95862		120,739
N/A	Univ of Oklahoma Health Sciences Center	Medical Student Education	Pass Through	93.680	RS20192426-01		27,526
N/A	OK Dept Mental Hlth Substance Abuse Svcs	Opioid STR	Pass Through	93.788	4529063488	125,196	
N/A	OK Dept Mental Hlth Substance Abuse Svcs	Opioid STR	Pass Through	93.788	4529065263	66,208	
N/A	University of Missouri Kansas City	Opioid STR	Pass Through	93.788	00109599/00077332	8,234	199,638
N/A	NorthCare	Block Grants for Community Mental Health Services	Pass Through	93.958	FY22-ORA4-39	108,868	
N/A	OK Dept Mental Hlth Substance Abuse Svcs	Block Grants for Community Mental Health Services	Pass Through	93.958	4529065263	6,209	
N/A	OK Dept Mental Hlth Substance Abuse Svcs	Block Grants for Community Mental Health Services	Pass Through	93.958	4529065276	23,617	138,694
N/A	OK Dept Mental Hlth Substance Abuse Svcs	Block Grants for Prevention and Treatment of Substance Abuse	Pass Through	93.959	4529062456	(166)	
N/A	OK Dept Mental Hlth Substance Abuse Svcs	Block Grants for Prevention and Treatment of Substance Abuse	Pass Through	93.959	4529065504	58,987	58,821
N/A	Univ of Oklahoma Health Sciences Center	Geriatric Education Centers	Pass Through	93.969	RM20191318-07		11,534
N/A	OK Dept Mental Hlth Substance Abuse Svcs	Assisted Outpatient Treatment	Pass Through	93.997	4529059210		(85)
Department of Health and Human Services - Total						3,782,954	-
Social Security Administration							
N/A	Social Security Administration	Social Security - Work Incentives Planning and Assistance Program	Direct	96.008			285,466
Social Security Administration - Total						285,466	-
Agency for International Development							
N/A	Universidad Nacional Agraria La Molina	USAID Development Partnerships for University Cooperation and Development	Pass Through	98.012	7200AA21CA00030		194,905
Agency for International Development - Total						194,905	-
Total Other						13,219,683	217,438
Department of Commerce							
ECONOMIC DEVELOPMENT CLUSTER	Department of Commerce	COVID-19 - Economic Adjustment Assistance	Direct	11.307		174,438	
ECONOMIC DEVELOPMENT CLUSTER	Department of Commerce	Economic Adjustment Assistance	Direct	11.307		66,319	240,757
Department of Commerce - Total						240,757	-
Total Economic Development Cluster						240,757	-

The accompanying notes are an integral part of this Schedule.

The University of Oklahoma – Norman Campus

Schedule of Expenditures of Federal Awards

Year Ended June 30, 2023

Cluster Name	Sponsor	Federal Program Name	Direct/Pass Through	FALN	Award Number	Expenditure	Subrecipient Expenditures
	<u>Department of Education</u>						
TRIO CLUSTER	Department of Education	TRIO Upward Bound	Direct	84.047		319,732	
TRIO CLUSTER	Department of Education	TRIO McNair Post-Baccalaureate Achievement	Direct	84.217		114,007	
	Department of Education - Total					433,739	-
Total Trio Cluster						433,739	-
	<u>Department of Education</u>						
STUDENT FINANCIAL ASSISTANCE	Department of Education	Federal Supplemental Educational Opportunity Grants	Direct	84.007		1,321,997	75,000
STUDENT FINANCIAL ASSISTANCE	Department of Education	College Work Study	Direct	84.033		3,056,923	
STUDENT FINANCIAL ASSISTANCE	Department of Education	Job Location and Development Program	Direct	84.033		75,000	
STUDENT FINANCIAL ASSISTANCE	Department of Education	Federal Pell Grant Program	Direct	84.063		27,097,540	1,034,369
STUDENT FINANCIAL ASSISTANCE	Department of Education	Federal Direct Student Loans	Direct	84.268		145,936,716	
STUDENT FINANCIAL ASSISTANCE	Department of Education	Teacher Education Assistance for College and Higher Education Grants (Teach Grants)	Direct	84.379		380,258	
STUDENT FINANCIAL ASSISTANCE	Department of Education	Perkins Loan Program	Direct	84.038		6,484,355	
	Department of Education - Total					184,352,789	1,109,369
Total Student Financial Assistance Cluster						184,352,789	1,109,369
GRAND TOTAL						300,380,328	13,178,811

The University of Oklahoma – Norman Campus

Notes to the Schedule of Expenditures of Federal Awards

Year Ended June 30, 2023

Note 1: Basis of Presentation

The accompanying schedule of expenditures of federal awards (the Schedule) includes the federal award activity of The University of Oklahoma – Norman Campus (the University) under programs of the federal government for the year ended June 30, 2023. The information is presented in accordance with the 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). Because the Schedule presents only a selected portion of the operations of the University, it is not intended to and does not present the financial position, changes in financial position, or cash flows of the University.

Note 2: Summary of Significant Accounting Policies

Expenditures reported in the Schedule are reported on the cash basis of accounting. Federal awards provided to subrecipients are treated as expenditures when paid to the subrecipient. When applicable, such expenditures are recognized following the cost principles contained in the Uniform Guidance, wherein certain types of expenditures are not allowable or are limited as to reimbursement.

For purposes of the Schedule, federal awards have been identified into two types:

- Direct federal awards consisting of federal assistance and federal student financial aid
- Pass-through funds received from non-federal organizations made under federally sponsored programs conducted by those organizations

Complete Federal Assistance Listing Numbers (FALN) are presented for those programs for which such numbers were available. FALN prefixes are presented for programs for which a complete FALN number is not available.

Federal direct programs are presented by federal department and, where applicable, the funding agency within the department. Federal pass-through programs are presented by the entity through which the University received the federal award. Amounts provided to subrecipients from each federal program have been separately identified for additional analysis. These pass-through awards are included in total cash basis expenditures.

The University administers the Pell Grant program, Supplemental Education Opportunity Grants, and other grant programs for students attending both the Norman and the Health Sciences Center campuses of the University. Grant revenues and expenditures under such programs for students attending these campuses are included in the financial statements of the Norman Campus. Therefore, the Norman Campus Schedule of Expenditures of Federal Awards includes expenditures under such programs for students attending these campuses.

Federal contracts that do not meet the definition of Federal Domestic Assistance have been excluded from the Schedule as it was determined, based upon discussions with the University's federal cognizant agency or by the nature of the contract, that such contracts do not represent auditable federal awards under the provisions of the Uniform Guidance. Also, fixed price and fixed rate programs have been excluded.

The University of Oklahoma – Norman Campus
Notes to the Schedule of Expenditures of Federal Awards
Year Ended June 30, 2023

Note 3: Indirect Cost Rate

The University has not elected to use the 10% de minimis cost rate.

Note 4: Federal Direct Student Loan Program

Under the Federal Direct Student Loan Program (Direct Loan Program), the U.S. Department of Education makes loans to enable a student or parent to pay the costs of the student's attendance at a postsecondary school. The Direct Loan Program enables an eligible student or parent to obtain a loan to pay for the student's cost of attendance directly from the U.S. Department of Education rather than through private lenders. The University began participation in the Direct Loan Program on July 1, 2010. The University administers the origination and disbursement of the loans to eligible students or parents. The University is not responsible for the collection of these loans.

Note 5: Federal Perkins Loan Program

The Federal Perkins Loan Program is administered directly by the University. The beginning balance of loans outstanding (as of June 30, 2022) has been included as federal expenditures in the Schedule. As of June 30, 2023, the ending balance of the loans receivable under the Federal Perkins Loan Program was \$4.6 million.

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

Independent Auditor's Report

Regents of the University of Oklahoma
The University of Oklahoma – Norman Campus
Norman, Oklahoma

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States (*Government Auditing Standards*), the financial statements of The University of Oklahoma – Norman Campus (the University), which comprise the University's statement of net position as of June 30, 2023 and the related statements of revenues, expenses, and changes in net position and cash flows for the year then ended and the related notes to the financial statements, and have issued our report thereon dated October 30, 2023, which contained "Emphasis of Matters" paragraphs regarding the reporting entity and adoption of a new accounting principle.

Report on Internal Control over Financial Reporting

In planning and performing our audit of the 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 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.

Regents of the University of Oklahoma
The University of Oklahoma – Norman Campus

Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether the University's 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 entity'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 entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

FORVIS,LLP

Tulsa, Oklahoma
October 30, 2023

Report on Compliance for Each Major Federal Program and Report on Internal Control over Compliance

Independent Auditor's Report

Regents of the University of Oklahoma
The University of Oklahoma – Norman Campus
Norman, Oklahoma

Report on Compliance for Each Major Federal Program

Opinion on Each Major Federal Program

We have audited The University of Oklahoma – Norman Campus' (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, 2023. 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, 2023.

Basis for Opinion on Each Major Federal Program

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America (GAAS); the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States (*Government Auditing Standards*); 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 "Auditor's 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.

Auditor's Responsibilities for the Audit of Compliance

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

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

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

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

Other Matters

The results of our auditing procedures disclosed an instance of noncompliance that is required to be reported in accordance with the Uniform Guidance and that is described in the accompanying schedule of findings and questioned costs as item 2023-001. Our opinion on each major federal program is not modified with respect to this matter.

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

Report on Internal Control over Compliance

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

A deficiency in internal control over compliance exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal program on a timely basis. *A material weakness in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal program will not be prevented, or detected and corrected, on a timely basis. *A significant deficiency in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance. We consider the deficiency in internal control over compliance, described in the accompanying schedule of findings and questioned costs as item 2023-001, to be a significant deficiency.

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

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

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.

FORVIS,LLP

Tulsa, Oklahoma
October 30, 2023

University of Oklahoma – Norman Campus
Schedule of Findings and Questioned Costs, continued
Year Ended June 30, 2023

Section II – Financial Statement Findings

Reference Number	Finding
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No matters are reportable.

University of Oklahoma – Norman Campus
Schedule of Findings and Questioned Costs, continued
Year Ended June 30, 2023

Section III – Federal Award Findings and Questioned Costs

Reference Number	Finding
2023-001	<p style="text-align: center;">Student Financial Assistance Cluster, ALN 84.063 Federal Pell Grant Program and ALN 84.268 Federal Direct Student Loans, Department of Education, Award Year 2023</p> <p>Criteria or Specific Requirement – Special Tests and Provisions – Enrollment Reporting – 34 CFR § 690.83(b)(2) and 34 CFR § 685.309(b)(1)</p> <p>Condition – The University is required to implement a system of internal controls that ensure enrollment information is reported to NSLDS at a minimum each 60 days.</p> <p>Questioned Costs – None</p> <p>Context – Out of a sample of 25 students selected for enrollment reporting testing, eight student status changes were not reported to NSLDS within the 60 days. Our sample was not and was not intended to be statistically valid.</p> <p>Effect – Enrollment information for eight students graduating in Spring 2023 was not reported timely to NSLDS.</p> <p>Cause – The University submits enrollment reporting information to NSLDS using a batch upload process from their student records system. At the end of the 2023 school year, the final batch was uploaded to NSLDS prior to some graduation information being updated within the student records system. The University’s internal controls did not ensure accuracy and completeness of data prior to submittal.</p> <p>Identification as a Repeat Finding, if applicable – N/A</p> <p>Recommendation – The University should ensure internal controls related to reporting enrollment information to NSLDS are designed in a way to ensure accurate and timely reporting.</p> <p>Views of Responsible Officials and Planned Corrective Actions – Management concurs with the finding. Management has implemented regular monthly meetings between the Financial Aid Services and Academic Records departments of the University to review graduation error reports and ensure timely processing.</p>

University of Oklahoma – Norman Campus
Summary Schedule of Prior Audit Findings
Year Ended June 30, 2023

Reference Number	Summary of Finding	Status
2022-001	<p>The University is required to implement a system of internal controls that provide reasonable assurance that key personnel requirements specified in grant applications and proposals are adhered to.</p> <p>The University’s time and effort review process includes review of monthly labor certification reports. These reports were not consistently reviewed in a timely manner during FY 2022.</p>	Resolved