

CONSOLIDATED FINANCIAL STATEMENTS
AND SUPPLEMENTARY INFORMATION,
AUDIT REPORTS AND SCHEDULES RELATED
TO THE UNIFORM GUIDANCE

Icahn School of Medicine at Mount Sinai
Years Ended December 31, 2022 and 2021
With Report of Independent Auditors

Icahn School of Medicine at Mount Sinai

Consolidated Financial Statements and Supplementary Information, Audit Reports
and Schedules Related to the Uniform Guidance

Years Ended December 31, 2022 and 2021

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Report of Independent Auditors

Management and the Board of Trustees
Mount Sinai Health System, Inc.

Report on the Audit of the Financial Statements

Opinion

We have audited the consolidated financial statements of The Icahn School of Medicine at Mount Sinai (the School), which comprise the consolidated statements of financial position as of December 31, 2022 and 2021, and the related consolidated statements of activities and cash flows for the years then ended, and the related notes (collectively referred to as the “financial statements”).

In our opinion, the accompanying financial statements present fairly, in all material respects, the consolidated financial position of the School at December 31, 2022 and 2021, and the consolidated results of its activities and its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

We conducted our audits in accordance with auditing standards generally accepted in the United States of America (GAAS) and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States (*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 School and to meet our other ethical responsibilities in accordance with the relevant ethical requirements relating to our audits. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Responsibilities of Management for the 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 of material misstatement, whether due to fraud or error.

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

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 of 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 School'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.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the School's ability to continue as a going concern for a reasonable period of time.

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



Supplementary Information

Our audits were conducted for the purpose of forming an opinion on the financial statements as a whole. We have not performed any procedures with respect to the audited financial statements or the accompanying Financial Responsibility Supplemental Schedule Related to the U.S. Department of Education Title IV Regulations (the Financial Responsibility Supplemental Schedule) as of and for the year ended December 31, 2022 subsequent to April 4, 2023. The accompanying Schedule of Expenditures of Federal Awards for the year ended December 31, 2022, as required by Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* and the accompanying Financial Responsibility Supplemental Schedule are presented for purposes of additional analysis and are not a required part of the 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 financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States. In our opinion, the information is fairly stated, in all material respects, in relation to the financial statements as a whole.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we also have issued our report dated April 4, 2023, on our consideration of the School'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 School'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 School's internal control over financial reporting and compliance.

Ernst + Young LLP

April 4, 2023, except for our report on the schedule of expenditures of federal awards for which the date is September 29, 2023

Icahn School of Medicine at Mount Sinai

Consolidated Statements of Financial Position

(In Thousands)

	December 31	
	2022	2021
Assets		
Cash and cash equivalents	\$ 57,089	\$ 33,848
Short-term investments	270,566	325,951
Total cash and cash equivalents and short-term investments	327,655	359,799
Patient accounts receivable, net	137,021	137,611
Loans receivable:		
Employees	92,373	87,120
Students	9,679	9,967
Pledges receivable, net	127,935	113,082
Other assets	206,237	201,841
Due from New York City Health and Hospitals Corporation	24,025	4,660
Assets limited as to use under debt financing arrangements	38,964	38,606
Professional liabilities insurance recoveries receivable	84,954	94,990
Pooled investments, including endowment investments of \$417,577 in 2022 and \$410,117 in 2021	866,152	1,000,155
Other investments	181,451	606,259
Right-of-use assets	337,984	360,256
Property, plant, and equipment, net	1,263,301	1,212,528
Total assets	\$ 3,697,731	\$ 4,226,874
Liabilities and net assets		
Accounts payable and accrued expenses	\$ 111,678	\$ 108,088
Accrued construction liabilities	7,420	4,223
Accrued salaries, wages, and related liabilities	213,845	219,408
Accrued interest payable	11,303	11,911
Deferred revenue, refundable advances and other	81,480	89,508
Due to related organizations, net	388,812	311,570
Federal loan capital advances	358	730
Employee relocation loan program	78,688	73,282
Postretirement health benefit obligations	4,045	5,740
Professional liabilities	84,954	94,990
Operating lease liabilities	358,049	374,415
Long-term debt	962,868	942,020
Other liabilities	105,443	100,448
Total liabilities	2,408,943	2,336,333
Commitments and contingencies		
Net assets:		
Net assets without donor restrictions	268,419	856,504
Net assets with donor restrictions	1,020,369	1,034,037
Total net assets	1,288,788	1,890,541
Total liabilities and net assets	\$ 3,697,731	\$ 4,226,874
<i>See accompanying notes.</i>		

Icahn School of Medicine at Mount Sinai

Consolidated Statement of Activities
(In Thousands)

Year Ended December 31, 2022

	Net Assets without Donor Restrictions	Net Assets with Donor Restrictions			Total
		Purpose and Time Restrictions	Permanent Endowment	Total Net Assets With Donor Restrictions	
Revenue, gains, support and reclassifications					
Net patient care services	\$ 1,558,237	\$ -	\$ -	\$ -	\$ 1,558,237
Federal grants and contracts	607,350	-	-	-	607,350
Private gifts, grants, and contracts	208,908	92,581	8,467	101,048	309,956
New York City Health and Hospitals Corporation	303,383	-	-	-	303,383
CARTS transfers:					
The Mount Sinai Hospital	349,240	2,055	-	2,055	351,295
Other related hospitals	278,446	373	-	373	278,819
Investment income allocated to operations	42,112	5,004	-	5,004	47,116
Royalty revenue	23,432	-	-	-	23,432
Tuition and fees	42,812	-	-	-	42,812
Other support	151,224	-	-	-	151,224
	<u>3,565,144</u>	<u>100,013</u>	<u>8,467</u>	<u>108,480</u>	<u>3,673,624</u>
Net assets released from restrictions	51,885	(51,885)	-	(51,885)	-
Total revenue, gains, support, and reclassifications	<u>3,617,029</u>	<u>48,128</u>	<u>8,467</u>	<u>56,595</u>	<u>3,673,624</u>
Expenses					
Program services:					
Patient care services	2,195,209	-	-	-	2,195,209
Sponsored research	535,967	-	-	-	535,967
Basic and clinical sciences	498,236	-	-	-	498,236
Scholarships	7,125	-	-	-	7,125
Total program services	<u>3,236,537</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>3,236,537</u>
General administration and support services	416,756	-	-	-	416,756
Total expenses	<u>3,653,293</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>3,653,293</u>
(Decrease) increase in net assets before investment return earned greater than amounts allocated to operations	(36,264)	48,128	8,467	56,595	20,331
Change in net unrealized investment losses on non-pooled investments and other assets	(463,171)	-	-	-	(463,171)
Investment return earned greater than amounts allocated to operations	(88,650)	(70,263)	-	(70,263)	(158,913)
(Decrease) increase in net assets	(588,085)	(22,135)	8,467	(13,668)	(601,753)
Net assets at beginning of year	856,504	605,442	428,595	1,034,037	1,890,541
Net assets at end of year	<u>\$ 268,419</u>	<u>\$ 583,307</u>	<u>\$ 437,062</u>	<u>\$ 1,020,369</u>	<u>\$ 1,288,788</u>

See accompanying notes.

Icahn School of Medicine at Mount Sinai

Consolidated Statement of Activities (continued)
(In Thousands)

Year Ended December 31, 2021

	Net Assets without Donor Restrictions	Net Assets with Donor Restrictions		Total Net Assets With Donor Restrictions	Total
		Purpose and Time Restrictions	Permanent Endowment		
Revenue, gains, support and reclassifications					
Net patient care services	\$ 1,613,751	\$ –	\$ –	\$ –	\$ 1,613,751
Federal grants and contracts	582,280	–	–	–	582,280
Private gifts, grants, and contracts	178,204	67,394	10,511	77,905	256,109
New York City Health and Hospitals Corporation	272,029	-	-	-	272,029
CARTS transfers:					
The Mount Sinai Hospital	301,881	3,462	–	3,462	305,343
Other related hospitals	278,334	338	–	338	278,672
Gain on sale of partial interest in Sema4 and impact of deconsolidation of controlling interest	1,577,805	–	–	–	1,577,805
Investment income allocated to operations	43,255	8,679	–	8,679	51,934
Royalty revenue	21,773	–	–	–	21,773
Tuition and fees	42,280	–	–	–	42,280
Other support	201,459	–	–	–	201,459
	5,113,051	79,873	10,511	90,384	5,203,435
Net assets released from restrictions	43,391	(43,391)	–	(43,391)	–
Total revenue, gains, support, and reclassifications	5,156,442	36,482	10,511	46,993	5,203,435
Expenses					
Program services:					
Patient care services	2,209,348	–	–	–	2,209,348
Sponsored research	479,069	–	–	–	479,069
Basic and clinical sciences	514,963	–	–	–	514,963
Scholarships	8,140	–	–	–	8,140
Total program services	3,211,520	–	–	–	3,211,520
General administration and support services	620,180	–	–	–	620,180
Total expenses	3,831,700	–	–	–	3,831,700
Increase in net assets before investment return earned greater than amounts allocated to operations	1,324,742	36,482	10,511	46,993	1,371,735
Change in net unrealized investment losses on non-pooled investments and other assets	(539,928)	–	–	–	(539,928)
Investment return earned greater than amounts allocated to operations	36,997	31,104	–	31,104	68,101
Change in net assets attributable to controlling interest	821,811	67,586	10,511	78,097	899,908
Deconsolidation of non-controlling interest equity	(235,148)	–	–	–	(235,148)
Increase in net assets	586,663	67,586	10,511	78,097	664,760
Net assets at beginning of year	269,841	537,856	418,084	955,940	1,225,781
Net assets at end of year	\$ 856,504	\$ 605,442	\$ 428,595	\$ 1,034,037	\$ 1,890,541

See accompanying notes.

Icahn School of Medicine at Mount Sinai

Consolidated Statements of Cash Flows (In Thousands)

	Year Ended December 31	
	2022	2021
Operating activities		
(Decrease) increase in net assets	\$ (601,753)	\$ 664,760
Adjustments to reconcile increase (decrease) in net assets to net cash provided by operating activities:		
Depreciation and amortization	104,586	112,089
Stock-based compensation expense	–	165,204
Amortization of bond discount, premium and deferred financing fees, net	(2,661)	(2,812)
Contributions with permanent donor restrictions	(8,467)	(10,511)
Change in net unrealized gains and losses on investments	608,850	479,423
Gain on sale of partial interest in Sema4 and impact of deconsolidation	–	(1,577,805)
Deconsolidation non-controlling interest equity	–	235,148
Changes in operating assets and liabilities, net of effects from sale of partial interest in:		
Pledges receivable	(14,853)	7,708
Patient accounts receivable, net	590	(20,332)
Due to related organizations, net	77,242	(63,895)
Accounts payable, accrued expenses, and accrued construction liabilities	15,735	17,850
Accrued salaries, wages, and related liabilities	(5,563)	39,548
Other liabilities	4,995	4,806
Change in right-of-use assets and lease liabilities	5,906	(56)
Employee relocation loan program	5,406	(4,763)
Net change in other operating assets and liabilities	(41,440)	(86,830)
Net cash provided by (used in) operating activities	148,573	(40,468)
Investing activities		
Net (decrease) increase in loans receivable	(4,965)	6,177
Investments in fixed assets and projects in process	(148,544)	(79,435)
Cash proceeds from sale of partial interest in Sema4	–	170,736
Net decrease (increase) in investments	2,322	(157,768)
Decrease in assets limited as to use under debt financing arrangements	(358)	(4,918)
Net cash used in investing activities	(151,545)	(65,208)

Icahn School of Medicine at Mount Sinai

Consolidated Statements of Cash Flows (continued) (In Thousands)

	Year Ended December 31	
	2022	2021
Financing activities		
Contributions to net assets with donor restrictions	8,467	10,511
Proceeds from lease incentive	38,465	–
Principal payments on long-term debt and finance lease obligations	(30,719)	(35,647)
Net cash used in financing activities	16,213	(25,136)
Net increase (decrease) in cash, cash equivalents and restricted cash	13,241	(130,812)
Cash, cash equivalents and restricted cash at beginning of year	43,848	174,660
Cash, cash equivalents and restricted cash at end of year	57,089	43,848
Reconciliation of cash, cash equivalents and restricted cash at end of year to the balance sheets		
Cash and cash equivalents	57,089	33,848
Short-term investments – cash	–	10,000
Total cash, cash equivalents and restricted cash	\$ 57,089	\$ 43,848
Supplemental disclosure of cash flow information		
Cash paid during the year for interest	\$ 25,654	\$ 27,325
Purchased assets with finance leases	\$ 6,592	\$ 304,588
Lease incentive for asset purchased with finance lease	\$ –	\$ 90,562
Non-cash impact of shares reclass into APIC of non-controlling interest	\$ –	\$ 1,483

See accompanying notes.

Icahn School of Medicine at Mount Sinai
Notes to Consolidated Financial Statements

December 31, 2022

1. Basis of Presentation and Summary of Significant Accounting Policies

Basis of Presentation

The Icahn School of Medicine at Mount Sinai (the School) is a teaching and research institution that educates physicians, biomedical scientists and medical students for careers in the practice of medicine, the delivery of health care and the pursuit of medical research. It grants both MD and PhD degrees. The School is closely affiliated with The Mount Sinai Hospital (the Hospital) and its affiliates, although the School is managed separately and is a separate legal entity. The School and the Hospital share a four-block area campus on the Upper East Side of Manhattan. The accompanying consolidated financial statements include the accounts of the School and Mount Sinai Children’s Center Foundation, Inc. (CCF), a not-for-profit organization formed in 1989, of which the School is the sole member, Mount Sinai Care, LLC (the ACO), organized for the purpose of and operated as an accountable care organization, of which the School is the sole member, the Mitral Foundation, a not-for-profit organization formed in 2009, the Valentin Fuster Mount Sinai Foundation for Science, Health, and Empowerment (the Foundation), a not-for-profit organization formed in 2013, and, prior to July 22, 2021, Mount Sinai Genomics, Inc. (doing business as, Sema4), a for-profit corporation formed in 2015, of which the School was the majority controlling shareholder (common and preferred shares). On July 22, 2021, Sema4 completed a transaction subsequent to which the School no longer holds a controlling interest in Sema4 and deconsolidated the subsidiary (see Note 6).

On September 30, 2013, the School, the Hospital and The Mount Sinai Medical Center, Inc. (the Medical Center, and together with the School and the Hospital, the Mount Sinai Entities) consummated a transaction pursuant to which the Mount Sinai Entities and Beth Israel Medical Center (BIMC), The St. Luke’s-Roosevelt Hospital Center (SLR), and The New York Eye and Ear Infirmary (NYEEI) came together to create the Mount Sinai Health System, an integrated health care system and academic medical center (the Transaction). Pursuant to the Transaction, two new not-for-profit entities were formed: Mount Sinai Health System, Inc. (MSHS) and Mount Sinai Hospitals Group, Inc. (MSHG). MSHG was formed to be the sole member of the Hospital, BIMC, SLR, and NYEEI. MSHS was formed to be the sole member of MSHG, the School and Medical Center.

In February 2018, MSHS and South Nassau Communities Hospital (SNCH) executed a definitive agreement pursuant to which MSHG would become the sole corporate member of SNCH and its “active parent” under New York Law. The transaction became effective in October 2018. Effective September 2019, SNCH is doing business as (d/b/a) Mount Sinai South Nassau.

Icahn School of Medicine at Mount Sinai

Notes to Consolidated Financial Statements (continued)

1. Basis of Presentation and Summary of Significant Accounting Policies (continued)

Use of Estimates

The preparation of financial statements in accordance with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the amounts reported in the financial statements and accompanying notes. Actual results could differ from these estimates.

In the accompanying consolidated financial statements, estimates principally relate to the valuation of net accounts receivable, estimated professional liabilities and related insurance recoveries receivable and the carrying value of alternative and other investments. Management believes that the amounts recorded based on estimates and assumptions are reasonable and any differences between estimates and actual should not have a material effect on the School's consolidated financial position.

Related Organizations

Transactions between the School and its related organizations, relating principally to the sharing of certain facilities, equipment and personnel are accounted for on the basis of allocated cost. Amounts due to or from related organizations are currently receivable or payable and do not bear interest. All intercompany transactions and balances with CCF, the ACO, the Foundation, the Mitral Foundation and Sema4 (prior to July 22, 2021) have been eliminated in consolidation.

Cash and Cash Equivalents

The School considers highly liquid financial instruments purchased with a maturity of three months or less to be cash equivalents. The School has balances in financial institutions that exceed Federal depositing insurance limits. Management does not believe the credit risk related to these deposits to be significant. The School does not hold any money market funds with significant liquidity restrictions that would require the funds to be excluded from cash equivalents.

Amounts within restricted cash consists of cash held within short-term investments and assets limited or restricted as to use and represent funds set aside within investments based on management's policy or contractual arrangements.

Icahn School of Medicine at Mount Sinai

Notes to Consolidated Financial Statements (continued)

1. Basis of Presentation and Summary of Significant Accounting Policies (continued)

Patient Accounts Receivable, Net

Patient accounts receivable, net and net patient care services revenue result from the health care services provided by the School's faculty practices and is reported at the amount that reflects the consideration to which the School expects to be entitled in exchange for providing patient care. These amounts are due from patients, third-party payors (including health insurers and government programs), and others and includes variable consideration in determination of the transaction price.

The School grants credit without collateral to its patients, most of whom are insured under third-party agreements. The significant concentrations of accounts receivable for services to patients include:

	December 31	
	2022	2021
Medicare	23%	23%
Medicaid	17	19
Commercial carriers and health maintenance organizations	55	53
Self-pay patients	5	5
	100%	100%

Approximately 33% and 30% of the School's net patient care services revenue was from Medicare and Medicaid programs in 2022 and 2021, respectively.

Assets Limited as to Use Under Debt Financing Arrangements

Assets limited as to use under debt financing arrangements are invested in fixed income securities and are carried at fair value. Income from assets limited as to use is recognized in the accompanying consolidated statements of activities with investment income allocated to operations.

Investments

The majority of the School's investments, with the exception of short-term investments, deferred compensation plan assets, and certain other investments, including those investments recorded at cost (\$6.0 million and \$4.8 million at December 31, 2022 and 2021, respectively), of approximately \$181.4 million and \$606.3 million at December 31, 2022 and 2021, respectively

Icahn School of Medicine at Mount Sinai

Notes to Consolidated Financial Statements (continued)

1. Basis of Presentation and Summary of Significant Accounting Policies (continued)

are in a pooled investment portfolio maintained for the benefit of the Hospital, the Medical Center, BIMC, SLR, NYEEI and the School.

The Medical Center has custody of investments held in the investment pool and records all of the pooled investments in its financial statements, with a corresponding liability due to each of the participants in the investment pool for their respective share of the pooled investments; the pool participants report their respective share of the investment pool as “pooled investments”. Investment earnings on the pooled investments are recorded by the pool participants, based on their pro rata share of the pool’s investment returns.

Pooled investments consist of cash and cash equivalents, U.S. government and corporate bonds, money market funds, equity securities and interests in alternative investments. Debt securities and equity securities with readily determinable values are carried at fair value based on independent published sources (quoted market prices).

Alternative investments (nontraditional, not readily marketable securities) may consist of equity, debt and derivatives both within and outside the U.S. in multi-strategy hedge funds, event-driven strategies, global investment mandates, distressed securities and private funds. Alternative investment interests generally are structured such that the investment pool holds a limited partnership interest or an interest in an investment management company. The investment pool’s ownership structure does not provide for control over the related investees and the investment pool’s financial risk is limited to the carrying amount reported for each investee, in addition to any unfunded capital commitment.

Future funding commitments by members of the investment pool for alternative investments aggregated approximately \$381.2 million and \$390.0 million at December 31, 2022 and 2021, respectively. The School owned 37.05% and 38.7% of the investment pool at December 31, 2022 and 2021, respectively.

Individual investment holdings within the alternative investments include nonmarketable and market-traded debt and equity securities and interests in other alternative investments. The School may be exposed indirectly to securities lending, short sales of securities and trading in futures and forward contracts, options and other derivative products. Alternative investments often have liquidity restrictions under which the pooled investment capital may be divested only at specified times. The liquidity restrictions range from several months to ten years for certain private equity investments. Liquidity restrictions may apply to all or portions of a particular invested amount.

Icahn School of Medicine at Mount Sinai

Notes to Consolidated Financial Statements (continued)

1. Basis of Presentation and Summary of Significant Accounting Policies (continued)

Alternative investments in the pool are stated based upon net asset values derived from a practical expedient. Fair value is determined by management for each investment based upon net asset values derived from the application of the equity method of accounting, as a practical expedient. Financial information used to evaluate alternative investments is provided by the respective investment manager or general partner and includes fair value valuations (quoted market prices and values determined through other means) of underlying securities and other financial instruments held by the investee, and estimates that require varying degrees of judgment. The financial statements of the investee companies are audited annually by independent auditors, although the timing for reporting the results of such audits does not coincide with the School's annual financial statement reporting.

There is uncertainty in determining fair values of alternative investments arising from factors such as lack of active markets (primary and secondary), lack of transparency into underlying holdings, time lags associated with reporting by the investee companies and the subjective evaluation of liquidity restrictions. As a result, the estimated fair values might differ from the values that would have been used had a ready market for the alternative investment interests existed and there is at least a reasonable possibility that estimates will change.

Investment income is allocated to investment pool participants using the market value unit method. The annual endowment spending rate for pooled funds is approved by the Board of Trustees annually and is based on total return. Realized gains and losses from the sale of securities are computed using the average cost method. The School also recognizes investment income (realized and unrealized) pertaining to endowment investments held by the Medical Center on its behalf.

The total investment return (investment income, net of fees, and realized and unrealized gains and losses) is reflected in the accompanying consolidated statements of activities in three portions. The investment return allocated to operating revenues (revenue, gains, support and reclassifications) is determined by application of a 4.25% and 5.0% normal return in 2022 and 2021, respectively, to a three-year average market value of pooled investments, excluding certain endowment assets and certain other funds (the annual endowment spending rate). The investment return generated by pooled investments classified outside of operating revenues represents the favorable or unfavorable difference between the actual total investment return and the amount allocated to operating revenues (see Note 15). In addition, investment earnings on cash & equivalents, short-term investments, assets limited as to use under debt financing arrangements (principally trustee-held assets for construction projects), other (non-pooled) investments and other assets are included in operating revenues within investment income allocated to operations, with the exception of net unrealized gains or losses generated by these assets which are separately reported in the consolidated statements of activities as change in net unrealized investment losses on non-pooled investments and other assets.

Icahn School of Medicine at Mount Sinai

Notes to Consolidated Financial Statements (continued)

1. Basis of Presentation and Summary of Significant Accounting Policies (continued)

Property, Plant, and Equipment

Property, plant, and equipment, including leasehold improvements, are stated at cost; those acquired through contributions are stated at fair value established at the date of contribution. The carrying amounts of assets and the related accumulated depreciation and amortization are removed from the accounts when such assets are disposed of and any resulting gain or loss is included in operating results. Annual provisions for depreciation and amortization are made based upon the straight-line method over the estimated useful life of the assets ranging from 5 to 50 years. Fixed assets are written off when they are fully depreciated and no longer in use.

Depreciation and amortization expense for the years ended December 31, 2022 and 2021, was approximately \$104.6 million and \$112.1 million, respectively.

Deferred Financing Costs

Deferred financing costs represent costs incurred to obtain long-term financing. Amortization of these costs is provided using the effective interest method. Unamortized deferred financing costs are reported as a direct deduction from long-term debt. See Note 9 for additional information relative to debt-related matters.

Net Assets without Donor Restrictions

Net assets that are not subject to donor-imposed restrictions may be expended for any purpose in performing the primary objectives of the School. These net assets may be used at the discretion of the School's management and Board of Trustees.

Net Assets with Donor Restrictions

Net assets with donor restrictions are subject to stipulations imposed by donors. Some donor restrictions are temporary in nature; those restrictions will be met by actions of the School, or by the passage of time. Other donor restrictions are perpetual in nature, whereby the donor has stipulated the funds be maintained in perpetuity. Income earned therefrom is with or without donor restrictions based upon donor's stipulations.

Icahn School of Medicine at Mount Sinai

Notes to Consolidated Financial Statements (continued)

1. Basis of Presentation and Summary of Significant Accounting Policies (continued)

Donor restricted contributions are reported as increases in net assets with donor restrictions. When a restriction expires, net assets are reclassified from net assets with donor restrictions to net assets without donor restrictions in the consolidated statement of activities.

Revenue Other Than Net Patient Care Services

The School records grants and earned revenues on an accrual basis. In addition, the School records as revenue the following types of contributions, when they are received unconditionally, at their fair value: cash, promises to give (pledges) and other assets. Conditional contributions, including grants for federally and non-federally funded sponsored research and clinical trials, are recognized as revenue when the conditions or barriers on which they depend have been substantially met. Contributions are recorded net of estimated uncollectible amounts and promises to give that are due in future years are discounted to present value.

Contributions are reported as net assets with donor restrictions if they are received with donor-imposed stipulations that limit the use of the donated assets. When a donor restriction expires, that is, when a stipulated time restriction ends, or purpose restriction is accomplished, net assets with donor restrictions are reclassified to net assets without donor restrictions and reported in the accompanying consolidated statement of activities as net assets released from restrictions. Donor-restricted contributions, including grants for sponsored research, whose restrictions and conditions are met within the same year as the contributions are received, are reflected in the activities of net assets without donor restrictions.

Revenues generated from auxiliary enterprises, continuing medical education programs (exclusive of tuition and fees), rental income, Health System Assessments (see Note 5) and other miscellaneous receipts for services provided are reported as other support in the consolidated statements of activities.

Tax Status

The School, CCF, the Foundation and the Mitral Foundation are exempt from Federal income tax on related function income under Sections 501(a) and 501(c)(3) of the Internal Revenue Code as well as New York State and local income taxes pursuant to the corresponding state exemption provisions. Sema4 is a for-profit taxable Corporation and is subject to federal income taxes as well as state and local income tax and sales and use tax in the jurisdictions in which it operates. The effects of income taxes were not material to the consolidated financial statements for the years ended December 31, 2022 and 2021.

Icahn School of Medicine at Mount Sinai

Notes to Consolidated Financial Statements (continued)

1. Basis of Presentation and Summary of Significant Accounting Policies (continued)

The ACO is a single member limited liability company that is a disregarded entity for tax purposes. As a disregarded entity, the School is subject to unrelated business income taxation should the ACO's income be derived from activities unrelated to the School's exempt purpose.

Professional Liabilities

Primary coverage of professional and general liability incidents has been provided through participation in a pooled program with certain other health care facilities (principally hospitals) with Healthcare Risk Advisors (formerly the Federation of Jewish Philanthropies of New York). This occurrence-basis insurance coverage participation is with captive insurance companies and commercial insurance companies.

Effective January 1, 2018, the Mount Sinai Health System Self-Insurance Trust (the Self-Insurance Trust) was established to provide coverage in excess of Healthcare Risk Advisors Program limits. Currently, the Hospital, BIMC, SLR, and NYEEI participate in the Self-Insurance Trust, which is irrevocable, and the aforementioned hospitals include beneficial interest assets and actuarial liabilities (discounted at 3.5% for each year ended December 31, 2022 and 2021) relating to the Self-Insurance Trust which are reflected in their respective consolidated statements of financial position and consolidated statements of activities. Excess coverage of the Self-Insurance Trust is extended to the School by the aforementioned hospitals via allocations of premium costs as shared services (see Note 5).

The estimate of professional liabilities and the estimate for incidents that have been incurred but not reported is included in the accompanying consolidated statements of financial position at the actuarially determined present value of approximately \$85.0 million based on a discount rate of 2.75% at December 31, 2022 (\$95.0 million at December 31, 2021, 2.75% discount rate). The School has recorded related insurance recoveries receivable of the same amounts in consideration of expected insurance recoveries.

The School's estimate of professional liabilities is based upon complex actuarial calculations which utilize factors such as historical claims experience for the School and related industry factors, trending models, estimates for the payment patterns of future claims and present value discount factors. As a result, there is at least a reasonable possibility that recorded estimates will change by a material amount in the near term. Revisions of estimated amounts resulting from actual experience differing from projected expectations are recorded in the period the information becomes known or when changes are anticipated.

Icahn School of Medicine at Mount Sinai

Notes to Consolidated Financial Statements (continued)

1. Basis of Presentation and Summary of Significant Accounting Policies (continued)

COVID-19 Pandemic and CARES Act Funding

In response to Coronavirus Disease 2019 (COVID-19), the Coronavirus Aid, Relief and Economic Security Act (the CARES Act) was signed into law on March 27, 2020. The CARES Act authorized funding to hospitals and other healthcare providers to be distributed through the Public Health and Social Services Emergency Fund (Provider Relief Fund). Payments from the Provider Relief Fund are to be used to prevent, prepare for, and respond to coronavirus, and shall reimburse the recipient for health care related expenses and/or lost revenues attributable to coronavirus and are not required to be repaid except where Provider Relief Funds received exceed the actual amounts of eligible health care related expenses and/or lost revenues as defined by the U.S. Department of Health and Human Services (HHS), provided the recipients attest to and comply with the terms and conditions. HHS has issued several Post-Payment Notices of Reporting Requirements and published responses to frequently asked questions (FAQs), most recently in October 2022, regarding the Provider Relief Fund distributions.

On December 27, 2020, the Consolidated Appropriations Act, 2021 (the CAA) was signed into law. The CAA appropriated additional funding for COVID-19 response and relief through the Relief Fund to reimburse health care entities for health care-related expenses or lost revenues attributable to COVID-19. The CAA also provided several changes to the administration of the Provider Relief Fund. For any payment, including both general and targeted distributions, received by an eligible health care provider that is a subsidiary of a parent organization, the parent organization may allocate all or any portion of the distribution among any other eligible subsidiaries. The CAA also clarified the methods available to calculate lost revenues.

HHS distributions from the Provider Relief Fund include general distributions and targeted distributions, to support hospitals in high impact areas and rural providers. The period of availability to meet the terms and conditions associated with the Provider Relief funding is contingent upon the phase for which the funds were distributed.

For the year ended December 31, 2021, the School received Provider Relief funding and recognized revenue of approximately \$30.7 million, which is included in federal grants and contracts revenue in the accompanying consolidated statement of activities. No Provider Relief funding was received in 2022. The recognized revenue has been determined based on applicable accounting guidance, Post-Payment Notice of Reporting Requirements and FAQs that the School has interpreted as being applicable to the accompanying consolidated financial statements. Subsequent to December 31, 2020, a Post-Payment Notice of Reporting Requirements and additional FAQs have been released which have been considered in management's analysis.

Icahn School of Medicine at Mount Sinai

Notes to Consolidated Financial Statements (continued)

1. Basis of Presentation and Summary of Significant Accounting Policies (continued)

Management continues to monitor compliance with the terms and conditions and communications from HHS applicable to the Provider Relief Fund distributions reporting and data submission requirements.

Under the CARES Act, the School was eligible to receive an employee retention credit, which is a credit against the employer portion of Social Security taxes for certain wages between March 13, 2020 and December 31, 2020. The CAA extended the employee retention credit through June 30, 2021, while also modifying the provisions of the credit. The School has completed its calculations and determined the impact of the credit is approximately \$11.3 million after reviewing the calculations with its tax advisors and recognized a corresponding reduction in employer's social security tax expense for the period ended December 31, 2021. The School's claim for \$11.3 million was included in the Hospital's 2022 filing as the Hospital is the common pay master for both the School and the Hospital.

Due to the evolving nature of the COVID-19 pandemic, the ultimate impact to the School's operating results, including costs that may be incurred in the future and the level of utilization of the School's services and resulting impact on net patient service revenue reported in the future, and its financial condition is presently unknown.

Recent Accounting Pronouncements

In June 2016, the Financial Accounting Standards Board (FASB) issued Accounting Standards Update No. (ASU) 2016-13, *Financial Instruments – Credit Losses (Topic 326): Measurement of Credit Losses on Financial Instruments*. The new credit losses standard changes the impairment model for most financial assets and certain other instruments. For trade and other receivables, contract assets recognized as a result of applying ASU 2014-09, *Revenue from Contracts with Customers* (Topic 606), loans and certain other instruments, entities will be required to use a new forward looking "expected loss" model that generally will result in earlier recognition of credit losses than under today's incurred loss model. The ASU is effective for annual periods beginning after December 15, 2022. ASU 2016-13 is not expected to have a significant impact on the consolidated financial statements.

Icahn School of Medicine at Mount Sinai

Notes to Consolidated Financial Statements (continued)

2. Patient Accounts Receivable and Net Patient Care Services

Net patient care services revenue is reported at the amount that reflects the consideration for which the School expects to be entitled in exchange for providing patient care.

Full-time faculty members and non-faculty physicians of MSH, BIMC, SLR, SNCH, and NYEEI may participate in the School's faculty practice plan or community practice plan. All of these activities are included within net patient care services within the consolidated statements of activities.

Plan participants are authorized to conduct a private practice and engage in professional consultation in accordance with established institutional guidelines. Professional service fee receipts are recorded and deposited in private practice funds established by the School for each individual participant or group practice when received by the School. Portions of these receipts are used to support School activities and to reimburse the School for indirect costs incurred in supporting plan activities. The remaining amounts, after direct plan expenses, provide participant salary supplements and support School departmental activities.

A similar plan arrangement exists for School physicians at Elmhurst Hospital Center (Elmhurst) and Queens Hospital Center (Queens). The plan receipts generated at these locations are used to support certain services funded under agreements with New York City Health and Hospitals Corporation (HHC), provide salary supplements for physicians and support the School's departmental activities at Elmhurst and Queens.

The School's practice plans have agreements with third-party payors that provide for payments to the plan. Payment arrangements include prospectively determined rates, reimbursed costs, discounted charges and fee-for-service. Net patient care service revenue and related accounts receivable are reported at the estimated net realizable amounts from patients, third-party payors and other for services rendered.

The current Medicaid, Medicare and other third-party payor programs in which the School and its faculty participate are based upon extremely complex laws and regulations that are subject to interpretation. Noncompliance with such laws and regulations could result in fines, penalties and exclusions from such programs. The School is not aware of any allegations of noncompliance that could have a material adverse effect on the consolidated financial statements and believes that it is in compliance, in all material respects, with all applicable laws and regulations.

The School uses a portfolio approach to account for categories of patient contracts as collective groups rather than recognizing revenue on an individual contract basis. The portfolio consists of major payor classes for inpatient revenue and outpatient revenue. Based on historical collection

Icahn School of Medicine at Mount Sinai

Notes to Consolidated Financial Statements (continued)

2. Patient Accounts Receivable and Net Patient Care Services (continued)

trends and other analyses, the School believes that revenue recognized by utilizing the portfolio approach approximates the revenue that would have been recognized if an individual contract approach were used.

The School's initial estimate of the transaction price for services provided to patients subject to revenue recognition is determined by reducing the total standard charges related to the patient services provided by various elements of variable consideration, including contractual adjustments, discounts, implicit price concessions, and other reductions to the School's standard charges. The School determines the transaction price associated with services provided to patients who have third-party payor coverage on the basis of contractual or formula-driven rates for the services rendered (see description of third-party payor payment programs below). The estimates for contractual allowances and discounts are based on contractual agreements, the School's discount policies and historical experience. For uninsured and under-insured patients who do not qualify for charity care, the School determines the transaction price associated with services rendered on the basis of charges reduced by implicit price concessions. Implicit price concessions included in the estimate of the transaction price are based on the School's historical collection experience for applicable patient portfolios.

Generally, the School bills patients and third-party payors several days after the services are performed. Net patient service revenue is recognized as performance obligations are satisfied. Performance obligations are determined based on the nature of the services provided by the School. Net patient service revenue for performance obligations satisfied over time is recognized based on actual charges incurred in relation to total charges. The School believes that this method provides a reasonable depiction of the transfer of services over the term of the performance obligation based on the services needed to satisfy the obligation. The School measures the performance obligation from the commencement of an outpatient service to the point when it is no longer required to provide services to that patient, which is generally at the completion of the outpatient visit.

Subsequent changes to the estimate of the transaction price (determined on a portfolio basis when applicable) are generally recorded as adjustments to patient service revenue in the period of the change. For the years ended December 31, 2022 and 2021, changes in the School's estimates of implicit price concessions, discounts, contractual adjustments or other reductions to expected payments for performance obligations satisfied in prior years were not significant. Portfolio collection estimates are updated based on collection trends. Subsequent changes that are determined to be the result of an adverse change in the patient's ability to pay (determined on a portfolio basis when applicable) are recorded as bad debt expense. Bad debt expense for the years ended December 31, 2022 and 2021, was not significant.

Icahn School of Medicine at Mount Sinai

Notes to Consolidated Financial Statements (continued)

2. Patient Accounts Receivable and Net Patient Care Services (continued)

The School has determined that the nature, amount, timing and uncertainty of revenue and cash flows are affected by the following factors: payors, lines of business and timing of when revenue is recognized. Tables providing details of these factors are presented below.

The activities of the School's plans and clinical activities are included in the accompanying consolidated statements of activities in net patient care services revenue and comprise the following for the years ended December 31 (in thousands):

	<u>2022</u>	<u>2021</u>
Faculty practice plan	\$ 1,280,916	\$ 1,217,313
Community practice plan	277,321	277,177
Diagnostic testing	-	119,261
	<u>\$ 1,558,237</u>	<u>\$ 1,613,751</u>

Net patient service revenue disaggregated by payor comprises the following for the years ended December 31 (in thousands):

	<u>2022</u>	<u>2021</u>
Medicare, including managed Medicare	\$ 367,899	\$ 343,387
Medicaid, including managed Medicaid and Medicaid pending	142,383	145,009
Self-pay	101,056	110,374
Commercial and other	946,899	1,014,981
	<u>\$ 1,558,237</u>	<u>\$ 1,613,751</u>

Deductibles, copayments and coinsurance under third-party payment programs which are the patient's responsibility are included within the self-pay category above.

Icahn School of Medicine at Mount Sinai

Notes to Consolidated Financial Statements (continued)

3. Pledges Receivable

Pledges receivable, representing unconditional promises to give to the School, recorded net of a present value discount (based on a range of interest rates of 2.36% to 2.99%) and valuation allowance, consist of the following (in thousands):

	December 31	
	2022	2021
Unconditional promises to give before discount to present value and valuation allowance	\$ 143,113	\$ 118,583
Less present value discount and valuation allowance	15,178	5,501
Net pledges receivable	<u>\$ 127,935</u>	<u>\$ 113,082</u>

Pledges receivable are due to be collected over the following periods (in thousands):

	December 31	
	2022	2021
Within one year	\$ 44,232	\$ 36,374
One to five years	79,791	72,905
More than five years	3,912	9,304
Total pledges receivable	<u>\$ 127,935</u>	<u>\$ 118,583</u>

The School is party to a pledge agreement of \$150 million among the School, the Hospital, Carl C. Icahn (the Donor) and The Icahn Medical Research Foundation (the Icahn Foundation). The pledge will be paid by the Donor to the Icahn Foundation solely for use by the Icahn Institute of Medical Research at Mount Sinai LLC (the MRO), a single member limited liability company of which the Icahn Foundation is the sole member, to conduct research in conjunction with the School and Hospital pursuant to terms of a collaboration agreement. The purpose of the collaboration agreement and the establishment of the MRO is to enable the School, the Hospital, the Icahn Foundation and the MRO to closely cooperate in a joint effort to conduct research in the fields of genomics, multi-scale biology and related matters. The pledge is not recorded in the accompanying consolidated financial statements. The outstanding pledge receivable balance is approximately \$118.0 million as of December 31, 2022.

Icahn School of Medicine at Mount Sinai

Notes to Consolidated Financial Statements (continued)

4. Agreements with the New York City Health and Hospitals Corporation

Pursuant to various agreements with New York City Health and Hospitals Corporation (HHC), the School provides professional, medical and other services for the operations of Elmhurst and Queens. For services provided under the agreements, the School is reimbursed for costs incurred, plus overhead, but not in excess of amounts specified in the agreements. Certain costs are funded by the operations of faculty practice group arrangements at Elmhurst and Queens, which are independent of other School programs, under a letter of understanding with HHC. The agreement with HHC is renegotiated every five years and is currently being negotiated for 2023 (2021 and 2022 were an extension of the existing contract due to COVID-19).

The agreements with HHC do not permit the accrual of vacation and retirement benefits. The School would be liable for such benefits only upon termination of the agreements; however, the School's liability would be limited upon termination of the agreements to amounts due based on benefits policies in effect at that time.

The School's arrangements with HHC are subject to final settlements based on future audits; however, the School anticipates that the effects of future final settlements will not be material.

5. Related Organizations

Amounts due (to) from the School's related organizations consist of the following (in thousands):

	December 31	
	2022	2021
The Mount Sinai Medical Center, Inc.	\$ 1,070	\$ 1,640
Sema4	2,246	2,414
South Nassau Communities Hospital	741	29
MSMC Realty Corporation	(20,299)	(20,299)
The Mount Sinai Hospital	(428,561)	(348,091)
8 East 102 nd Street Manager LLC	7	7
Beth Israel Medical Center	46,573	14,860
The St. Luke's-Roosevelt Hospital Center	2,139	33,555
The New York Eye and Ear Infirmary	7,272	4,315
Due to related organizations, net	\$ (388,812)	\$ (311,570)

Icahn School of Medicine at Mount Sinai

Notes to Consolidated Financial Statements (continued)

5. Related Organizations (continued)

Transactions charged (at cost) by the Hospital to the School totaled approximately \$2.3 billion and \$2.1 billion during the years ended December 31, 2022 and 2021, respectively. These transactions include payroll and benefits charges, approximately 93% in 2022 and 2021, of the respective totals, and approximately 7% in 2022 and 2021, related to various other shared services. Included in the benefits charges are certain employee health plan claims and insurance premiums which are paid by the Hospital and, subsequently, charged to the School. Accordingly, the Hospital recognizes an actuarially determined liability for unreported health claims on behalf of the School. These claims are recorded as expenses in the School's consolidated statements of activities.

The School along with MSH, BIMC, SLR, and NYEEI implemented a model in 2021 to assess percentage-based amounts (Health System Assessments) on revenues of the aforementioned hospitals' clinical enterprise to help support collaborative clinical, educational and research initiatives conducted by the School in furtherance of the academic mission of MSHS. The School recorded \$63.6 million and \$59.8 million for the years ended December 31, 2022 and 2021, respectively, in Health System Assessments revenue which is included within other support in the consolidated statements of activities.

Additionally, the Hospital purchases professional services from the School for the clinical care of its patients, teaching and supervision of its residents, the performance of certain administrative functions, and various strategic initiatives. CARTS support represents expense reimbursement for services which MSHG hospitals reimburse the School for the clinical care of its patients, teaching and supervision of its residents, the performance of certain administrative functions, and various strategic initiatives (CARTS transfers). The Hospital paid approximately \$351.3 million and \$305.3 million in 2022 and 2021, respectively, for CARTS transfers and related services. The other MSHG hospitals paid approximately \$278.8 million and \$278.7 million in 2022 and 2021, respectively, for CARTS transfers and related services.

At December 31, 2022 and 2021, the School owed approximately \$29.2 million to the Hospital in relation to capital building projects that are under construction.

In 2021, the School used a portion of the proceeds from the partial sale of its interest in Sema4 (See note 6) to fund its related party liability to the Hospital.

The School reflects in its consolidated financial statements transfers from the Hospital to fund the School's community practice plan deficits (approximately \$80.0 million and \$83.6 million in 2022 and 2021, respectively). The School reflects in its consolidated financial statements transfers from SNCH to fund the School's community practice plan deficits (approximately \$43.7 million in 2022

Icahn School of Medicine at Mount Sinai

Notes to Consolidated Financial Statements (continued)

5. Related Organizations (continued)

and \$29.9 million in 2021). There were no transfers made by the School to related parties during 2022 and 2021.

Transactions charged (at cost) by the School to BIMC, SLR and NYEEI totaled approximately \$44.7 million, \$83.3 million and \$11.0 million, respectively, during the year ended December 31, 2022, and \$38.4 million, \$95.3 million and \$15.4 million, respectively, during the year ended December 31, 2021. These transactions include payroll and benefits charges and various other shared services. BIMC, SLR and NYEEI also paid approximately \$278.8 million and \$278.7 million in 2022 and 2021, respectively, for CARTS transfers and related services.

During 2003, as part of a financing transaction with the Hospital and MSMC Realty Corporation (Realty Corp.), a related entity, the School contributed to MSMC Residential Realty LLC (MSMCRRC), at net book value, property totaling approximately \$55.8 million. MSMCRRC was incorporated in 2003 under the New York State Not-for-Profit Corporation Law for the sole purpose of supporting its member corporations by managing, maintaining, holding, developing, acquiring or disposing of real property for their benefit. MSMCRRC's members are the Hospital, the School, Realty Corp. and MSMC Residential Realty Manager, Inc.

Property and equipment contributed by the Hospital, the School and Realty Corp. were used by MSMCRRC to secure \$125.0 million in financing from a bank which was subsequently increased to \$145.0 million as part of a refinancing in 2005. The total amount received by the School of approximately \$34.4 million (comprised of \$18.2 million used to repay the School's commercial paper program and a \$16.2 million receivable after the initial financing), was based on the relative fair value of the property contributed, as compared to properties contributed by the Hospital and Realty Corp. that were part of the \$125.0 million financing.

During 2006, the School received the remaining balance of the \$16.2 million initially recorded as receivable and received additional amounts totaling \$7.6 million through December 31, 2007. At December 31, 2008, these additional amounts were settled with the School through funding provided by Realty Corp. As a result of the funding provided by Realty Corp., the School has \$20.3 million due to Realty Corp. at December 31, 2022 and 2021

At December 31, 2008, the School had an interest in the fair value of the net assets of MSMCRRC of approximately \$21.4 million, representing the excess of the carrying value of the property contributed over the amounts received. During 2009, MSMCRRC sold certain property and the School received approximately \$42.0 million, including amounts distributed to the School by the

Icahn School of Medicine at Mount Sinai

Notes to Consolidated Financial Statements (continued)

5. Related Organizations (continued)

Hospital and Realty Corp. \$21.4 million of the amount received in 2009 reduced the carried interest in the fair value of MSMCRRC net assets. During 2015, the School received approximately \$0.6 million in distributions from MSMCRRC, the Hospital and Realty Corp. (none in 2022-2019).

Total assets and liabilities, at book value, of MSMCRRC are as follows (in thousands):

	December 31	
	2022	2021
Total assets	\$ 102,607	\$ 105,498
Total liabilities	(156,905)	(155,254)
Net deficit	\$ (54,298)	\$ (49,756)

Summarized financial information for Realty Corp., in which the Hospital, the School and the Medical Center are members, at December 31 is as follows (in thousands):

	December 31	
	2022	2021
Total assets	\$ 111,953	\$ 97,694
Total liabilities	(106,955)	(92,696)
Net assets without donor restrictions	\$ 4,998	\$ 4,998

During 2010, 8 East 102nd Street LLC (the Company) was formed for the sole purpose of supporting its member corporation by managing, maintaining, holding, developing, acquiring or disposing of real property for its benefit. The Company's sole member is 8 East 102nd Street Manager LLC (the Manager). The members of the Manager are the Hospital, the School and the Medical Center. Through December 31, 2013, the School transferred approximately \$138.0 million in capital expenditures for a residential tower project to the Company, which financed and owns a portion of the project (none subsequently).

On November 1, 2013, the members of the Manager, together with certain other persons, amended and restated the operating agreement of the Manager and elected for the Manager to be taxed as a real estate investment trust (the REIT) for U.S. Federal income tax purposes, effective January 1, 2014. As a result, the members own 99% of the partnership units of the REIT; 125 investors each purchased preferred shares of the Manager for \$1,000 each.

Icahn School of Medicine at Mount Sinai

Notes to Consolidated Financial Statements (continued)

5. Related Organizations (continued)

The School, the Hospital and the Medical Center, as members of the Manager, have agreed to distribute the net activities of the Manager (which, as the sole member of the Company, reflects the net activities of the Company) solely to the School. This agreement includes equity in income or loss of the Manager, as well as cash distributions. Accordingly, in the accompanying consolidated financial statements, the School has recognized equity in income of related party of approximately (\$276,000) in 2022 (\$1,421,000 in 2021) which is included as a component of other support in the accompanying consolidated statements of activities. In 2022, the Manager distributed to the School approximately \$4.6 million of cash derived from the net activities of the Company (\$3.9 million in 2021).

Summarized financial information for the Manager at December 31 is as follows (in thousands):

	December 31	
	2022	2021
Total assets	\$ 79,678	\$ 86,062
Total liabilities	(141,362)	(141,947)
Members' capital (deficit) (including non-controlling interest of (\$1,946 in 2022 and \$993 in 2021))	\$ (61,684)	\$ (55,885)

In August 2014, the Hospital entered into a transaction pursuant to which the Hospital obtained approximately 450,000 square feet of space located at 150 East 42nd Street to be used to consolidate corporate services of MSHS. The space replaced existing leased and owned office space to provide additional capacity for clinical and research activities. A leasehold condominium interest was purchased by the Hospital and, shortly thereafter, transferred to a special-purpose limited liability company formed by the Hospital. The Hospital financed the purchase through the issuance of a promissory note payable with a principal amount of approximately \$110.1 million, interest at a rate of 8%, and payments beginning June 2015 and ending in March 2046. Payment of interest was deferred from August 2014 until May 2015. The Hospital and the School guaranteed, on a joint and several basis, all of the obligations of the Hospital which include note payments, operating expenses, taxes and other carrying costs and charges, some of which escalate annually. The property is collateral for the related financing.

Icahn School of Medicine at Mount Sinai

Notes to Consolidated Financial Statements (continued)

6. Deconsolidation of Subsidiary

On June 1, 2017, Sema4 and the School entered into a Contribution Agreement pursuant to which the assets and liabilities of The Mount Sinai Genetic Testing Laboratory, a division of the School, were contributed to Sema4 at net book value in exchange for an ownership stake in the company.

On July 22, 2021 (the “Closing Date”), CM Life Sciences, Inc. (“CMLS”) completed the acquisition of Sema4, pursuant to an Agreement and Plan of Merger (as amended, the “Merger Agreement”), dated February 9, 2021. On the Closing Date, S-IV Sub, Inc. (“Merger Sub”) merged with and into the Legacy Sema4, with Legacy Sema4 surviving the merger as a wholly-owned subsidiary of CMLS (the “Merger” and, together with the other transactions contemplated by the Merger Agreement, the “Business Combination”). In connection with the consummation of the Business Combination, CMLS changed its name to “Sema4 Holdings Corp.” (“Sema4 Holdings”) and Legacy Sema4 changed its name to “Sema4 OpCo, Inc.” All equity securities of Sema4 were converted into the right to receive the applicable portion of the merger consideration.

In consideration for the School’s Legacy Sema4 holdings, the School received cash proceeds of \$170.7 million upon closing of the Merger and was awarded 88,355,473 shares of publicly traded common stock in Sema4 registered with the Securities & Exchange Commission (“SEC”). In addition, the School was provided with contingent consideration in the form of a pro rata portion of earn-out shares up to 9,957,284 to be issued in tranches each tranche having required price targets of \$13.00, \$15.00 and \$18.00 per share. The earn-out shares are in effect for a period commencing after the lock up period and ending on July 23, 2023. Legacy Sema4 option holders are entitled to certain earn-out Restricted Stock Units (“RSUs”) which vest based upon service and market-based requirements. In event of forfeiture of earn-out RSUs by the Legacy option holders, the School and other Legacy Sema4 shareholders would receive additional pro rata earn-out shares. Including these forfeitures, the School could receive up to 11,597,198 of earn-out shares in accordance with the Merger Agreement, subject to expiration upon the two year anniversary of the Closing Date.

Subsequent to the Closing Date the School determined that it no longer had a controlling financial interest and deconsolidated the assets and liabilities of Sema4. A gain resulting from the sale of its partial interest in Sema4 and the impact of the deconsolidation was recorded at the Closing Date. The School remains an affiliate of Sema4 as defined by the SEC under Rule 144. The School’s shares of Sema4 are subject to a six-month holding period restriction as well as trading volume restrictions imposed by SEC Rule 144. The School has elected to record its investment in Sema4 at fair value and has applied a discount for lack of marketability (“DLOM”) to reflect restrictions on the sale of its investment.

Icahn School of Medicine at Mount Sinai

Notes to Consolidated Financial Statements (continued)

6. Deconsolidation of Subsidiary (continued)

The impact of the deconsolidation of Sema4 is summarized as follows (in thousands):

	Closing Date	
	Sema4's Net	Consolidated
	Assets	Statement of
	Assets	Activities
Shared based compensation liability	\$ 296,818	
Debt and lease obligations	31,580	
Fixed assets, net of accumulated depreciation	(61,335)	
Unrestricted cash & cash equivalents	(982)	
Assets limited as to use under debt financing arrangements	(4,543)	
Other working capital	(16,085)	
Carrying value of Sema4's net assets (including cash)		245,453
Carrying value of non-controlling interest		236,631
Fair value of investment in Sema4 retained		850,072
Fair value of Sema4 contingent earn-out shares		74,913
Cash proceeds received		170,736
Gain on sale of partial interest in Sema4 and impact of deconsolidation of controlling interest		<u>\$ 1,577,805</u>

As shown in the table above, the School recorded a gain on deconsolidation of Sema4 of \$1.6 billion for the year ended December 31, 2021, which is included within gain on sale of partial interest in Sema4 and impact of deconsolidation of controlling interest in the consolidated statement of activities.

In January 2022, the School invested an additional \$25.0 million in exchange for 6,250,000 shares of Sema4 Class A common stock. The School's ownership percentage was 36.4% and 24.4% of Sema4's Class A common stock issued and outstanding as of December 31, 2022 and 2021, respectively. The fair value of the School's investment in Sema4 was \$20.5 million and \$346.3 million at December 31, 2022 and 2021, respectively, and is included within other investments in the consolidated statements of financial position. The School's investment is categorized as Level 2 (see Note 19) of the fair value hierarchy based on observable market data, including the share price and assumptions. The change in net unrealized gains and losses on the fair value of the

Icahn School of Medicine at Mount Sinai

Notes to Consolidated Financial Statements (continued)

6. Deconsolidation of Subsidiary (continued)

School's investment in Sema4 is included within change in net unrealized investment losses on non-pooled investments and other assets in the consolidated statements of activities.

The School charges Sema4 for subleased space in addition to other related party transactions at fair market value pertaining to collaborative arrangements supporting certain fellowship and research programs from which the School recorded approximately \$5.4 million and \$6.7 million (\$3.3 million eliminated in consolidation prior to the merger) in income recorded within other support and return on long-term investments in the consolidated statements of activities in 2022 and 2021, respectively.

Effective January 9, 2023, Sema4 changed its name to GeneDx Holdings Corp.

Icahn School of Medicine at Mount Sinai

Notes to Consolidated Financial Statements (continued)

7. Investments

Total investments of the School are maintained as follows (in thousands):

	December 31	
	2022	2021
Short-term investments	\$ 270,566	\$ 325,951
Pooled Investments	866,152	1,000,155
Other investments (marketable and nonmarketable, net)	181,451	606,259
	\$ 1,318,169	\$ 1,932,365

The following table summarizes the composition of the investment pool at December 31, 2022 and 2021 (in thousands); the School's interests in the pooled investment components are proportionate based on the ratio of its pooled investment balance to the total of the pool.

	December 31	
	2022	2021
Cash and cash equivalents	\$ 81,626	\$ 45,704
Fixed income:		
Mutual funds	6,520	36,050
Gold	42,249	52,519
Equities:		
U.S. equities	267,430	343,877
Non-U.S. equities	35,396	62,370
Alternative investments:		
Hedge funds:		
Long-only equity ^(a)	539,475	755,618
Long/short equity ^(b)	151,678	176,122
Long/short credit ^(c)	45,882	45,782
Hedged/market neutral ^(d)	349,119	331,650
Diversifying strategies ^(e)	97,220	130,235
Private investments:		
Equity ^(f)	405,182	315,852
Credit/distressed ^(g)	154,267	146,272
Real assets ^(h)	161,828	142,551
	\$ 2,337,872	\$ 2,584,602

Icahn School of Medicine at Mount Sinai

Notes to Consolidated Financial Statements (continued)

7. Investments (continued)

- ^(a)Investments, consisting of publicly traded equity holdings with long positions.
- ^(b)Investments, consisting primarily of publicly traded equity holdings with both long and short positions.
- ^(c)Investments, consisting primarily of publicly traded credit holdings with both long and short positions.
- ^(d)Investments with a balanced mix of asset exposures and strategies. Underlying exposures primarily include publicly traded equity and credit positions in relative value and various arbitrage strategies. Investments may reflect a tilt towards equity or credit with hedging.
- ^(e)Investments with a balanced mix of asset exposures and strategies. Underlying exposures primarily include publicly traded equity, credit positions, and real estate in a fundamental value approach. Investments may hold large cash positions if value opportunities are not found.
- ^(f)Investments targeting buyout, growth equity, and venture opportunities that require time to reach realization.
- ^(g)Investments in structured credit, claims, distressed positions of either a minority or controlling interest that require time to reach realization.
- ^(h)Real estate, natural resources, and asset backed royalty investments that require time to reach realization.

Icahn School of Medicine at Mount Sinai

Notes to Consolidated Financial Statements (continued)

7. Investments (continued)

The total return on the total pooled investments comprises the following for the years ended December 31 (in thousands):

	Year Ended December 31	
	2022	2021
Interest and dividend income	\$ 5,119	\$ 5,744
Net realized gains on sales of securities	70,948	126,367
Change in net unrealized gains and losses and change in value of alternative investments	(361,017)	145,641
Fees and other expenses	(10,792)	(9,234)
Total	<u>\$ (295,742)</u>	<u>\$ 268,518</u>

The School was allocated a total investment return from the pool based on agreements among the pool participants and donor stipulations of a loss of approximately \$115.0 million for the year ended December 31, 2022 and a gain of approximately \$117.2 million for the year ended December 31, 2021.

Total investment return recognized by the School include amounts allocated from the Hospital and the Medical Center's pooled investments, the School's pooled investments, cash & equivalents, short-term investments, assets limited as to use under debt financing arrangements, other assets, and other investments and comprises the following (in thousands):

	Year Ended December 31	
	2022	2021
Interest and dividend income	\$ 4,061	\$ 2,964
Net realized gains on sales of securities	30,023	55,603
Change in net unrealized gains and losses	(608,850)	(479,423)
Total return allocated by the Hospital	4,677	5,300
Fees and other expenses	(4,879)	(4,337)
Total	<u>\$ (574,968)</u>	<u>\$ (419,893)</u>

Icahn School of Medicine at Mount Sinai

Notes to Consolidated Financial Statements (continued)

8. Property, Plant, and Equipment

A summary of property, plant, and equipment is as follows (in thousands):

	December 31	
	2022	2021
Land	\$ 11,022	\$ 11,022
Buildings and improvements	1,606,373	1,582,385
Furniture, fixtures, and equipment	665,200	617,828
Leasehold interest and improvements	171,991	171,991
	<u>2,454,586</u>	<u>2,383,226</u>
Less accumulated depreciation and amortization	(1,380,414)	(1,277,811)
	<u>1,074,172</u>	<u>1,105,415</u>
Capital projects in progress	189,129	107,113
	<u>\$ 1,263,301</u>	<u>\$ 1,212,528</u>

Assets under finance leases approximate \$401.7 million and \$395.1 million (excluding capital projects in progress funded by lease incentives of \$41.6 million and \$3.1 million) at December 31, 2022 and 2021, respectively, and are included in buildings and improvements, furniture, fixtures and equipment (\$343.2 million and \$351.8 million for 2022 and 2021 respectively, net of accumulated amortization).

The School and its consolidated affiliates capitalizes costs incurred in connection with the development of internal-use software or purchased software modified for internal use. The costs are amortized over estimated useful lives ranging from five to seven years. At December 31, 2022 and 2021, total capitalized costs of approximately \$30.7 million and \$22.9 million, respectively, net of accumulated amortization, are included in furniture, fixtures, and equipment.

At December 31, 2022 and 2021, the School has commitments of approximately \$174.4 million and \$59.3 million, respectively, related to capital projects.

Icahn School of Medicine at Mount Sinai

Notes to Consolidated Financial Statements (continued)

9. Long-Term Debt and Related Assets

At December 31, 2022 and 2021, the School had outstanding long-term debt used to finance a variety of projects, including a modernization and capital improvement program, the construction of The Leon and Norma Hess Center for Science and Medicine (CSM), the Icahn Medical Institute and the Center for Advanced Medicine (CAM).

Outstanding long-term debt comprised the following (in thousands):

	December 31	
	2022	2021
Dormitory Authority of the State of New York (the Authority) debt consisting of:		
Bonds payable (including unamortized original issue premium of \$26,548 and \$29,228 at December 31, 2022 and 2021, respectively); maturing through 2045 with interest rates varying from 2.50 % to 5.00% per annum. (Series 2015A bonds)	\$ 461,733	\$ 475,843
Bonds payable (net of unamortized original issue discount of \$16 and \$36 at December 31, 2022 and 2021, respectively); maturing through 2024 with interest rates varying from 5.00 % to 5.15% per annum. (Series 1994A bonds)	27,024	39,539
Finance leases, average monthly installments of \$1,555 through 2027, with interest rates varying from 1.25% to 7.80% per annum (Note 11)	476,094	428,844
	964,851	944,226
Less deferred financing costs, net	(1,983)	(2,206)
	\$ 962,868	\$ 942,020

In August 2015, the School refunded and refinanced its outstanding Series 2007 and Series 2009 bonds, and concurrently issued, through the Authority, approximately \$512.4 million of tax-exempt Series 2015A bonds. The total amount refunded and refinanced was approximately \$484.2 million. In conjunction with the Series 2015A bonds, the School recorded an original issue premium of approximately \$48.4 million.

The Series 1994A Bonds, maturing July 1, 2024, are a tax-exempt issuance used to fund construction of the Icahn Medical Institute and were partially refunded and refinanced with the Series 2010A Bonds, of which, the School made its final debt service payment in July 2021.

Long-term debt due to the Authority is collateralized by a pledge and assignment of certain gross revenues, as defined by the loan agreements, generated by the School's faculty practice associates plan, all funds and accounts authorized under the loan agreements, and the amounts deposited in the debt service reserve funds.

Icahn School of Medicine at Mount Sinai

Notes to Consolidated Financial Statements (continued)

9. Long-Term Debt and Related Assets (continued)

In connection with the Authority's long-term debt, the School was in compliance with all required financial ratios.

As of December 31, 2022, principal payments under long-term indebtedness for the next five fiscal years and thereafter are as follows (in thousands):

	Long-Term Debt
2023	\$ 25,165
2024	26,480
2025	17,670
2026	18,515
2027	19,400
Thereafter	354,995
	<u>\$ 462,225</u>

Interest expense for all debt aggregated approximately \$31.0 million and \$32.1 million for the years ended December 31, 2022 and 2021, respectively. Capitalized interest of approximately \$4.0 million and \$3.5 million was recorded for the years ended December 31, 2022 and 2021, respectively.

Assets limited as to use under debt financing arrangements (primarily U.S. Government obligations) consisted of (in thousands):

	December 31	
	2022	2021
Debt service reserve funds	\$ 14,869	\$ 14,710
Debt service funds	24,095	23,896
	<u>\$ 38,964</u>	<u>\$ 38,606</u>

Icahn School of Medicine at Mount Sinai

Notes to Consolidated Financial Statements (continued)

10. Other Liabilities

On June 30, 2020, the School monetized two royalty streams related to currently marketed therapeutics, by executing separate purchase agreements with a third-party (the “Purchaser”), which generated upfront, non-refundable payments of \$30.0 million and \$12.7 million, respectively. Based on the terms of the agreements, the School remains the intellectual property owner and if annual royalties exceed the various annual caps, the School will retain all royalties in excess of the thresholds. Once the cumulative royalty caps are met, \$46.5 million and \$16.5 million, respectively, the School’s obligations to Purchaser cease and all future royalties revert to the School.

The School recorded a liability, included within other liabilities, in the consolidated statement of financial position (“Royalty Liability”). The Royalty Liability will be amortized using the effective interest rate method over the life of the related royalty stream. The effective interest rate is calculated based on the rate that would enable the debt to be repaid in full over the anticipated life of the arrangement. The amortization of the Royalty Liability is based on current estimates of future royalties expected to be paid over the life of the monetization agreements. The School will assess the expected royalty payments using a combination of internal projections and forecasts from external sources on a quarterly basis using the prospective method and recognize the related non-cash interest expense. The School recorded royalty revenue of \$2.7 million and \$2.0 million in 2022 and 2021, respectively, and interest expense of \$2.8 million and \$3.3 million in 2022 and 2021, respectively, relating to these two royalty streams.

On July 30, 2020, the School monetized a potential royalty stream on an in-development therapeutic, by executing a purchase agreement with the Purchaser, generating an upfront payment of \$19.8 million. In 2022, in accordance with the purchase agreement, certain milestones were achieved and the School received \$39.6 million in additional payments. Based on the terms of the agreement, the School remains the intellectual property owner and licensor and may receive additional payments if certain milestones are achieved, including approvals from certain regulatory bodies or upon achievement of certain net sales targets. Further, if annual royalties exceed a certain net sales cap the School will receive a share of all revenue above the cap. The School recorded the upfront payment as a liability included within deferred revenue in the consolidated statement of financial position. The liability will be reduced as the Purchaser receives royalty payments, which commenced in 2022, under the monetization agreement. The reduction will be calculated as a percentage of the royalty payments determined based on the ratio of the upfront payment received to the expected future cash flows. Under the monetization agreement, the School recognized \$1.0 million in royalty income in 2022 (none in 2021). As of December 31, 2022 and 2021, the liability was \$58.4 million and \$19.8 million, respectively.

Icahn School of Medicine at Mount Sinai

Notes to Consolidated Financial Statements (continued)

11. Leases

The School leases certain property and equipment under finance and operating leases, the classification of which is based on the underlying terms of the agreement and certain criteria, such as lease term relative to useful life and total lease payments compared to fair value, among other criteria. Finance leases result in an accounting treatment similar to an acquisition of the asset.

For leases with initial terms greater than one year, the School records the related right-of-use assets and liabilities at the present value of the lease payments to be paid over the life of the related lease. The School's leases may include variable lease payments and renewal options. Variable lease payments are excluded from the amounts used to determine the right-of-use assets and liabilities unless the variable lease payments depend on an index or rate or are in substance fixed payments. Lease payments related to periods subject to renewal options are also excluded from the amounts used to determine the right-of-use assets and liabilities unless the School is reasonably certain to exercise the option to extend the lease. The present value of lease payments is calculated by utilizing the discount rate stated in the lease, when readily determinable. For leases for which this rate is not readily available, the School has elected to use a risk-free discount rate determined using a period comparable with that of the lease term. The School has made an accounting policy election not to separate lease components from non-lease components in contracts when determining its lease payments. As such, the School accounts for the applicable non-lease components together with the related lease components when determining the right-of-use assets and liabilities.

Icahn School of Medicine at Mount Sinai

Notes to Consolidated Financial Statements (continued)

11. Leases (continued)

The School has made an accounting policy election not to record leases with an initial term of less than one year as right-of-use assets and liabilities.

The following schedule summarizes information related to the lease assets and liabilities as of and for the year ended December 31 (in thousands):

Lease cost	2022	2021
Finance lease cost:		
Amortization of right-of-use asset	\$ 15,605	\$ 16,603
Interest on lease liabilities	11,227	9,753
Operating lease cost	47,594	49,180
Short-term lease cost	3,778	2,932
Variable lease cost	16,994	24,072
Lease and sublease income	(12,735)	(7,975)
Total lease cost	<u>\$ 82,463</u>	<u>\$ 94,565</u>
Right-of-use assets		
Right-of-use assets – finance leases	\$ 343,172	\$ 351,845
Right-of-use assets – operating leases	337,984	360,256
Total right-of-use assets	<u>\$ 681,156</u>	<u>\$ 712,101</u>
Right-of-use liabilities		
Right-of-use liabilities – finance leases	\$ 476,094	\$ 428,844
Right-of-use liabilities – operating leases	358,049	374,415
Total right-of-use liabilities	<u>\$ 834,143</u>	<u>\$ 803,259</u>
Other information		
Cash paid for amounts included in the measurement of lease liabilities:		
Operating cash flows from finance leases	\$ 2,278	\$ 2,864
Operating cash flows from operating leases	41,813	49,437
Financing cash flows from finance leases	6,754	5,466
Weighted-average remaining lease term – finance leases	29.00	31.00
Weighted-average discount rate – finance leases	2.2%	2.1%
Weighted-average remaining lease term – operating leases	15.10	15.72
Weighted-average discount rate – operating leases	2.6%	2.6%

Icahn School of Medicine at Mount Sinai

Notes to Consolidated Financial Statements (continued)

11. Leases (continued)

For finance leases, right-of-use assets are recorded in property, plant, and equipment and lease liabilities are recorded in long-term debt in the accompanying consolidated statements of financial position. For operating leases, right-of-use assets are recorded in right-of-use assets and lease liabilities are recorded in operating lease liabilities in the accompanying consolidated statement of financial position.

The following table reconciles the undiscounted lease payments to the lease liabilities recorded on the accompanying consolidated statement of financial position at December 31, 2022 (in thousands):

	Finance Leases	Operating Leases
2023	\$ 15,758	\$ 35,283
2024	19,176	33,203
2025	20,222	32,419
2026	19,846	30,849
2027	19,542	30,502
Thereafter	643,354	285,233
Total lease payments	737,898	447,489
Less imputed interest	(212,843)	(89,440)
Less outstanding lease incentive	(48,961)	-
Total lease obligations	<u>\$ 476,094</u>	<u>\$ 358,049</u>

In March 2021, the School entered into a long-term lease with a 24-month rent abatement period for approximately 157,500 square feet of multi-purpose space in a building located at 787 11th Avenue, New York, NY. The lease includes \$90.6 million in tenant improvements being financed through the landlord of the building and will be paid along with future annual lease payments of which \$41.6 million and \$3.2 million has been drawn as of December 31, 2022 and 2021, respectively. Undiscounted future rent payments totaling \$415.0 million, in accordance with rent abatement periods, for the approximately 33 year lease term commenced when the School obtained possession of the underlying asset on March 1, 2021.

As of December 31, 2022, the School has lease agreements that have not yet commenced and therefore are not reflected in the tables above. These leases with undiscounted lease payments totaling \$133.5 million will commence in future periods with terms ranging from 5 to 30 years.

Icahn School of Medicine at Mount Sinai

Notes to Consolidated Financial Statements (continued)

11. Leases (continued)

The School has entered into lease agreements with the Hospital relating to portions of the School-owned Icahn Medical Institute and the Center for Advanced Medicine (CAM) which are used by the Hospital. The School has reflected the amount paid by the Hospital related to its leasehold interests (\$11.8 million and \$4.7 million for each building, respectively) as a reduction of its cost. Additionally, the Hospital pays the School for its share of operating expenses under the terms of the lease agreements as follows (in thousands):

	Year Ended December 31	
	2022	2021
Icahn Medical Institute	\$ 2,623	\$ 2,918
Center for Advanced Medicine	2,842	2,844
	<u>\$ 5,465</u>	<u>\$ 5,762</u>

Future minimum rental payments due from the Hospital under the leases are approximately \$4.6 million in 2023, \$2.8 million in 2024, \$2.8 million in 2025, \$2.8 million in 2026, \$2.8 million in 2027 and \$27.0 million thereafter.

The School has also entered into long-term leases with the Hospital relating to the portion of the Hospital-owned Annenberg and Guggenheim buildings used by the School. Under the leases, the School makes payments for its share of the buildings' operating expenses.

12. Perkins Loan Program

The School participates in the Perkins Loan Program (the Program) sponsored by the United States Department of Education (the DOE). The Program advances funds to the School which the School loans to students. The School is required to match a percentage of the advanced funds. The School selects student participants in the Program based on financial need and other eligibility requirements set by the Program. Principal and interest collected by the School are used to fund additional loans. Interest earned and expenses incurred by the School in conducting the Program are allocated between government advances and the School's operations based on the proportion of contributions made by the School and the DOE since the inception of the Program at the School. The aggregate amount of the DOE's net participation in the Program (net advances to the School) is reflected as a liability within federal loan capital advances in the accompanying consolidated statements of financial position. The School is in the process of liquidating the Program, which is expected to be completed by December 2024.

Icahn School of Medicine at Mount Sinai

Notes to Consolidated Financial Statements (continued)

13. Employee Relocation Loan Program

The School maintains an employee relocation loan program whereby the School participates in a portion of the financing of the primary residence mortgage of eligible faculty members. All taxes, insurance and repair and maintenance costs of the residence are the responsibility of the faculty members. If the faculty member's employment is terminated before the mortgage is repaid, the faculty member may purchase the School's share of the equity and assume the remainder of the School's mortgage obligation on the property, or the residence will be sold in accordance with the employee relocation loan program agreement and the School will be entitled to a portion of the proceeds. The School's participation in this program aggregated approximately \$78.7 million and \$73.3 million at December 31, 2022 and 2021, respectively, and is included as a component of employees' loans receivable with a corresponding liability balance.

14. Other Postretirement Benefits

In addition to the School's pension plans (see Note 17), the School provides health care and life insurance benefits to its retired employees if they reach normal retirement age while still working for the School. The School accrues the obligation to provide postretirement health care and other welfare benefits during the years in which employees provide service. The School-sponsored defined benefit plan provides postretirement medical and life insurance benefits to full-time employees who have worked ten years and attained the age of 62 while in service with the School. The plan contains cost-sharing features such as deductibles and coinsurance.

In 2004, management curtailed the benefits available under the School's postretirement health benefit plan. Employees who would be eligible for postretirement health benefits are only those persons who were 50 years of age or older with 10 years of service as of January 1, 2004, or employees with 20 years of service as of January 1, 2005.

The School recognizes the funded status (i.e., the difference between the fair value of plan assets and the projected benefit obligations) of its retiree benefits, with a corresponding adjustment to net assets without donor restrictions for the portion of the unfunded liability that has not been recognized as cost. The adjustment to net assets without donor restrictions represents the net unrecognized actuarial losses and unrecognized prior service cost, which will be recognized subsequently as a component of net periodic benefit cost through amortization.

Icahn School of Medicine at Mount Sinai

Notes to Consolidated Financial Statements (continued)

14. Other Postretirement Benefits (continued)

The following tables provide a reconciliation of the changes in the plan's benefit obligation and a statement of the funded status of the plan (in thousands):

	December 31	
	2022	2021
Reconciliation of the benefit obligation		
Obligation at January 1	\$ 5,740	\$ 6,658
Service cost	2	1
Interest cost	172	174
Plan changes	-	-
Actuarial loss (gain)	(1,398)	(686)
Benefit payments	(471)	(407)
Obligation at December 31	<u>\$ 4,045</u>	<u>\$ 5,740</u>
Funded status		
Funded status at December 31	<u>\$ (4,045)</u>	<u>\$ (5,740)</u>
Net amount recognized	<u>\$ (4,045)</u>	<u>\$ (5,740)</u>

The following table provides the components of the net periodic benefit (credit) for the plan included in general administration and support services expenses in the consolidated statement of activities (in thousands):

	Year Ended December 31	
	2022	2021
Service cost	\$ 2	\$ 1
Interest cost on projected benefit obligation	172	174
Amortization	(821)	(646)
Net periodic benefit (credit)	<u>\$ (647)</u>	<u>\$ (471)</u>

The weighted-average discount rate used in the measurement of the School's benefit obligation was 5.69% and 3.14% at December 31, 2022 and 2021, respectively. The weighted-average discount rate used in the measurement of net periodic benefit (credit) was 3.14% and 2.72% for the years ended December 31, 2022 and 2021, respectively.

Icahn School of Medicine at Mount Sinai

Notes to Consolidated Financial Statements (continued)

14. Other Postretirement Benefits (continued)

For measurement purposes relative to 2018, an annual rate of increase in the per capita cost of covered health care benefits was assumed to be 6.5%, grading down to an ultimate rate of 4.5% in 2041. A 4.5% annual rate of increase in the per capita cost of covered health care benefits was assumed for 2022. The measurement date is December 31.

Cash Flows

Contributions: The School expects to contribute approximately \$494,000 for the postretirement medical and life insurance plan in 2023.

Estimated future benefit payments: The School expects to pay the following postretirement benefit payments, which reflect future service, as appropriate (in thousands):

2023	\$	494
2024		490
2025		467
2026		438
2027		409
2028 to 2032		1,587

15. Net Assets with Donor Restrictions

Net assets with donor restrictions include endowments that have been restricted by donors to be maintained in perpetuity by the School. The School follows the requirements of the New York Prudent Management of Institutional Funds Act (NYPMIFA) as they relate to its endowments, effective upon New York State's enactment of the legislation in September 2010.

The School has interpreted NYPMIFA as requiring the preservation of the fair value of the original gift as of the gift date of the donor-restricted endowment fund absent explicit donor stipulations to the contrary. As a result of this interpretation, the School classifies within net assets with donor restrictions the original value of the gifts donated to the endowment and the original value of subsequent gifts to the endowment. Accumulations to the endowment are used in accordance with the direction of the applicable donor gift. The remaining portion of the donor-restricted endowment fund is also classified in net assets with donor restrictions until the amounts are appropriated for

Icahn School of Medicine at Mount Sinai

Notes to Consolidated Financial Statements (continued)

15. Net Assets with Donor Restrictions (continued)

expenditure in accordance with a manner consistent with the standard of prudence prescribed by NYPMIFA. In accordance with NYPMIFA, the School considers the following factors in making a determination to appropriate or accumulate donor-restricted endowment funds: (1) the duration and preservation of the fund; (2) the purposes of the School and the donor-restricted endowment fund; (3) general economic conditions; (4) the possible effect of inflation and deflation; (5) where appropriate and circumstances would otherwise warrant, alternatives to expenditure of the endowment fund, giving due consideration to the effect that such alternatives may have on the institution; (6) the expected total return from income and the appreciation of investments; (7) other resources of the School; and (8) the investment and spending policies of the School. The School's policies provide the guidelines for setting the annual spend rate (4.25% in 2022 and 5.0% in 2021) and the treatment of any investment returns in excess (or less than) of the annual spend rate. The endowment spend rate is calculated on the average three-year rolling market value of each endowed fund. Any excess investment returns beyond the spending rate, to the extent available, are added to the endowed fund and classified as net assets with donor restrictions, unless also appropriated for expenditure.

The School has adopted investment and spending policies for endowment assets that attempt to provide a predictable stream of funding to programs supported by its endowment. Endowment assets are invested in a manner to provide that sufficient assets are available as a source of liquidity for the intended use of the funds, achieve the optimal return possible within the specified risk parameters, prudently invest assets in a high-quality diversified manner and adhere to the established guidelines.

To satisfy its long-term rate-of-return objectives, the School relies on a total return strategy in which investment returns are achieved through both capital appreciation (realized and unrealized) and current yield (interest and dividends). The School appropriately diversifies its assets to provide for capital preservation and inflation risk protection while maintaining market exposure.

From time to time, the fair value of assets associated with individual donor-restricted endowment funds may fall below the level of the original principal donation. These deficiencies could result from unfavorable market fluctuations that occur shortly after the investment of new donor-restricted contributions and continued appropriation for certain programs deemed prudent by the Board of Trustees. There were no deficiencies of this nature that are reported in net assets without donor restrictions as of December 31, 2022 and 2021.

Icahn School of Medicine at Mount Sinai

Notes to Consolidated Financial Statements (continued)

15. Net Assets with Donor Restrictions (continued)

Net assets with donor restrictions are available to support program activities as stipulated by donors. Certain net assets with donor restrictions are restricted to investment in perpetuity with the income expendable to support program activities as stipulated by donors. The School's net assets with donor restrictions support the following activities (in thousands):

Category	As of December 31	
	2022	2021
Professorships	\$ 199,835	\$ 221,448
Faculty fellowships	41,672	49,168
Lectures and prizes	18,032	19,661
Scholarships and loans	118,978	135,922
Research centers	71,785	77,845
Research, instruction, and operations, including capital projects	570,067	529,993
	\$ 1,020,369	\$ 1,034,037

Changes in endowment assets for the years ended December 31, 2022 and 2021, were as follows (in thousands):

	Year Ended December 31	
	2022	2021
Endowment assets at January 1	\$ 607,479	\$ 567,161
Total investment return	(53,115)	46,367
Contributions	7,659	10,386
Appropriation of endowment assets for expenditure	(14,380)	(16,435)
Endowment assets at December 31	\$ 547,643	\$ 607,479

Net assets were released from restrictions in satisfaction of the following restrictions (in thousands):

	Year Ended December 31	
	2022	2021
Instruction	\$ 7,125	\$ 8,140
Research	44,760	35,251
	\$ 51,885	\$ 43,391

Icahn School of Medicine at Mount Sinai

Notes to Consolidated Financial Statements (continued)

16. Sponsored Research

Research grants and contracts generally provide for the recovery of direct and indirect costs. The School recognizes revenue associated with direct costs as conditional barriers are met and the related costs are incurred. Recovery of related indirect costs is recorded using facilities and administrative rates negotiated with the federal government and other sponsors. Certain School clinical research programs are conducted in Hospital facilities. Direct expenditures under federal research projects totaled approximately \$423.1 million and \$385.8 million for the years ended December 31, 2022 and 2021, respectively. The School's principal source of federal research funds is the U.S. Department of Health and Human Services. Research grants and contracts awarded but not yet recognized as revenue approximated \$459.4 million and \$471.9 million as of December 31, 2022 and 2021, respectively.

17. Pension and Similar Plans

Through participation in the Hospital's pension plan, the School provides pension and similar benefits to administrative service employees through several defined benefit multiemployer union plans and immediate vesting tax-sheltered annuity plans. Contributions to the defined benefit multiemployer union plans are made in accordance with contractual agreements under which contributions are generally based on salaries. Payments to the tax-sheltered annuity plans are generally based on percentages of annual salaries. It is the School's policy to fund accrued costs under these plans on a current basis. The School's pension expense under all existing plans for the years ended December 31, 2022 and 2021, aggregated approximately \$67.5 million and \$67.1 million, respectively.

Additionally, the Hospital and the School jointly offer a 457(b) plan to certain of their respective employees. Contributions are made solely by the employees through their payroll deductions. The contributions are maintained in individual participant accounts held by a custodian and remain an asset of the employer until the participant retires. A corresponding liability is also recorded for these amounts to be reduced upon the participant's retirement. At December 31, 2022 and 2021, the School has included approximately \$134.9 million and \$145.8 million in other investments and accrued salaries, wages and related liabilities in its consolidated statements of financial position related to the 457(b) plan.

Icahn School of Medicine at Mount Sinai

Notes to Consolidated Financial Statements (continued)

18. Commitments and Contingencies

In 2010, the School entered into a \$1.0 million letter of credit and reimbursement agreement with a commercial bank pursuant to which the bank agreed to issue a direct-pay letter of credit to ensure the performance and completion guarantee in connection with the CSM building construction project. In 2014, the letter of credit was reduced to approximately \$0.1 million. No advances were made on the letter of credit as of December 31, 2022 or 2021.

Litigation

The School is a defendant in various legal actions arising out of the normal course of its operations, the final outcome of which cannot presently be determined. School management is of the opinion that the ultimate liability, if any, with respect to all of these matters will not have a material adverse effect on the School's consolidated financial position.

19. Fair Value Measurements

For assets and liabilities requiring fair value measurement, the School measures fair value based on the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The School follows a fair value hierarchy based upon the transparency of inputs to the valuation of an asset or liability as of the measurement date. The three levels are defined as follows:

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

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

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

A financial instrument's categorization within the valuation hierarchy is based upon the lowest level of input that is significant to the fair value measurement. In determining fair value, the School uses valuation techniques that maximize the use of observable inputs and minimize the use of unobservable inputs to the extent possible, as well as considers nonperformance risk in its assessment of fair value. Any investments valued based upon the net asset value (NAV) are not subject to the valuation hierarchy.

Icahn School of Medicine at Mount Sinai

Notes to Consolidated Financial Statements (continued)

19. Fair Value Measurements (continued)

Financial assets carried at fair value by the School as of December 31, 2022, are classified in the table below in one of the three categories described above (in thousands):

	Level 1	Level 2	Level 3	Total
Cash and cash equivalents	\$ 57,089	\$ –	\$ –	\$ 57,089
Short-term investments:				
Mutual funds	270,566	–	–	270,566
Assets limited as to use:				
U.S. government obligations	–	38,964	–	38,964
Other investments:				
Equities	769	37,504	–	38,273
Mutual funds	115,849	–	–	115,849
Guaranteed investment contracts	–	–	19,067	19,067
	<u>\$ 444,273</u>	<u>\$ 76,468</u>	<u>\$ 19,067</u>	<u>539,808</u>
Investments measured at NAV as a practical expedient:				
Pooled investments				866,152
Other Investments				2,243
				<u>\$ 1,408,203</u>

Icahn School of Medicine at Mount Sinai

Notes to Consolidated Financial Statements (continued)

19. Fair Value Measurements (continued)

Financial assets carried at fair value by the School as of December 31, 2021, are classified in the table below in one of the three categories described above (in thousands):

	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>	<u>Total</u>
Cash and cash equivalents	\$ 33,848	\$ –	\$ –	\$ 33,848
Short-term investments:				
Cash	10,000	–	–	10,000
Mutual funds	315,951	–	–	315,951
Assets limited as to use:				
U.S. government obligations	–	38,606	–	38,606
Other investments:				
Equities	2,742	450,434	–	453,176
Mutual funds	128,928	–	–	128,928
Guaranteed investment contracts	–	–	16,850	16,850
Other Assets:				
Equity Contracts	–	–	6,976	6,976
	<u>\$ 491,469</u>	<u>\$ 489,040</u>	<u>\$ 23,826</u>	<u>1,004,335</u>
Investments measured at NAV as a practical expedient:				
Pooled investments				1,000,155
Other Investments				2,498
				<u>\$ 2,006,988</u>

Amounts not included in the tables above represent certain investments recorded at cost of approximately \$6.0 million and \$4.8 million at December 31, 2022 and 2021, respectively.

Icahn School of Medicine at Mount Sinai

Notes to Consolidated Financial Statements (continued)

19. Fair Value Measurements (continued)

The following is a summary of investments (by major category) with restrictions on the investment pool's ability to redeem its investments at the measurement date, any unfunded capital commitments and investments strategies of the investees as of December 31, 2022 (in thousands):

Description of Investment	Carrying Value	Unfunded Commitments	Redemption Frequency	Redemption Notice Period	Funds Availability
Hedge funds:					
Long-only equity	\$ 539,475	\$ –	Monthly/3 Years	30 to 180 days	3 to 30 days
Hedged equity	151,678	–	Quarterly/2 years	60 to 90 days	30 days
Long/short credit	45,882	–	Quarterly	90 days	120 days
Stable-assets	349,119	–	Quarterly/2 Years	45 to 90 days	30 to 90 days
Diversifying Strategies	97,220	–	Semi-annually/Annually	90 days	30 days
Private investments:					
Equity	405,182	310,352	N/A	N/A	N/A
Credit/distressed	154,267	57,307	N/A	N/A	N/A
Real assets	161,828	13,516	N/A	N/A	N/A
	<u>\$ 1,904,651</u>	<u>\$ 381,175</u>			

The following is a description of the School's valuation methodologies for assets measured at fair value. Fair value for Level 1 is based upon quoted market prices. Fair value for Level 2 is based on quoted prices for similar instruments in active markets, quoted prices for identical or similar instruments in markets that are not active and model-based valuation techniques for which all significant assumptions are observable in the market or can be corroborated by observable market data for substantially the full term of the assets. Inputs are obtained from various sources, including market participants, dealers and brokers. Level 3 assets consist primarily of certain guaranteed investment contracts, the valuation for which is described in Note 1. The methods described above may produce a fair value that may not be indicative of net realizable value or reflective of future fair values. Furthermore, while the School believes its valuation methods are appropriate and consistent with other market participants, the use of different methodologies or assumptions to determine the fair value of certain financial instruments could result in a different estimate of fair value at the reporting date.

The fair value of financial instruments classified by the School in Level 3 of the valuation hierarchy approximately \$19.1 million and \$23.8 million at December 31, 2022 and 2021, respectively. There were no new asset issuance classified as Level 3 Investments in 2022 (\$7.0 million in 2021). There were no assets transfers in or out of the Level 3 Investments in 2022 or 2021.

Icahn School of Medicine at Mount Sinai

Notes to Consolidated Financial Statements (continued)

20. Multiemployer Pension Plan

The School contributes to one multiemployer defined benefit pension plan under the terms of collective-bargaining agreements that cover its union-represented employees. The risks of participating in the multiemployer plan are different from single-employer plans in the following aspects:

- (a) Assets contributed to the multiemployer plan by one employer may be used to provide benefits to employees of other participating employers.
- (b) If a participating employer stops contributing to the plan, the unfunded obligations of the plan may be borne by the remaining participating employers.
- (c) If an employer chooses to stop participating in some of its multiemployer plans, the employer may be required to pay those plans an amount based on the underfunded status of the plan, referred to as a withdrawal liability.

The School’s participation in the plan for the year ended December 31, 2020, is outlined in the table below. The “EIN Number” column provides the Employer Identification Number (EIN). Unless otherwise noted, the most recent Pension Protection Act (PPA) zone status available in 2022 and 2021 is for a plan’s year end at December 31, 2021 and 2020, respectively. The zone status is based on information that the School received from the plan and is certified by the plan’s actuaries. Among other factors, a plan in the red zone is generally less than 65% funded, a plan in the yellow zone is less than 80% funded, and a plan in the green zone is at least 80% funded. The “FIP/RP Status Pending/Implemented” column indicates the plan for which a financial improvement plan (FIP) or a rehabilitation plan (RP) is pending or has been implemented. The last column lists the expiration date of the collective bargaining agreement to which the plan is subject. There have been no significant changes that affect the comparability of 2022 and 2021 contributions.

Pension Fund	EIN Number	Plan Number	Pension Protection Act Zone Status		SFIP/ RP Status Pending/ Implemented	Contributions by the School		Surcharge Imposed	Expiration Date of Collective-Bargaining Agreement
			2022	2021		2022	2021		
<i>(In Thousands)</i>									
1199 SEIU Health Care Employees Pension Fund	13-3604862	001	Green as of 1/01/2022	Green as of 1/01/2021	No	\$ 2,640	\$ 2,973	No	09/30/2024

At the date the School’s consolidated financial statements were issued, Form 5500 was not yet available for the plan year ended in 2022.

Icahn School of Medicine at Mount Sinai

Notes to Consolidated Financial Statements (continued)

21. Natural Expenses

The School provides patient care services, research, scholarships and other services. Expenses related to providing these services for the years ended December 31, 2022 and 2021, are as follows:

	December 31, 2022					
	Patient Care Services	Sponsored Research	Basic and Clinical Sciences	Scholarships	General Administration and Support Services	Total
Compensation and fringe benefits	\$ 1,801,921	\$ 311,620	\$ 428,134	\$ –	\$ 154,982	\$ 2,696,657
Purchased supplies and services	393,288	224,347	70,102	7,125	126,192	821,054
Interest	–	–	–	–	30,996	30,996
Depreciation and amortization	–	–	–	–	104,586	104,586
Total	\$ 2,195,209	\$ 535,967	\$ 498,236	\$ 7,125	\$ 416,756	\$ 3,653,293

	December 31, 2021					
	Patient Care Services	Sponsored Research	Basic and Clinical Sciences	Scholarships	General Administration and Support Services	Total
Compensation and fringe benefits	\$ 1,726,851	\$ 284,709	\$ 449,888	\$ –	\$ 344,548	\$ 2,805,996
Purchased supplies and services	482,497	194,360	65,075	8,140	131,397	881,469
Interest	–	–	–	–	32,146	32,146
Depreciation and amortization	–	–	–	–	112,089	112,089
Total	\$ 2,209,348	\$ 479,069	\$ 514,963	\$ 8,140	\$ 620,180	\$ 3,831,700

Icahn School of Medicine at Mount Sinai

Notes to Consolidated Financial Statements (continued)

22. Liquidity and Available Resources

Financial assets available for general expenditure within one year of the consolidated statement of financial position date, consist of the following:

Cash and cash equivalents	\$ 35,535
Short-term investments	143,297
Patient accounts receivable, net	137,021
Pooled investments	277,968
	<u>\$ 593,821</u>

The School maintains assets limited as to use for debt service that are not available for general expenditure within the next year and are not reflected in the amounts above. The School's other investments that are publicly listed companies are subject to market conditions and regulatory constraints in order to liquidate for expenditure and, therefore, have been excluded from the above table. Pursuant to the pledge agreement with the MRO (see Note 3), the School will receive scheduled annual cash payments of \$38-\$40 million per year during the years 2023-2024 that will reduce the School's receivable from the MRO which is not included in the School's net assets and, therefore, is not reflected in the above table.

23. Department of Education Title IV Information

During September 2019, the U.S. Department of Education issued regulations, effective for audit reporting filed after June 30, 2020, regarding additional disclosures deemed necessary to calculate certain ratios for determining sufficient financial responsibility under Title IV regulations. The School implemented the disclosures as of January 1, 2019. The information as of and for the year ended December 31, 2022 is as follows (in thousands):

Assets

Property, plant, and equipment, net at December 31, 2021 (including construction in progress)	\$ 1,212,528
Debt-financed Property, plant, and equipment, net acquired during 2022	45,057
Property, plant, and equipment, net acquired without debt during 2022	(76,300)
Construction in Progress	82,016
Property, plant, and equipment, net at December 31, 2022	<u>\$ 1,263,301</u>

Liabilities

Long-term debt as of December 31, 2021	513,176
Long-term debt as of December 31, 2022	486,774

Icahn School of Medicine at Mount Sinai

Notes to Consolidated Financial Statements (continued)

23. Department of Education Title IV Information (continued)

Non-Operating and Net Investment Gain Without Donor Restrictions	
Investment income allocated to operations	\$ 42,112
Change in unrealized investment losses on non-pooled investments and other assets	(463,171)
Investment return earned greater than amounts allocated to operations	<u>(88,650)</u>
Non-operating and net investment loss	<u>\$ (509,709)</u>
Total Revenue and Gains Without Donor Restrictions	
Total revenue, gains, support, and reclassifications	\$ 3,617,029
Change in unrealized investment losses on non-pooled investments and other assets	(463,171)
Investment return earned greater than amounts allocated to operations	<u>(88,650)</u>
	<u>\$ 3,065,208</u>

24. Subsequent Events

Other than the matter noted in Note 6, as of April 4, 2023, the date the consolidated financial statements were issued, there were no subsequent events or transactions that either resulted in recognition in the accompanying consolidated financial statements or required additional disclosure

Financial Responsibility Supplemental Schedule
Related to U.S. Department of Education
Title IV Regulations

Icahn School of Medicine at Mount Sinai
Financial Responsibility Supplemental Schedule (continued)

Reference to Financial Statements and/or Notes	Ratio Element	Amount (In Thousands)
Primary reserve ratio		
Expendable net assets:		
Consolidated Statement of Financial Position	Net assets without donor restrictions	\$ 268,419
Consolidated Statement of Financial Position	Net assets with donor restrictions	1,020,369
Consolidated Statement of Financial Position – Due from New York City Health and Hospitals Corporation	Due from related organizations, net (secured and unsecured)	24,025
Consolidated Statement of Financial Position – Due from New York City Health and Hospitals Corporation	Due from related organizations, net (unsecured)	24,025
Note 23. Department of Education Title IV	Property, plant and equipment, net at December 31, 2021	\$ 1,212,528
Note 23. Department of Education Title IV	Property, plant and equipment, net acquired with debt during 2022:	
	Finance leases	45,057
Note 23. Department of Education Title IV	Property, buildings and equipment, net acquired without debt during 2022	(76,300)
Note 23. Department of Education Title IV	Construction in Progress	82,016
Note 23. Department of Education Title IV	Total property, plant and equipment, net at December 31, 2022	<u>\$ 1,263,301</u>
Note 11. Leases	Right-of-use assets operating leases at December 31, 2021	\$ 360,256
Note 11. Leases	Right-of-use assets operating leases at December 31, 2022	337,984
Not applicable	Intangible assets	–
Consolidated Statement of Financial Position - Postretirement health benefit obligations	Post-employment and pension liabilities	4,045
Note 23. Department of Education Title IV	Long-term debt at December 31, 2021	513,176
Note 23. Department of Education Title IV	Long-term debt at December 31, 2022	486,774
Note 11. Leases	Right-of-use liabilities at December 31, 2021	803,259
Note 11. Leases	Right-of-use liabilities at December 31, 2022	834,143

Icahn School of Medicine at Mount Sinai
Financial Responsibility Supplemental Schedule (continued)

Reference to Financial Statements and/or Notes	Ratio Element	Amount (In Thousands)
Primary reserve ratio (continued)		
Expendable net assets (continued):		
Not applicable	Annuities with donor restrictions	\$ –
Consolidated Statement of Activities – Net assets at end of year (Purpose and Time Restrictions)	Term endowments	583,307
Consolidated Statement of Activities – Net assets at end of year (Permanent Endowment)	Restricted in perpetuity	437,062
Consolidated Statement of Activities	Total net assets with donor restrictions	<u>\$ 1,020,369</u>
Total expenses and losses:		
Consolidated Statement of Activities	Total expenses without donor restrictions	\$ 3,653,293
Note 23. Department of Education Title IV	Non-operating and net investment loss without donor restrictions	(509,709)
Consolidated Statement of Activities – Investment return earned greater than amounts allocated to operations (Donor Restricted)	Investment return earned greater than amounts allocated to operations	(70,263)
Not applicable	Pension-related changes other than net periodic costs	–
Equity ratio		
Modified net assets:		
Consolidated Statement of Financial Position	Net assets without donor restrictions	\$ 268,419
Consolidated Statement of Financial Position	Net assets with donor restrictions	1,020,369
Not applicable	Intangible assets	–
Consolidated Statement of Financial Position – Due from New York City Health and Hospitals Corporation	Due from related organizations, net (secured and unsecured)	24,025
Consolidated Statement of Financial Position – Due from New York City Health and Hospitals Corporation	Due from related organizations, net (unsecured)	24,025

Icahn School of Medicine at Mount Sinai
Financial Responsibility Supplemental Schedule (continued)

Reference to Financial Statements and/or Notes	Ratio Element	Amount (In Thousands)
Equity ratio (continued)		
Modified assets:		
Consolidated Statement of Financial Position	Total assets	\$ 3,697,731
Note 11. Leases	Right-of-use assets at December 31, 2021	360,256
Note 11. Leases	Right-of-use liabilities at December 31, 2021	803,259
Consolidated Statement of Financial Position – Due from New York City Health and Hospitals Corporation	Due from related organizations, net (secured and unsecured)	24,025
Consolidated Statement of Financial Position – Due from New York City Health and Hospitals Corporation	Due from related organizations, net (unsecured)	24,025
Net income ratio		
Consolidated Statement of Activities	Change in net assets without donor restrictions	\$ (588,085)
Note 23. Department of Education Title IV	Total revenue and gains	3,065,208

Supplementary Information, Audit Reports and Schedules Related
to the Uniform Guidance

Icahn School of Medicine at Mount Sinai
Schedule of Expenditures of Federal Awards (continued)

Icahn School of Medicine at Mount Sinai
Schedule of Expenditures of Federal Awards

Year Ended December 31, 2022

Federal Department Program Title	Assistance Listing Number	Pass-Through Entity Identifying Number	Research & Development Cluster	Student Financial Assistance Cluster	Other Expenditures	Total Expenditures	Expenditures to Subrecipient
Department of Agriculture							
Sustainable Agriculture Research and Education Pass-Through University of Vermont	10.215	LNE19-388RB-33243	\$ 61,018	\$	\$	\$ 61,018	\$ 5,000
Organic Agriculture Research and Extension Initiative Pass-through Cornell University	10.307	90024-21157	15,988	-	-	15,988	-
Environmental Quality Incentives Program Total Department of Agriculture	10.912		8,339	-	-	8,339	-
			85,345	-	-	85,345	5,000
Department of Defense							
Basic and Applied Scientific Research Pass-through University of California, Davis	12.300	A20-2957-S001	122,723	-	-	122,723	-
Military Medical Research and Development							
U.S. Army	12.420		7,365,450	-	-	7,365,450	753,095
Pass-through Boston University	12.420	4500002814	64,989	-	-	64,989	-
Pass-through Bronx Veterans Medical Research Inc.	12.420	191709/P0549001/W8XWH2010328 SUB-1	117,691	-	-	117,691	-
Pass-through Cornell University	12.420	221475	118,756	-	-	118,756	-
Pass-through Denver Research Institute	12.420	MSRC-FY21-01	4,883	-	-	4,883	-
Pass-through Florida State University	12.420	R000002866	11,255	-	-	11,255	-
Pass-through Memorial Sloan-Kettering Cancer Center	12.420	C22004893	309,248	-	-	309,248	-
Pass-through Oregon Health & Science University	12.420	1014941 MTSINAI	53,133	-	-	53,133	-
Pass-through Scripps Research Institute/Sanford Burnham Prebys Medical Discovery Institute	12.420	69867-13290-MSSM/W81XWH-20-1-0270	605,338	-	-	605,338	-
Pass-through Memorial Sloan-Kettering Cancer Center	12.420	C21859645/C21869723	117,573	-	-	117,573	-
Pass-through University of Porto	12.420	W81XWH1920053	12,685	-	-	12,685	-
Pass-through University Of Southern California	12.420	SCON-00003699	22,582	-	-	22,582	-
Total Military Medical Research and Development			8,803,583	-	-	8,803,583	753,095
Basic Scientific Research							
U.S. Army	12.431		590,128	-	-	590,128	-
Pass-through Virginia Tech	12.431	451474-19C70	20,449	-	-	20,449	-
Total Basic Scientific Research			610,577	-	-	610,577	-
Uniformed Services University Medical Research Projects							
COVID-19 Pass-Through Henry M. Jackson Foundation	12.750	5633	1,715	-	-	1,715	-

Icahn School of Medicine at Mount Sinai
Schedule of Expenditures of Federal Awards (continued)

Federal Department Program Title	Assistance Listing Number	Pass-Through Entity Identifying Number	Research & Development Cluster	Student Financial Assistance Cluster	Other Expenditures	Total Expenditures	Expenditures to Subrecipient
Air Force Defense Research Sciences Program Pass-through Florida Institute for Human & Machine Cognition, Inc	12.800	FA8650-19-C-7944	459,900	-	-	459,900	-
Department of Defense (continued)							
Research and Technology Development							
Defense Advanced Research Project	12.910		\$ 4,925	\$ -	\$ -	\$ 4,925	\$ -
COVID-19 Pass-Through University Of California, San Francisco	12.910	11961SC	102,872	-	-	102,872	-
Pass-through Institut Pasteur	12.910	HROOL 1-17-2-0023	6,428	-	-	6,428	-
Pass-through New York University	12.910	21-A0-00-1007368	137,750	-	-	137,750	-
Pass-through University of North Carolina	12.910	5117493	870,915	-	-	870,915	-
Total Research and Technology Development			1,122,890	-	-	1,122,890	-
Total Department of Defense			11,121,388	-	-	11,121,388	753,095
Department of Justice							
Sexual Assault Services Formula Program Pass-through New York State Coalition Against Sexual Assault (NYS CASA)	16.017	SASP/RCP-15/SASP-20-23	-	-	29,683	29,683	-
National Institute of Justice Research, Evaluation, and Development Project Grants	16.560		-	-	486,106	486,106	277,860
Crime Victim Assistance Pass-through New York State, Office of Victim Services	16.575	OVS01-C10977GG-10802/C11284GG	-	-	986,102	986,102	-
Violence Against Women Formula Grants Pass-through New York State Division of Criminal Justice Service	16.588	DCJ01-C00355GG-10900/DCJ01-C00355GG-1090000	-	-	99,044	99,044	-
Total Department of Justice			-	-	1,600,935	1,600,935	277,860
National Aeronautics and Space Administration (NASA)							
Exploration NASA	43.003		462,847	-	-	462,847	-
Pass-through University of Virginia	43.003	GG13377	157,886	-	-	157,886	-
Total National Aeronautics and Space Administration			620,733	-	-	620,733	-
National Science Foundation							
Engineering							
National Science Foundation	47.041		782,559	-	-	782,559	-
Pass-through Research Foundation of CUNY	47.041	CM00007252-00	25,125	-	-	25,125	-
Pass-through University of Washington/Stevens Institute of Technology	47.041	2103085-02/UWSC13721	73,726	-	-	73,726	-
Total Engineering			881,410	-	-	881,410	-
Computer and Information Science and Engineering National Science Foundation	47.070		186,701	-	-	186,701	-
Biological Sciences							
National Science Foundation	47.074		52,710	-	-	52,710	-
Pass-through University of California, San Diego	47.074	122085731	44,892	-	-	44,892	-
Total Biological Sciences			97,602	-	-	97,602	-

Icahn School of Medicine at Mount Sinai
Schedule of Expenditures of Federal Awards (continued)

Federal Department Program Title	Assistance Listing Number	Pass-Through Entity Identifying Number	Research & Development Cluster	Student Financial Assistance Cluster	Other Expenditures	Total Expenditures	Expenditures to Subrecipient
National Science Foundation (continued)							
Education and Human Resources	47.076		\$ 103,389	\$ -	\$ -	\$ 103,389	\$ -
Office of International Science and Engineering COVID-19 Pass-through University of Wisconsin, Madison	47.079	OISE-20-66590-1/0000001034	26,483	-	-	26,483	-
NSF Technology, Innovation, and Partnerships	47.084		1,787	-	-	1,787	-
Total National Science Foundation			<u>1,297,372</u>	<u>-</u>	<u>-</u>	<u>1,297,372</u>	<u>-</u>
Environmental Protection Agency							
Surveys, Studies, Research, Investigations, Demonstrations, and Special Purpose Activities Relating to the Clean Air Act	66.034		5,322	-	-	5,322	-
Total Environmental Protection Agency			<u>5,322</u>	<u>-</u>	<u>-</u>	<u>5,322</u>	<u>-</u>
Department of Education							
Federal Perkins Loan Program-Federal Capital Contributions	84.038		-	1,180,191	-	1,180,191	-
Federal Direct Student Loans	84.268		-	18,976,607	-	18,976,607	-
Federal Work-Study Program	84.033		-	78,881	-	78,881	-
Total Department of Education			<u>-</u>	<u>20,235,679</u>	<u>-</u>	<u>20,235,679</u>	<u>-</u>

Icahn School of Medicine at Mount Sinai
Schedule of Expenditures of Federal Awards (continued)

Federal Department Program Title	Assistance Listing Number	Pass-Through Entity Identifying Number	Research & Development Cluster	Student Financial Assistance Cluster	Other Expenditures	Total Expenditures	Expenditures to Subrecipient
Department of Health and Human Services							
Blood Disorder Program: Prevention, Surveillance, and Research							
Pass-through American Thrombosis and Haemostasis Network	93.080	ATHN2020CDC-II-03/ATHN2020CDC-II-01/ATHN2020CDC-II-02	\$ 349,432	\$ -	\$ -	\$ 349,432	\$ 248,797
Comprehensive Community Mental Health Services for Children with Serious Emotional Disturbances (SED)							
Pass-through Missouri Coalition for Community Behavioral Healthcare	93.104	5 H79 SM63402-02	29,506	-	-	29,506	-
Environmental Health							
Pass-through Brown University	93.113	1957	14,010	-	-	14,010	-
Pass-through Children's Hospital, Los Angeles	93.113	000013899-A	340,338	-	-	340,338	-
Pass-through Columbia University	93.113	2(GG013311-01)/1 GG015212-01/1(GG017455-01)/1 GG017471-01	546,796	-	-	546,796	-
Pass-through Emory University	93.113	1 R01 ES029212-01/A025046/1 R21 ES034139-01	332,661	-	-	332,661	-
Pass-through Harvard University of Public Health	93.113	113116-5111919	52,959	-	-	52,959	-
Pass-through Henry Ford Health System	93.113	1 R01 ES028235-01	92,551	-	-	92,551	-
Pass-through Johns Hopkins University	93.113	2004667874/2005345004/2005429475	494,009	-	-	494,009	-
Pass-through New York University	93.113	20-00-001004434	105,622	-	-	105,622	-
Pass-through Queens College of CUNY	93.113	CM00000654-00	370,093	-	-	370,093	-
Pass-through University of North Carolina	93.113	5120767	204,623	-	-	204,623	-
Pass-through University of Southern California	93.113	122873373/130801387/133419509	145,943	-	-	145,943	-
Total Environmental Health			2,699,605	-	-	2,699,605	-
Oral Diseases and Disorders Research Program							
Pass-through Case Western Reserve University	93.121	RES516500	56,142	-	-	56,142	-
Pass-through Johns Hopkins University	93.121	5 R35 DE026631 02-03	661	-	-	661	-
Pass-through Pennsylvania State University	93.121	S002741-DHHS	130,893	-	-	130,893	-
Pass-through SUNY At Buffalo	93.121	R1229593	52,466	-	-	52,466	-
Pass-through University of California, Los Angeles	93.121	1490 G XB382	43,137	-	-	43,137	-
Pass-through University of Puerto Rico	93.121	2019-001938	70,255	-	-	70,255	-
Total Oral Diseases and Disorders Research			353,554	-	-	353,554	-
Injury Prevention and Control Research and State and Community Based Programs							
Pass-through New York University	93.136	19-A0-00-1003246	27,815	-	-	27,815	-
NIEHS Superfund Hazardous Substances/Basic Research and Education							
Pass-through Research Foundation of CUNY	93.143	CM00007073-00/CM00007073-02	95,322	-	-	95,322	-
Health Program for Toxic Substances and Disease Registry							
COVID-19 Pass-Through American Academy of Pediatrics	93.161	1012132 - ISMMS/PO100804	83,163	-	-	83,163	-
Pass-through American Academy of Pediatrics	93.161	77120 ISMMS/1012032 ISMMS /PO100752/PO100804/PO1800804/PO101029	312,406	-	-	312,406	-
Total Health Program for Toxic Substances and Disease Registry			395,569	-	-	395,569	-
Human Genome Research							
Pass-through Case Western Reserve University	93.172	RES515853	73,936	-	-	73,936	-
Pass-through Massachusetts General Hospital	93.172	239465	148,176	-	-	148,176	-

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Federal Department Program Title	Assistance Listing Number	Pass-Through Entity Identifying Number	Research & Development Cluster	Student Financial Assistance Cluster	Other Expenditures	Total Expenditures	Expenditures to Subrecipient
Department of Health and Human Services (continued)							
Pass-through Rutgers University	93.172	1207	\$ 345,760	\$ -	\$ -	\$ 345,760	\$ -
Pass-through The Broad Institute	93.172	5001165-5500001661	18,702	-	-	18,702	-
Pass-through University of California, Los Angeles	93.172	1460 G YA565	134,339	-	-	134,339	-
Pass-through University of California, Santa Cruz	93.172	A20-0450-S003	43,561	-	-	43,561	-
Pass-through University of Colorado	93.172	FY21.1067.002	61,147	-	-	61,147	-
Total Human Genome Research			825,621	-	-	825,621	-
Research Related to Deafness and Communication Disorders							
Pass-through New York University	93.173	F1490-001	56,126	-	-	56,126	-
Pass-through University of Illinois	93.173	18720	215,582	-	-	215,582	-
Total Research Related to Deafness and Communication Disorders			271,708	-	-	271,708	-
Immunization Research, Demonstration, Public Information and Education Training and Clinical Skills Improvement Projects							
Pass-through Wayne State University	93.185	WSU22012	219,914	-	-	219,914	-
Research and Training in Complementary and Integrative Health							
Pass-through New York University	93.213	17-A0-00-008501/M190174563	33,645	-	-	33,645	-
Research on Healthcare Costs, Quality and Outcomes Program							
Pass-through University of Pittsburgh	93.226	AWD00004483 136450-5	135,312	-	-	135,312	-
Pass-through University of Texas	93.226	171072/171070	31,609	-	-	31,609	-
Total Research on Healthcare Costs, Quality and Outcomes Program			166,921	-	-	166,921	-
National Center on Sleep Disorders Research							
Pass-through Brigham and Women's Hospital	93.233	125876	201,939	-	-	201,939	-
Mental Health Research Grants							
Pass-through Albert Einstein College of Medicine	93.242	312055/311181/P0621888	192,992	-	-	192,992	-
Pass-through Brigham and Women's Hospital	93.242	124050/126096	768,387	-	-	768,387	-
Pass-through Duke University/Case Western Reserve University	93.242	303-000052/RES515974	195,978	-	-	195,978	-
Pass-through Cold Spring Harbor University	93.242	64550320	154,179	-	-	154,179	-
Pass-through Columbia University	93.242	1(GG14236-01)/G12943/2(GG017166-01)	1,263,517	-	-	1,263,517	-
Pass-through Duke University	93.242	A034615/A034316	88,749	-	-	88,749	-
Pass-through Emory University	93.242	A403741	72,953	-	-	72,953	-
Pass-through Foundation for Mental Hygiene	93.242	PO154664	38,278	-	-	38,278	-
Pass-through Harvard University	93.242	132748-5118112	50,397	-	-	50,397	-
Pass-through Johns Hopkins University	93.242	2004886153	1,539	-	-	1,539	-
Pass-through Massachusetts General Hospital	93.242	233148	287,211	-	-	287,211	-
Pass-through New York University	93.242	19-A0-00-1003397	139,382	-	-	139,382	-
Pass-through Research Foundation For Mental Hygiene	93.242	1P50MH115843-01/137247	42,516	-	-	42,516	-
Pass-through Thomas Jefferson University	93.242	080-19250-S36601	96,162	-	-	96,162	-
Pass-through University of California, San Diego	93.242	672747/S9001213/KR 705321	147,565	-	-	147,565	-
Pass-through University of Southern California	93.242	104025033	11,076	-	-	11,076	-
Pass-through University of Utah	93.242	10054948-01	61,690	-	-	61,690	-

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Federal Department Program Title	Assistance Listing Number	Pass-Through Entity Identifying Number	Research & Development Cluster	Student Financial Assistance Cluster	Other Expenditures	Total Expenditures	Expenditures to Subrecipient
Department of Health and Human Services (continued)							
Pass-through Virginia Commonwealth University	93.242	FP00012312 SA002/FP00014847 SA003	\$ 71,239	\$ -	\$ -	\$ 71,239	\$ -
Pass-through Virginia Polytechnic Institute	93.242	412600-19C70	282,138	-	-	282,138	-
Pass-through Washington University St. Louis	93.242	WU-21-393	54,407	-	-	54,407	-
Pass-through Yale University	93.242	GR110980-CON80002767	445,729	-	-	445,729	-
Total Mental Health Research Grants			4,466,084	-	-	4,466,084	-
Substance Abuse and Mental Health Services Projects of Regional and National Significance							
Pass-through Fairfax County	93.243	DCJ01-C00352GG-10900	47,994	-	-	47,994	-
Pass-through Research Foundation For Mental Hygiene	93.243	1 H79 SM081192-01	154,550	-	-	154,550	-
Pass-through State of Delaware	93.243	1 H79 SM081195	51,855	-	-	51,855	-
Total Substance Abuse and Mental Health Services Projects of Regional and National Significance			254,399	-	-	254,399	-
Occupational Safety and Health Program							
Pass-through Research Foundation of SUNY	93.262	1170038/2/92119	182,295	-	-	182,295	-
Pass-through New York University	93.262	22-A0-00-006508	23,414	-	-	23,414	-
Total Occupational Safety and Health Program			205,709	-	-	205,709	-
Viral Hepatitis Prevention and Control							
Pass-through Public Health Solutions	93.270	22-IAH-294PC	99,921	-	-	99,921	-
Alcohol Research Programs							
Pass-through Columbia University	93.273	2(GG015841)/1(GG015841-02)	195,795	-	-	195,795	-
Pass-through Research Foundation of SUNY	93.273	100-1009189-89135	761,845	-	-	761,845	-
Pass-through University of California, San Diego	93.273	KR 704447	130,581	-	-	130,581	-
Pass-through Virginia Commonwealth University	93.273	FP00008349 SA001	100,944	-	-	100,944	-
Total Alcohol Research Programs			1,189,165	-	-	1,189,165	-
Drug Abuse and Addiction Research Programs							
Pass-through Albert Einstein College of Medicine	93.279	310258/PO603252	45,174	-	-	45,174	-
Pass-through Allen Institute for Brain Science	93.279	2022-0458	159,285	-	-	159,285	-
Pass-through Brigham and Women's Hospital	93.279	119349/5 R01 DA047236-03	1,178	-	-	1,178	-
Pass-through Case Western Reserve University	93.279	RES512597	90,921	-	-	90,921	-
Pass-through Columbia University	93.279	1(GG014152)	171,589	-	-	171,589	-
Pass-through Cornell University	93.279	192051/192337-2	74,174	-	-	74,174	-
Pass-through New York University	93.279	15AOS2003671/105300/F3506-01/IB00246740/F1926-01/19-A0-S4-003671//22-A0-S2-003671/F1363-13/19-A0-00-1003116	217,726	-	-	217,726	-
Pass-through Research Foundation for Mental Hygiene	93.279	1 R34 DA055151-01	31,776	-	-	31,776	-
Pass-through Sanford Burnham Prebys Medical Discovery Institute	93.279	70761-13677-ISMMS	1,171	-	-	1,171	-
Pass-through University of Kentucky	93.279	3200002286-19-177	5,841	-	-	5,841	-
Pass-through University of Minnesota	93.279	P008325102	35,371	-	-	35,371	-
Pass-through University of Pennsylvania	93.279	578704	258,889	-	-	258,889	-
Pass-through University of Pittsburgh	93.279	AWD00006009 138057-1	33,191	-	-	33,191	-

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Federal Department Program Title	Assistance Listing Number	Pass-Through Entity Identifying Number	Research & Development Cluster	Student Financial Assistance Cluster	Other Expenditures	Total Expenditures	Expenditures to Subrecipient
Department of Health and Human Services (continued)							
Pass-through University of Texas Medical Branch	93.279	2R01DA04062106	\$ 184,161	\$ -	\$ -	\$ 184,161	\$ -
Pass-through University of Washington	93.279	UWSC10781	90,071	-	-	90,071	-
Pass-through Wistar Institute	93.279	25631-04-324	189,256	-	-	189,256	-
Pass-through Yale University	93.279	CON80003269/GR114578/CON80003568 GR114926/CON-80003370	39,308	-	-	39,308	-
Total Pass-through Drug Abuse and Addiction Research Programs			1,629,082	-	-	1,629,082	-
Discovery and Applied Research for Technological Innovations to Improve Human Health							
Pass-through Massachusetts General Hospital	93.286	240715	22,577	-	-	22,577	-
Pass-through University of Pennsylvania	93.286	582310	35,169	-	-	35,169	-
Pass-through University of Pittsburgh	93.286	AWD00003848(136584- 2/AWD00003848(138605-2 UWSC10557/32472	30,966	-	-	30,966	-
Pass-through University of Washington	93.286		8,197	-	-	8,197	-
Total Discovery and Applied Research for Technological Innovations to Improve Human Health			96,909	-	-	96,909	-
Minority Health and Health Disparities Research							
Pass-through Columbia University	93.307	10(GG017227-06)/10(GG017227-12)	6,615	-	-	6,615	-
Pass-through Pennsylvania State University	93.307	S002977-DHHS	35,373	-	-	35,373	-
Pass-through University of Georgia	93.307	SUB00002059, SUB00002421	41,166	-	-	41,166	-
Pass-through University of Pennsylvania	93.307	580881, 582825	737,698	-	-	737,698	-
Total Minority Health and Health Disparities Research			820,852	-	-	820,852	-
Trans-NIH Research Support							
Pass-through Albert Einstein College of Medicine	93.310	P0704392/P0706713	434,902	-	-	434,902	-
Pass-through Ball State University	93.310	21-0124-006	332,249	-	-	332,249	-
Pass-through California Institute of Technology	93.310	S530659	193,969	-	-	193,969	-
Pass-through Columbia University	93.310	2(GG013062-01)	15,447	-	-	15,447	-
Pass-through Drexel University	93.310	1008611-3-25001/99075	262,965	-	-	262,965	-
Pass-through Duke University	93.310	A03-3821/A03-5264/303001163	78,176	-	-	78,176	-
Pass-through New York University	93.310	16-A0-00-006256-01/M170034616	7,319	-	-	7,319	-
Pass-through Northwestern University	93.310	60054546 ISM	86,654	-	-	86,654	-
Pass-through University of Chicago	93.310	AWD100257SUB00000236	15,392	-	-	15,392	-
Pass-through University of Maryland	93.310	1802271/2541	448,617	-	-	448,617	-
Pass-through University of New Mexico	93.310	3RJW2	139,259	-	-	139,259	-
Pass-through University of North Carolina	93.310	1 U24 DK116195-01	325,037	-	-	325,037	-
Pass-through University of Washington	93.310	UWSC10692	82,938	-	-	82,938	-
Pass-through University of Wisconsin	93.310	0000000446	221,968	-	-	221,968	-
Pass-through Van Andel Research Institute	93.310	40530A-3	47,434	-	-	47,434	-
Total Trans-NIH Research Support			2,692,326	-	-	2,692,326	-
Rare Disorders: Research, Surveillance, Health Promotions, and Education							
Pass-Through National Fragile X Foundation	93.315	5 U01 DD001189-03/PROJECT 5	4,896	-	-	4,896	-

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Federal Department Program Title	Assistance Listing Number	Pass-Through Entity Identifying Number	Research & Development Cluster	Student Financial Assistance Cluster	Other Expenditures	Total Expenditures	Expenditures to Subrecipient
Department of Health and Human Services (continued)							
Health Professions Student Loans, Including Primary Care Loans/Loans for Disadvantaged Students	93.342		\$ -	\$ 160,133	\$ -	\$ 160,133	\$ -
National Center for Advancing Translational Sciences							
COVID-19 Pass-through New York University	93.350	AGR-21262	68,700	-	-	68,700	-
Pass-through Brigham and Women's University	93.350	125846	231,732	-	-	231,732	-
Pass-through National Jewish Health	93.350	20115901/20115902	222,038	-	-	222,038	-
Pass-through New York University	93.350	21-A0-00-106881	44,499	-	-	44,499	-
Pass-through Tufts Medical Center	93.350	5016900-SERV	42,881	-	-	42,881	-
Total National Center for Advancing Translational Sciences			609,850	-	-	609,850	-
Research Infrastructure Programs							
Pass-through Oregon Health & Science University	93.351	1014252-018 MTSINAI	10,833	-	-	10,833	-
21 st Century Cures Act – Beau Biden Cancer Moonshot							
Pass-through Dana-Farber Cancer Institute	93.353	1204004/1204005	15,891	-	-	15,891	-
Nursing Research							
Pass-through Columbia University	93.361	4 (GG014619-14)/4 (GG014619-21)/4 (GG014619-27)	43,776	-	-	43,776	-
Pass-through Northwestern University	93.361	60044948ISMMS	23,842	-	-	23,842	-
Pass-through University of Pittsburgh	93.361	AWD00004758(136886-3	105,025	-	-	105,025	-
Total Nursing Research			172,643	-	-	172,643	-
Cancer Cause and Prevention Research							
Pass-through College of Wisconsin, Inc	93.393	1 R01 CA242748-01	44,486	-	-	44,486	-
Pass-through Columbia University	93.393	2(GG015946-01)/1(GG016866-01)/E(GG017711-01)	349,187	-	-	349,187	-
Pass-through Fred Hutchinson Cancer Research Center/Cornell University	93.393	201582/1098450/1110398	31,260	-	-	31,260	-
Pass-through University of California, Berkley	93.393	10729	186,419	-	-	186,419	-
Pass-through University of Michigan	93.393	SUBK00014406/SUBK00014706	185,920	-	-	185,920	-
Pass-through Texas Health Center	93.393	16-027	3,749	-	-	3,749	-
Pass-through Vanderbilt University	93.393	VUMC 96170	23,251	-	-	23,251	-
Pass-through Yale University	93.393	GR107781(CON80002140	193,237	-	-	193,237	-
Total Cancer Cause and Prevention Research			1,017,509	-	-	1,017,509	-
Cancer Detection and Diagnosis Research							
Pass-through Fred Hutchinson Cancer Research Center	93.394	1 U01 CA214114-01/1110270/0001045443/993374/1109986/1130560	72,881	-	-	72,881	-
Pass-through Research Foundation of CUNY, Brooklyn College	93.394	CM00003663-00	160,415	-	-	160,415	-
Pass-through Research Foundation of SUNY	93.394	100116934691776	1,587	-	-	1,587	-
Total Cancer Detection and Diagnosis Research			234,883	-	-	234,883	-
Cancer Treatment Research							
Pass-through Albert Einstein College of Medicine	93.395	311649	93,558	-	-	93,558	-
Pass-through Baylor College of Medicine	93.395	1 R01 CA232890-01A1	165,481	-	-	165,481	-
Pass-through Columbia University	93.395	3(GG12820-01)	35,550	-	-	35,550	-

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Federal Department Program Title	Assistance Listing Number	Pass-Through Entity Identifying Number	Research & Development Cluster	Student Financial Assistance Cluster	Other Expenditures	Total Expenditures	Expenditures to Subrecipient
Department of Health and Human Services (continued)							
Pass-through Ecog-Acrin Medical Research	93.395	U10CA18082008MTSN1A	\$ 20,977	\$ -	\$ -	\$ 20,977	\$ -
Pass-through Health Research Inc.	93.395	391-01	176,892	-	-	176,892	-
Pass-through National Childhood Cancer Foundation	93.395	16723/95002080220-01/	2,730	-	-	2,730	-
Pass-through New York University	93.395	19-A0-00-1002964	48,905	-	-	48,905	-
Pass-through NRG Oncology Foundation, Inc	93.395	14-0715-00286-01/14-0715-00200-01/14-0715-00400-01/09-0762-01008/	47,883	-	-	47,883	-
Pass-through Oregon Health & Science University	93.395	1013080 MTSINAI/2 U10 CA180888-06/1013080	50,219	-	-	50,219	-
Pass-through Public Health Institute	93.395	UCA180886C/AR10424	34,501	-	-	34,501	-
Pass-through Sanford Burnham Prebys Medical Discovery Institute	93.395	60561-13090-MSSM	8,154	-	-	8,154	-
Pass-through Scripps Research Institute	93.395	SA-1148-01	158,174	-	-	158,174	-
Pass-through University of Chicago	93.395	CALGB091159/07140019439	320,991	-	-	320,991	-
Pass-through University of North Carolina	93.395	5123528	240,700	-	-	240,700	-
Pass-through Van Andel Research Institute	93.395	40502A-2	9,830	-	-	9,830	-
Pass-through Yale University	93.395	GR111625(CON8002806)	15,638	-	-	15,638	-
Total Cancer Treatment Research			1,430,183	-	-	1,430,183	-
Cancer Biology Research							
COVID-19 Pass-through Leidos Biomedical Research	93.396	21X092	41,283	-	-	41,283	-
Pass-through Albert Einstein College of Medicine	93.396	312061/312062/310245/P0669769	147,116	-	-	147,116	-
Pass-through Beth Israel Deaconess Medical	93.396	01062188	53,563	-	-	53,563	-
Pass-through City of Hope	93.396	63339.2009836.669301	13,676	-	-	13,676	-
Pass-through Columbia University	93.396	2(GG011256)	125,982	-	-	125,982	-
Pass-through Dana-Farber Cancer Institute	93.396	1170104	134,854	-	-	134,854	-
Pass-through Leidos Biomedical Research	93.396	21X092	3,269,901	-	-	3,269,901	-
Pass-through Northwestern University	93.396	60059423 ISMMS	38,077	-	-	38,077	-
Pass-through Rutgers University	93.396	0089/527882	35	-	-	35	-
Pass-through Memorial Sloan-Kettering Cancer Center	93.396	BD527215	58,662	-	-	58,662	-
Pass-through University of Pittsburgh	93.396	AWD00002714 134960-1	475,581	-	-	475,581	-
Total Cancer Biology Research			4,358,730	-	-	4,358,730	-
Cancer Centers Support Grants							
Pass-through New York University	93.397	20-A0-00-1003987	49,551	-	-	49,551	-
Cancer Research Manpower							
Pass-through Georgetown University	93.398	412647 GR412619-ISMM	36,672	-	-	36,672	-
Pass-through University of Michigan	93.398	3004658345	8,573	-	-	8,573	-
Total Cancer Research Manpower			45,245	-	-	45,245	-
Cancer Control							
Pass-through Northwestern University	93.399	60057828 ISMMS	6,614	-	-	6,614	-
Pass-through University of Texas Health Center	93.399	0014326B	149,837	-	-	149,837	-
Total Cancer Control			156,451	-	-	156,451	-

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Federal Department Program Title	Assistance Listing Number	Pass-Through Entity Identifying Number	Research & Development Cluster	Student Financial Assistance Cluster	Other Expenditures	Total Expenditures	Expenditures to Subrecipient
Department of Health and Human Services (continued)							
Strengthening Public Health Systems and Services through National Partnerships to Improve and Protect the Nation's Health							
COVID-19 Pass-through Task Force for Global Health	93.421	NU38OT000316-03-02	\$ 147,666	\$ -	\$ -	\$ 147,666	\$ -
Pass-through National Network for Public Health Institutes	93.421	G2081 AG-0687/G2475 AG-1118	118,397	-	-	118,397	-
Total Strengthening Public Health Systems and Services through National Partnerships to Improve and Protect the Nation's Health			266,063	-	-	266,063	-
ACL National Institute on Disability, Independent Living, and Rehabilitation Research							
Pass-through Craig Hospital	93.433	90DPTB0017-04-00	634	-	-	634	-
Pass-through Indiana University	93.433	8693	12,999	-	-	12,999	-
Total ACL National Institute on Disability, Independent Living, and Rehabilitation Research			13,633	-	-	13,633	-
COVID-19 HRSA COVID-19 Claims Reimbursement for the Uninsured Program	93.461		-	-	146,000	146,000	-
COVID-19 Provider Relief Fund and American Rescue Plan (ARP)	93.498		-	-	52,165,058	52,165,058	-
Affordable Care Act Initiative to Reduce Avoidable Hospitalizations among Nursing Facility Residents							
Pass-through Greater New York Hospital Association Foundation	93.621	CMS-1E1-14-001, CMS-1E1-14-001	13,720	-	-	13,720	-
Cardiovascular Diseases Research							
COVID-19 Pass-through New York University	93.837	22-A0-00-1008035	369,543	-	-	369,543	-
Pass-through Children's Hospital Medical Center	93.837	313945	8,999	-	-	8,999	-
Pass-through Cincinnati Children's Hospital	93.837	U01-HL098188/313945 PCGC CO-CHAIR/313945/OS0001612/OS0003066	56,475	-	-	56,475	-
Pass-through City of Hope	93.837	63331.2010702.669301	80,062	-	-	80,062	-
Pass-through Columbia University	93.837	1 (GG015296-01)/3(GG010998-01)/2(GG012850-01 / 212515/222499-4	257,516	-	-	257,516	-
Pass-through Cornell University	93.837	A43699	176,651	-	-	176,651	-
Pass-through Emory University	93.837	1040872/1110491/0001129920	228,276	-	-	228,276	-
Pass-through Fred Hutchinson Cancer Research Center	93.837	625650ISMMS01	198,668	-	-	198,668	-
Pass-through Geisinger Clinic	93.837	SP00013920-01	24,148	-	-	24,148	-
Pass-through Georgia State University	93.837	2003937972	307,664	-	-	307,664	-
Pass-through Johns Hopkins University	93.837	224838/230351/239330/235115/1 U01	337	-	-	337	-
Pass-through Massachusetts General Hospital	93.837	HL23336-01/225715/	545,176	-	-	545,176	-
Pass-through New York University	93.837	21-A0-00-1007065/18-A0-00-001801 /17-A1-00-005849-01/M180135878/17-A1-00-005849-01/M180147962/	486,608	-	-	486,608	-
Pass-through Ohio State University	93.837	5UH3HL140144-03	21,103	-	-	21,103	-
Pass-through University of Alabama	93.837	5R01HL149137/1 R01 HL149137-01	71,729	-	-	71,729	-
Pass-through University of California, San Diego	93.837	13363SC	39,299	-	-	39,299	-
Pass-through University of Miami	93.837	OS00000778	15,340	-	-	15,340	-
Pass-through University of North Carolina	93.837	5110503	56,913	-	-	56,913	-
Pass-through University of Pittsburgh	93.837	AWD00000026 132575-2	49,920	-	-	49,920	-

Icahn School of Medicine at Mount Sinai
Schedule of Expenditures of Federal Awards (continued)

Federal Department Program Title	Assistance Listing Number	Pass-Through Entity Identifying Number	Research & Development Cluster	Student Financial Assistance Cluster	Other Expenditures	Total Expenditures	Expenditures to Subrecipient
Department of Health and Human Services (continued)							
Pass-through University of Texas	93.837	SA0000632	\$ 91,422	\$ -	\$ -	\$ 91,422	\$ -
Pass-through University of Virginia	93.837	GB10709	74,102	-	-	74,102	-
Pass-through Vanderbilt University	93.837	VUMC80816/VUMC87356/VUMC98562	105,094	-	-	105,094	-
Pass-through Washington University	93.837	WU-22-0003	32,738	-	-	32,738	-
Total Cardiovascular Diseases Research			3,297,783	-	-	3,297,783	-
Lung Diseases Research							
COVID-19 Pass-through Cornell University	93.838	220367-3	333,620	-	-	333,620	-
COVID-19 Pass-through New York University	93.838	ADU-11-21/21-A0-00-1006779	3,007,198	-	-	3,007,198	-
COVID-19 Pass-through Research Triangle Institute	93.838	5-312-0217571-66037L/OT2HL156812	7,345,950	-	-	7,345,950	-
Pass-through Columbia University	93.838	4(GG017828-01)	39,121	-	-	39,121	-
Pass-through Kaiser Foundation	93.838	RNG211577-ISMMS	14,007	-	-	14,007	-
Pass-through New York University	93.838	06-A-01/06-B-01/AUT-06-21	1,037,817	-	-	1,037,817	-
Pass-through Research Triangle Institute	93.838	30-312-0217571-66347/52-312-0217571-67001	4,596,642	-	-	4,596,642	-
Pass-through University of Colorado	93.838	FY18.784.005	189,770	-	-	189,770	-
Pass-through University of North Carolina	93.838	5109053/5122707-H3MNTSINAI	68,922	-	-	68,922	-
Total Lung Diseases Research			16,633,047	-	-	16,633,047	-
Blood Diseases and Resources Research							
Pass-through National Marrow Donor Program	93.839	C10205 Mt Sinai 1903 CSPR	1,060	-	-	1,060	-
Pass-through Rockefeller University	93.839	SUB00000254/2R01HL019278-42/	238,567	-	-	238,567	-
Pass-through University of Michigan	93.839	SUBK0000341	100	-	-	100	-
Pass-through University of Pittsburgh	93.839	AWD00000392 (134350-12)	62,574	-	-	62,574	-
Pass-through University of Virginia	93.839	GB10798	54,077	-	-	54,077	-
Total Blood Diseases and Resources Research			356,378	-	-	356,378	-
Arthritis, Musculoskeletal and Skin Diseases Research							
Pass-through Brigham and Women's Hospital	93.846	113296	52,523	-	-	52,523	-
Pass-through Columbia University	93.846	1(GG017737-01)/3(GG012785-01)/2(GG017881-01)/2(GG015978-01)/1(GG012738-01)/SAPO G12013/	91,327	-	-	91,327	-
Pass-through Cornell University	93.846	203646	33,192	-	-	33,192	-
Pass-through New York University	93.846	21-A0-00-1006836	26,516	-	-	26,516	-
Pass-through The Feinstein Institutes	93.846	AWD00001214-MSSM	35,790	-	-	35,790	-
Pass-through University of Pennsylvania	93.846	572781	101,122	-	-	101,122	-
Total Arthritis, Musculoskeletal and Skin Diseases Research			340,470	-	-	340,470	-
Diabetes, Digestive, and Kidney Diseases Extramural Research							
COVID-19 Pass-through University of Minnesota	93.847	N009112302	15,970	-	-	15,970	-
Pass-through Adventist Health System	93.847	1329760-MSSM	166,721	-	-	166,721	-
Pass-through Albert Einstein College of Medicine	93.847	31111A/P0599542/2R01DK067555-10A1/P0608590/31607H/P0197460/31165E/31308/P0662496/31141B/31139F	822,964	-	-	822,964	-
Pass-through Ann & Robert H. Lurie Children's Hospital of Chicago	93.847	901628-MOUNT SINAI	27,103	-	-	27,103	-
Pass-through Baylor College of Medicine	93.847	2P01-DK056492- 17A1/7000000389/2 P01 DK056492-17A1/7000000392/3832782/7000000391	460,496	-	-	460,496	-

Icahn School of Medicine at Mount Sinai
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Federal Department Program Title	Assistance Listing Number	Pass-Through Entity Identifying Number	Research & Development Cluster	Student Financial Assistance Cluster	Other Expenditures	Total Expenditures	Expenditures to Subrecipient
Department of Health and Human Services (continued)							
Pass-through Boston Children's Hospital	93.847	GENFD0001913899/GENFD0001888480	\$ 350,050	\$ -	\$ -	\$ 350,050	\$ -
Pass-through The Children's Hospital Corporation	93.847	GENFD0001318428	10	-	-	10	-
Pass-through Children's Hospital, Los Angeles	93.847	00012745-B	214,122	-	-	214,122	-
Pass-through Columbia University	93.847	1(GG017456-01)	72,485	-	-	72,485	-
Pass-through Cornell University	93.847	85317-11148/204852/212416/223325	543,090	-	-	543,090	-
Pass-through Duke University	93.847	U01 DK065176/A030406 /	18,194	-	-	18,194	-
Pass-through Harvard University	93.847	124131-5109477, 168037-5115306	197,034	-	-	197,034	-
Pass-through Johns Hopkins University	93.847	2004008228/, 718681, 2004851829	63,118	-	-	63,118	-
Pass-through Massachusetts General Hospital	93.847	238587	42,960	-	-	42,960	-
Pass-through Northern California Institute for Research & Education	93.847	SHL2118-03	2,758	-	-	2,758	-
Pass-through Northwestern University	93.847	60050284 ISMMS	35,675	-	-	35,675	-
Pass-through Research Foundation of SUNY	93.847	89194/2/1163728	120,124	-	-	120,124	-
Pass-through Saint Louis University	93.847	A01697-14696	84,079	-	-	84,079	-
Pass-through Stanford University	93.847	62043468-128200	33,560	-	-	33,560	-
Pass-through SUNY - Stony Brook	93.847	1 R01 DK112984-01	6,862	-	-	6,862	-
Pass-through University of Alabama	93.847	000524405-SC002	123,286	-	-	123,286	-
Pass-through University of California, Davis	93.847	A21-3549-S002	3,904	-	-	3,904	-
Pass-through University of California, San Francisco	93.847	10766SC	33,651	-	-	33,651	-
Pass-through University of Massachusetts, Amherst	93.847	19-010239 A00	40,067	-	-	40,067	-
Pass-through University of Nebraska	93.847	34-5170-2097-001	231,758	-	-	231,758	-
Pass-through University of Pennsylvania	93.847	574566	38,954	-	-	38,954	-
Pass-through University of Pittsburgh	93.847	9015304(131759-1)/AWD00000872 133472-1/AWD00002999(135642-2/AWD00004225 136883-1/AWD00003051 135450-1	534,726	-	-	534,726	-
Pass-through University of South Florida	93.847	6163-1103-00-B	568,068	-	-	568,068	-
Pass-through University of Southern California	93.847	110881518	43	-	-	43	-
Pass-through University of Washington	93.847	UWSC10092/26989	210,656	-	-	210,656	-
Pass-through Vanderbilt University	93.847	VUMC 74635/VUMC80652/VUMC104236	103,411	-	-	103,411	-
Pass-through Wake Forest University	93.847	WFUHS 551221	766	-	-	766	-
Pass-through Yale University	93.847	CON-80003514	8,562	-	-	8,562	-
Total Diabetes, Digestive, and Kidney Diseases Extramural Research			5,175,227	-	-	5,175,227	-
Extramural Research Programs in the Neurosciences and Neurological Disorders							
Pass-through Albert Einstein College of Medicine	93.853	310309/P0650551	10,234	-	-	10,234	-
Pass-through Boston University	93.853	4500003974/4500004371/4500003449	205,405	-	-	205,405	-
Pass-through Buck Institute for Research on Age	93.853	SA15008-MS/39071	82,194	-	-	82,194	-
Pass-through Burke Medical Research Institute	93.853	102008-01	18,174	-	-	18,174	-
Pass-through Carnegie Mellon University	93.853	1090697	556,751	-	-	556,751	-
Pass-through Children's Hospital, Boston	93.853	GENFD0001773961, 3U54NS092090-08S1	121,674	-	-	121,674	-
Pass-through Columbia University	93.853	2(GG017706-01)	27,910	-	-	27,910	-
Pass-through Cornell University	93.853	170051	42,863	-	-	42,863	-
Pass-through Duke University	93.853	2036386/	108,957	-	-	108,957	-
Pass-through Massachusetts General Hospital	93.853	U01NS114001/235486/EN20-01/239655/239654	211,172	-	-	211,172	-
Pass-through Massachusetts Institute of Technology	93.853	S5550	760,800	-	-	760,800	-
Pass-through New York University	93.853	21A0-00-1005982	139,760	-	-	139,760	-

Department of Health and Human Services (continued)

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Federal Department Program Title	Assistance Listing Number	Pass-Through Entity Identifying Number	Research & Development Cluster	Student Financial Assistance Cluster	Other Expenditures	Total Expenditures	Expenditures to Subrecipient
Pass-through Ohio University	93.853	GR125695SPC100000585/GR128741SPC100006868	\$ 79,532	\$ -	\$ -	\$ 79,532	\$ -
Pass-through Pennsylvania State University	93.853	S001403-DHHS	32,402	-	-	32,402	-
Pass-through Research Foundation of SUNY	93.853	1170975/2/92570	27,699	-	-	27,699	-
Pass-through Rockefeller University	93.853	1R01NS097184-01	5,998	-	-	5,998	-
Pass-through Memorial Sloan-Kettering Cancer Center	93.853	BD526923	222,018	-	-	222,018	-
Pass-through Stanford University	93.853	62790670-208926	461,279	-	-	461,279	-
Pass-through Stevens Institute of Technology	93.853	2102924-01	2,452	-	-	2,452	-
Pass-through University of California, Los Angeles	93.853	1580 G ZD691	36,303	-	-	36,303	-
Pass-through University of Cincinnati	93.853	1 U01 NS095869 01A1-02/1U01NS110772-01	996	-	-	996	-
Pass-through University of Miami	93.853	OS00000072	77,751	-	-	77,751	-
Pass-through University of Pennsylvania	93.853	578474	85,132	-	-	85,132	-
Pass-through University of Southern California	93.853	100922174/SCON-00003845	61,419	-	-	61,419	-
Pass-through University of Texas at Dallas	93.853	1806761	292,080	-	-	292,080	-
Pass-through University of Texas Health Science	93.853	SA0000222	349,583	-	-	349,583	-
Pass-through University of Texas Southwestern	93.853	GMO211016	31,560	-	-	31,560	-
Pass-through University of Wisconsin-Madison	93.853	109	904	-	-	904	-
Pass-through Wistar Institute	93.853	25810-04-381	202,866	-	-	202,866	-
Total Extramural Research Programs in the Neurosciences and Neurological Disorders			4,255,868	-	-	4,255,868	-
Allergy and Infectious Diseases Research							
COVID-19 Pass-through Benaroya Research Institute	93.855	3UM1AI109565-08S1	1,084	-	-	1,084	-
COVID-19 Pass-through John Hopkins University	93.855	2005285928	152,442	-	-	152,442	-
COVID-19 Pass-through Stanford University	93.855	62614208-128779	19,725	-	-	19,725	-
COVID-19 Pass-through The Miriam Hospital	93.855	7147207RCV	3,264	-	-	3,264	-
COVID-19 Pass-through University of Colorado	93.855	FY22.1050.005	85,275	-	-	85,275	-
COVID-19 Pass-through University of Montana	93.855	PG20-61143-01	320,687	-	-	320,687	-
Pass-through Baylor College of Medicine	93.855	7000001392	21,956	-	-	21,956	-
Pass-through Benaroya Research Institute	93.855	FY21ITN379/FY22ITN232/BRI# FY19ITN319 /2UM1AI109565-09/5UM1AI109565-08/FY22ITN583	2,343,822	-	-	2,343,822	-
Pass-through Boston Children's Hospital	93.855	GENFD0001903588	159,142	-	-	159,142	-
Pass-through Brigham and Women's Hospital	93.855	124608	25,951	-	-	25,951	-
Pass-through Cedars-Sinai Medical Center	93.855	309363, 309364 (CT2)	48,006	-	-	48,006	-
Pass-through Cincinnati Children's Hospital	93.855	208406/221019/2(GG012754-02)/G11759/4(GG015959-01)/6(GG015243-01)	73,362	-	-	73,362	-
Pass-through Columbia University	93.855	208406/, 221019/, 2(GG012754-02)/G11759, 1(GG013661-01), 4(GG015959-01)	132,700	-	-	132,700	-
Pass-through Duke University	93.855	2UM1AI104681-08	32,531	-	-	32,531	-
Pass-through Emory University	93.855	A683372	240,464	-	-	240,464	-
Pass-through George Institute of Technology	93.855	RJ474-G1	0	-	-	0	-
Pass-through Georgia State University	93.855	SP00013377-02	203,051	-	-	203,051	-
Pass-through Harvard University	93.855	160510-1854	23,447	-	-	23,447	-
Pass-through Hospital for Special Surgery	93.855	001	95,222	-	-	95,222	-
Pass-through Indiana University	93.855	IN4688966MS, 8985 MSSM	148,545	-	-	148,545	-

Department of Health and Human Services (continued)

Icahn School of Medicine at Mount Sinai
Schedule of Expenditures of Federal Awards (continued)

Federal Department Program Title	Assistance Listing Number	Pass-Through Entity Identifying Number	Research & Development Cluster	Student Financial Assistance Cluster	Other Expenditures	Total Expenditures	Expenditures to Subrecipient
Pass-through Johns Hopkins University	93.855	1 U01 AL134591 01-02/ 2004199184/2004247207/5 UM2 AI130836- 04/2005285139/1 U01 AL138897 01-05	\$ 1,699,420	-	-	\$ 1,699,420	-
Pass-through La Jolla Institute for Allergy	93.855	20057-34-373	256,636	-	-	256,636	-
Pass-through Massachusetts General Hospital	93.855	229015/232560/239761/5U01AI136816-05/5 U01 AI163086-02	673,407	-	-	673,407	-
Pass-through Nationwide Children's Hospital	93.855	700244-0322-00	167,403	-	-	167,403	-
Pass-through New York University	93.855	19-A1-00-1001999 /	67,137	-	-	67,137	-
Pass-through Northwestern University	93.855	60060177 ISMMS	160,831	-	-	160,831	-
Pass-through Rockefeller University	93.855	1R01DK116646-01/1 R01 AI143295-01A1 /1R01H145870- 01/SUB00000246/SUB00000247	506,752	-	-	506,752	-
Pass-through Scripps Research Institute/Sanford Burnham Prebys Medical Discovery Institute	93.855	60088-12934-MSSM/5-54729	48,280	-	-	48,280	-
Pass-through Scripps Research Institute	93.855	5-54813/5-54836/5-54828/5-54847	429,020	-	-	429,020	-
Pass-through Memorial Sloan-Kettering Cancer Center	93.855	MSKSUB00000090	1,249,734	-	-	1,249,734	-
Pass-through St Jude Children's Research Hospital	93.855	112525010-7883639	447,226	-	-	447,226	-
Pass-through The Feinstein Institutes	93.855	AWD00001414-MOUNT SI	65,905	-	-	65,905	-
Pass-through The Jackson Laboratory	93.855	210310-0320-07 /210310-0221-15/210311- 0120-03/210384-1222-03	366,276	-	-	366,276	-
Pass-through The Miriam Hospital	93.855	7147154RV, 7147200RCV	65,046	-	-	65,046	-
Pass-through University of California, Los Angeles	93.855	1900 G WA252	286,604	-	-	286,604	-
Pass-through University of California, San Diego	93.855	KR 704874	105,389	-	-	105,389	-
Pass-through University of California, San Francisco	93.855	9251SC/13618SC/13620SC	827,459	-	-	827,459	-
Pass-through University of Chicago	93.855	AWD102905	22,263	-	-	22,263	-
Pass-through University of Cincinnati	93.855	011636-00002/011636-00013	129,262	-	-	129,262	-
Pass-through University of Iowa	93.855	FP063328-A/S00620-01	89,889	-	-	89,889	-
Pass-through University of Manitoba	93.855	UM#51861-01	4,202	-	-	4,202	-
Pass-through University of Maryland	93.855	87592-Z0296201/108346-Z0447205/113709- Z0537204	99,123	-	-	99,123	-
Pass-through University of Michigan	93.855	SUBK00011615/SUBK00015137	248,191	-	-	248,191	-
Pass-through University of Montana	93.855	PG18-61065-01/PG20-61078-03	240,782	-	-	240,782	-
Pass-through University of North Carolina	93.855	5124490	22,300	-	-	22,300	-
Pass-through University of Pennsylvania	93.855	575869/577385/	157,763	-	-	157,763	-
Pass-through University of Pittsburgh	93.855	AWD000059944(137861)	16,425	-	-	16,425	-
Pass-through University of Rochester	93.855	4170216G/	88,665	-	-	88,665	-
Pass-through University of Texas	93.855	21-85494-01/21-85494-02/21-85493-01	368,052	-	-	368,052	-
Pass-through University of Wisconsin	93.855	1550	104,086	-	-	104,086	-
Pass-through University of Wisconsin-Madison	93.855	0000001302	404,741	-	-	404,741	-
Pass-through Washington University	93.855	WU-21-98/WU-22-0369	219,793	-	-	219,793	-
Total Allergy and Infectious Diseases Research			13,768,738	-	-	13,768,738	-
Biomedical Research and Research Training							
Pass-through Columbia University	93.859	1(GG013386-01)/G13268	27,132	-	-	27,132	-
Pass-through St. Jude Children's Research Hospital	93.859	112563010-7911627	69,918	-	-	69,918	-
Pass-through University of Toledo	93.859	N-2020-31	68,976	-	-	68,976	-
Pass-through Vanderbilt University	93.859	VUMC78203	72,154	-	-	72,154	-
Total Biomedical Research and Research Training			238,180	-	-	238,180	-

Department of Health and Human Services (continued)

Icahn School of Medicine at Mount Sinai
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Federal Department Program Title	Assistance Listing Number	Pass-Through Entity Identifying Number	Research & Development Cluster	Student Financial Assistance Cluster	Other Expenditures	Total Expenditures	Expenditures to Subrecipient
Child Health and Human Development Extramural Research							
Pass-through Children's Research Institute	93.865	30005547-10	\$ 1,597	\$ -	\$ -	\$ 1,597	\$ -
Pass-through New York University	93.865	AWD00006009 138057-1	60	-	-	60	-
Pass-through Research Foundation of SUNY	93.865	CM00004996	5,680	-	-	5,680	-
Pass-through SUNY at Buffalo	93.865	R1305788	5,649	-	-	5,649	-
Pass-through University of Florida	93.865	SUB00001725	109,774	-	-	109,774	-
Pass-through Yale University	93.865	GR108780	205,343	-	-	205,343	-
Total Child Health and Human Development Extramural Research			328,103	-	-	328,103	-
Aging Research Program							
Pass-through Albert Einstein College of Medicine	93.866	31166B, 311712, 311868	515,852	-	-	515,852	-
Pass-through Banner Health	93.866	0435-06-132021	22,740	-	-	22,740	-
Pass-through Boston University	93.866	4500002676/4500002901/4500004058/4500004690	545,524	-	-	545,524	18,154
Pass-through Brigham and Women's Hospital	93.866	125768	63,562	-	-	63,562	-
Pass-through Bronx Veterans Medical Res Inc	93.866	5 R01 AG060341-03-04	63,534	-	-	63,534	-
Pass-through Brown University	93.866	2079/00001372	29,993	-	-	29,993	-
Pass-through California Institute of Technology	93.866	S536572	675,401	-	-	675,401	-
Pass-through Case Western Reserve University	93.866	RES515739	36,356	-	-	36,356	-
Pass-through Columbia University	93.866	2(GG012937-01)/G12221/3(GG012955-05)/1(GG015038-01)/	124,316	-	-	124,316	-
Pass-through Fordham University	93.866	FORD0065-30315	519,572	-	-	519,572	-
Pass-through John Hopkins University	93.866	2004956780	59,535	-	-	59,535	-
Pass-through Massachusetts Institute of Technology	93.866	S5077/S5163	505,838	-	-	505,838	-
Pass-through Mayo Clinic Jacksonville	93.866	IMS-284424	718,322	-	-	718,322	-
Pass-through New York STEM Cell Foundation	93.866	1001-00	75,088	-	-	75,088	-
Pass-through New York University	93.866	17-A1-00-000074-01/M180151864/17-A1-00-007083-01/M180159826/17-A1-00-007453-01/M190197141/F1057-02/19A0001003584/21-A1-00-1004969	1,012,612	-	-	1,012,612	-
Pass-through Northern California Institute for Research and Education	93.866	STE2196-09	13,958	-	-	13,958	-
Pass-through Northwestern University	93.866	60055920 ISMMS/60059638 ISM	106,196	-	-	106,196	-
Pass-through Rensselaer Polytechnic Institute	93.866	A19-0033-S001	4,413	-	-	4,413	-
Pass-through University of Arizona	93.886	542705	1,252	-	-	1,252	-
Pass-through University of California, Davis	93.866	A20-0263-S001/A19-1025-S001/A22-0257-S001/A21-1701-S001	322,986	-	-	322,986	-
Pass-through University of California, San Diego	93.866	37336570-001/37336570/37336570-004/S9001521/KR 704802	127,608	-	-	127,608	-
Pass-through University of Miami	93.866	OS00000575	103,995	-	-	103,995	-
Pass-through University of Michigan	93.866	SUBK00008273	15,681	-	-	15,681	-
Pass-through University of Pennsylvania	93.866	579279	14,743	-	-	14,743	-
Pass-through University of Southern California	93.866	2 U19 AG024904/79634869/6 R01 AG047992-02/81622449/140356237/105637233/14078993/4/R01AG054029/129644591/SCON-00003247	526,299	-	-	526,299	-
Pass-through University of Washington	93.866	UWSC13294	75,983	-	-	75,983	-
Pass-through University of Wisconsin	93.866	1R01AG065365-01	26,559	-	-	26,559	-
Pass-through University of Wisconsin, Madison	93.866	0000001238	185,713	-	-	185,713	-

Department of Health and Human Services (continued)

Icahn School of Medicine at Mount Sinai
Schedule of Expenditures of Federal Awards (continued)

Federal Department Program Title	Assistance Listing Number	Pass-Through Entity Identifying Number	Research & Development Cluster	Student Financial Assistance Cluster	Other Expenditures	Total Expenditures	Expenditures to Subrecipient
Pass-through Wake Forest University	93.866	101720-117740/110-101720-551083/142- 101720-117741/1064-445108-11000000/1435- 33664-11000006	\$ 121,680	\$ -	\$ -	\$ 121,680	\$ -
Pass-through Washington University	93.866	WU-18-299-MOD-6/WU-21-323/ WU-21-45	315,398	-	-	315,398	-
Pass-through Yale University	93.866	CON-80002946GR112409/CON-80002962 GR11256	29,308	-	-	29,308	-
Total Aging Research Program			6,960,017	-	-	6,960,017	18,154
Vision Research							
Pass-through Massachusetts Eye and Ear Infirmary	93.867	530913	81,279	-	-	81,279	-
Pass-through Research Foundation of SUNY	93.867	1160942 - 87961	141,247	-	-	141,247	-
Pass-through Schepens Eye Research Institute	93.867	533387	21,254	-	-	21,254	-
Pass-through University of Alabama	93.867	000513702-004	19,307	-	-	19,307	-
Pass-through University of California, Los Angeles	93.867	0125 G YA540	77,654	-	-	77,654	-
Pass-through University of Illinois	93.867	095453-17527	40	-	-	40	-
Pass-through University of Tennessee	93.867	21-1617-ISMMS	21,859	-	-	21,859	-
Total Vision Research			362,640	-	-	362,640	-
Cancer Prevention and Control Programs for State, Territorial and Tribal Organizations							
Pass-through Health Research Inc.	93.898	15-1003-05/7029-01	1,335	-	-	1,335	-
Grants to Provide Outpatient Early Intervention Services with Respect to HIV Disease							
Pass-through New York University	93.918	14-A0-00-003512/M160015868/21-A0-00- 1000300	93,422	-	-	93,422	-
Maternal and Child Health Services Block Grant to the States							
Pass-through NYS Department of Health	93.994	DOH01-C36785GG-3450000	100,725	-	-	100,725	-
Health and Human Services Grants and Contracts/Other							
COVID-19 Contracts	93.RD		505,071,241	-	-	505,071,241	101,649,710
COVID-19 Pass-through Institute for Clinical Research	93.RD	M77-MS-081-2010-10/M77-MS-081-2011-10	8,184,332	-	-	8,184,332	3,716,588
Pass-through American Academy of Child and Adolescent Psychiatry	93.RD	NIDA-AACAP	282,751	-	-	282,751	-
Pass-through Leidos Biomedical Research	93.RD	HHSN261201500003I	93	-	-	93	-
Pass-through Northwestern University	93.RD	SP003377960044358/SP0033779 60059138	324,392	-	-	324,392	-
Pass-through University of Georgia	93.RD	SUB00002166/SUB00002166- 3A/SUB00002166-3U	2,055	-	-	2,055	-
			256,318	-	-	256,318	-
Total Health and Human Services Grant and Contracts/Other			865,609	-	-	865,609	-
Total Department of Health and Human Services			591,558,194	160,133	52,311,058	644,029,385	105,633,249
Total Federal Expenditures			\$ 604,688,354	\$ 20,395,812	\$ 53,911,993	\$ 678,996,159	\$ 106,669,204

See accompanying notes.

Icahn School of Medicine at Mount Sinai

Notes to Schedule of Expenditures of Federal Awards

For the Year Ended December 31, 2022

1. Basis of Presentation

The accompanying Schedule of Expenditures of Federal Awards (the Schedule) includes the federal grant activity of the Icahn School of Medicine at Mount Sinai (the School) and is presented on the accrual basis of accounting. The information on the Schedule 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* (the Uniform Guidance). For purposes of the Schedule, federal awards include any assistance provided by a federal agency directly or indirectly in the form of grants, contracts, cooperative agreements, loan and loan guarantees, or other non-cash assistance. In accordance with applicable requirements, certain programs may be presented in a fiscal period based on the program-specific guidance (see Note 4). Therefore, some amounts presented in the Schedule may differ from amounts presented in, or used in the preparation of, the consolidated financial statements of the School.

Direct and indirect costs are charged to awards in accordance with cost principles contained in OMB Circular A-21 *Cost Principles for Educational Institutions* for awards not subject to the Uniform Guidance and 2 CFR 200.400 series for awards subject to the Uniform Guidance. Under these cost principles, certain types of expenditures are not allowable or are limited as to reimbursement.

2. Indirect Cost Rate

The Uniform Guidance provides for a 10% de minimis indirect cost rate election; however, the School did not make this election and uses a negotiated indirect cost rate.

3. Loan Programs

The School administers the Federal Perkins Loan Program – Federal Capital Contributions (ALN 84.038). The outstanding loan balance was \$1,180,191 at January 1, 2022 and there were no loan disbursements for the year ended December 31, 2022. The total balance of \$1,180,191 is reported in the Schedule. The outstanding loan balance at December 31, 2022 is \$832,450.

The School administers the Health Professions Student Loans, Including Primary Care Loans/Loans for Disadvantaged Students (ALN 93.342). There were no loan disbursements for

3. Loan Programs (continued)

the year ended December 31, 2022 and the outstanding loan balance of \$160,133 at January 1, 2022 is considered current-year federal expenditures. This amount is reported in the Schedule. The outstanding loan balance at December 31, 2022 is \$103,313.

The School participates in the Federal Direct Student Loan Program (ALN 84.268) (which includes the Stafford and GradPlus Loans). During the year ended December 31, 2022, the School processed \$18,976,607 in new loans. Since this program is administered by outside financial institutions, new loans made in the year ended December 31, 2022 relating to this program are considered current period federal expenditures, whereas the outstanding balances are not. The new loans made in the year ended December 31, 2022 are reported in the Schedule.

4. COVID-19 – Provider Relief Fund and American Rescue Plan (ARP) Rural Payments

In accordance with the U.S. Department of Health and Human Services (HHS) requirements specific to, COVID-19 – Provider Relief Fund and American Rescue Plan (ARP) Rural Payments, the amount presented on the accompanying Schedule for the year ended December 31, 2022 for Federal Assistance Listing No.(ALN) 93.498 relates to Provider Relief Fund (PRF) payments received from January 1, 2021 through December 31, 2021 used for PRF-eligible activity from the period January 1, 2020 through December 31, 2022.

The amounts presented on the accompanying Schedule for the year ended December 31, 2022 reconcile to the PRF information previously reported to the Health Resources and Services Administration (HRSA) for PRF Reporting Periods 3 and 4 as follows:

Name of Reporting Entity for HRSA Provider Relief Fund Report	Reporting Entity Tax Identification Number (TIN)	Reporting Period	Type of Distribution	Activity from the period January 1, 2020 through December 31, 2022	
				Total Other PRF Payments Applied to Lost Revenues	Amount Included on the Accompanying Schedule for the Year Ended December 31, 2022
The Icahn School of Medicine at Mount Sinai	13-6171197	Period 3	General	\$ 38,834,713	\$ 38,834,713
The Icahn School of Medicine at Mount Sinai	13-6171197	Period 3	General	11,171,037	11,171,037
The Icahn School of Medicine at Mount Sinai	13-6171197	Period 4	General	2,159,308	2,159,308
Total				\$ 52,165,058	\$ 52,165,058

The lost revenues incurred by the School during the period of availability for PRF Reporting Period 3 (January 1, 2020 through June 30, 2022) and PRF Reporting Period 4 (January 1, 2020 through December 31, 2022) were in excess of the PRF distributions received from January 1, 2021 through December 31, 2021, therefore, the amounts presented in the table above and on the accompanying Schedule are limited to the amount of such distributions.



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

Management and the Board of Trustees
Mount Sinai Health System, Inc.

We have audited, in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States (*Government Auditing Standards*), the consolidated financial statements of The Icahn School of Medicine at Mount Sinai (the School), which comprise the consolidated statement of financial position as of December 31, 2022, and the related consolidated statements of activities and cash flows for the year then ended, and the related notes to the consolidated financial statements, and have issued our report thereon dated April 4, 2023.

Report on Internal Control Over Financial Reporting

In planning and performing our audit of the consolidated financial statements, we considered the School's internal control over financial reporting (internal control) as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinion on the consolidated financial statements, but not for the purpose of expressing an opinion on the effectiveness of the School's internal control. Accordingly, we do not express an opinion on the effectiveness of the School'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 combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis. *A significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

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



Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether the School's consolidated financial statements are free of 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.

Ernst & Young LLP

April 4, 2023



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

Management and the Board of Trustees
Mount Sinai Health System, Inc.

Report of Independent Auditors on Compliance for Each Major Federal Program

Opinion on Each Major Federal Program

We have audited the Icahn School of Medicine at Mount Sinai's (the School) compliance with the types of compliance requirements described in the U.S. Office of Management and Budget (OMB) *Compliance Supplement* that could have a direct and material effect on each of the School's major federal programs for the year ended December 31, 2022. The School'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 School 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 December 31, 2022.

Basis for Opinion on Each Major Federal Program

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America (GAAS); the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States (*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 School 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 on compliance for each major federal program. Our audit does not provide a legal determination of the School'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 School'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 School'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 School'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 School'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 School'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 School'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 instances of noncompliance, which are required to be reported in accordance with the Uniform Guidance and which are described in the accompanying schedule of findings and questioned costs as item 2022-001 related to the Student Financial Assistance Cluster compliance requirement N. Special Tests and Provisions. Our opinion on each major federal program is not modified with respect to this matter.

Government Auditing Standards requires the auditor to perform limited procedures on the School's response to the noncompliance findings identified in our audit described in the accompanying schedule of findings and questioned costs. The School'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.

We performed audit procedures with respect to the Student Financial Assistance Cluster major federal program related to compliance requirements in Special Test and Provision N13, *Gramm-Leach Bliley Act – Student Information Security* as outlined in the OMB *Compliance Supplement* for the year ended December 31, 2022. We determined whether the School has designated an individual to coordinate the information security program. We determined whether the School performed a risk assessment that addresses the three required areas noted in 16 CFR 314.4 (b) and whether the School documented a safeguard for each risk identified from the three required to be risk-assessed by 16 CFR 314.4 (b). Our audit procedures did not evaluate whether the designated individual that coordinated the information security program is competent to oversee the program nor whether the individual possessed the adequate authority to carry out those duties. Our audit procedures also did not determine whether the risk assessment sufficiently addressed the required areas, whether the risks identified are the appropriate risks or that the identified risks appear to be a complete list. Further, our audit procedures did not determine whether the documented safeguards have been put in place or that they will effectively mitigate, reduce or even address the identified risks. Our opinion on the Student Financial Assistance Cluster major federal program is not modified with respect to this matter.

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. However, as discussed below, we did identify certain deficiencies in internal control over compliance that we consider to be material weaknesses.

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. We consider the deficiencies in internal control over compliance described in the accompanying schedule of findings and questioned costs as identified in the table below to be material weaknesses.

Finding No.	Assistance Listing No.	Program (or Cluster) Name	Compliance Requirement
2022-001	84.268	Federal Direct Student Loans	Special Tests and Provisions
2022-002	Various	Research and Development Cluster	Procurement and Suspension and Debarment

A *significant deficiency in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

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

Government Auditing Standards requires the auditor to perform limited procedures on the School’s response to the internal control over compliance findings identified in our audit described in the accompanying schedule of findings and questioned costs. The School’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 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.



September 29, 2023

Icahn School of Medicine at Mount Sinai

Schedule of Findings and Questioned Costs

For the Year Ended December 31, 2022

Section I—Summary of Auditor’s Results

Financial Statements

Type of report the auditor issued on whether the financial statements audited were prepared in accordance with GAAP:

Unmodified

Internal control over financial reporting:

Material weakness(es) identified?

 Yes X No

Significant deficiency(ies) identified?

 Yes X None Reported

Noncompliance material to financial statements noted?

 Yes X No

Federal Awards

Internal control over major federal programs:

Material weakness(es) identified?

 X Yes No

Significant deficiency(ies) identified?

 Yes X None Reported

Type of auditor’s report issued on compliance for major federal programs:

Unmodified

Any audit findings disclosed that are required to be reported in accordance with 2 CFR 200.516(a)?

 X Yes No

Icahn School of Medicine at Mount Sinai

Schedule of Findings and Questioned Costs (continued)

Section I—Summary of Auditor’s Results (continued)

Identification of major federal programs:

CFDA Number	Name of Federal Program or Cluster
Various	Research and Development Cluster
Various	Student Financial Assistance Cluster
93.498	COVID-19 Provider Relief Fund and American Rescue Plan (ARP)

Dollar threshold used to distinguish between Type A and Type B programs: _____ \$3,000,000

Auditee qualified as low-risk auditee? X Yes No

Section II—Financial Statement Findings

None.

Section III—Federal Award Findings and Questioned Costs

Finding 2022-001 Special Tests and Provisions

Identification of the Federal Program:

Grantor: Department of Education

Program Name: Federal Direct Student Loans

Assistance Listing No.: 84.268

Criteria or Specific Requirement:

N7. Direct Loan Reconciliation – Institutions must report all loan disbursements and submit required records to the Common Origination Disbursement system (COD) within 15 days of disbursement (OMB No. 1845-0021). Each month, COD provides institutions with a School Account Statement (SAS) data file which consists of a Cash Summary, Cash Detail, and (optional at the request of the institution) Loan Detail records. The institution is required to reconcile these files to the institution’s financial records.

Icahn School of Medicine at Mount Sinai

Schedule of Findings and Questioned Costs (continued)

Section III—Federal Award Findings and Questioned Costs (continued)

Section 200.303 of the Uniform Guidance states the following regarding internal control: “The non-Federal entity must: (a) Establish and maintain effective internal control over the Federal award that provides reasonable assurance that the non-Federal entity is managing the Federal award in compliance with Federal statutes, regulations, and the terms and conditions of the Federal award. These internal controls should be in compliance with guidance in “Standards for Internal Control in the Federal Government” issued by the Comptroller General of the United States or the “Internal Control Integrated Framework”, issued by the Committee of Sponsoring Organizations of the Treadway Commission (COSO).”

Condition:

The School did not complete or maintain a record of the required monthly reconciliations during the year ended December 31, 2022.

Cause:

The School’s policies and control framework did not address the performance of the monthly reconciliations.

Effect or Potential Effect:

The lack of an effective control in place to complete these reconciliations could result in the misreporting of information in COD. The School does complete timely cash reconciliations, which mitigates the likelihood of questioned costs.

Questioned Costs:

None identified

Context:

In a sample of 4 monthly reconciliations, all were found to be noncompliant with the required procedures.

Recommendation:

Management should update its policies to establish procedures for completing the monthly reconciliation to COD. Management should establish adequate controls to review and approve the reconciliation on a monthly basis in accordance with the compliance requirements.

Icahn School of Medicine at Mount Sinai

Schedule of Findings and Questioned Costs (continued)

Section III—Federal Award Findings and Questioned Costs (continued)

Views of Responsible Officials:

Management agrees with the finding described above. The School’s Office of Student Financial Services has implemented a combined monthly reconciliation and drawdown process that identifies and resolves discrepancies, as required by the U.S. Department of Education’s Direct Loan reconciliation guidelines under 34 CFR 685.300(b)(5). The process will be detailed in the School’s procedure manual and staff will be trained accordingly. With this new process in place, we will be compliant with the U.S. Department of Education regulations.

Finding 2022-002 Procurement and Suspension and Debarment

Identification of the Federal Program:

Grantor: Department of Health and Human Services

Program Name: Research and Development Cluster

Assistance Listing No.: Various

Criteria or Specific Requirement:

Section 200.303 of the Uniform Guidance states the following regarding internal control: “The non-Federal entity must: (a) Establish and maintain effective internal control over the Federal award that provides reasonable assurance that the non-Federal entity is managing the Federal award in compliance with Federal statutes, regulations, and the terms and conditions of the Federal award. These internal controls should be in compliance with guidance in “Standards for Internal Control in the Federal Government” issued by the Comptroller General of the United States or the “Internal Control Integrated Framework”, issued by the Committee of Sponsoring Organizations of the Treadway Commission (COSO).”

Title 2, Subtitle A, Chapter II, Part 200, Subpart C 200.214 – Suspension and debarment – Non-Federal entities are subject to the non-procurement debarment and suspension regulations that restrict awards, subawards, and contracts with certain parties that are debarred, suspended, or otherwise excluded from or ineligible for participation in Federal assistance programs or activities.

Icahn School of Medicine at Mount Sinai

Schedule of Findings and Questioned Costs (continued)

Section III—Federal Award Findings and Questioned Costs (continued)

Condition:

Management has an established procurement and suspension and debarment policy to monitor vendor suspension and debarment requirements. However, management did not have an effective control in place to evaluate suspension and debarment for all procurement actions. As a result, there were instances of procurement actions where the vendor was not subjected to suspension and debarment evaluation procedures.

Cause:

Certain vendors were not subject to the School's established suspension and debarment control.

Effect or Potential Effect:

The lack of an effective control over suspension and debarment has the potential to result in noncompliance.

Questioned Costs:

None identified

Context:

In a sample of 40 vendors within the Research and Development procurement actions, 12 selections were not subjected to the School's control to perform suspension and debarment evaluation.

Recommendation:

Management should enhance its controls to ensure that all procurement actions are subjected to an evaluation of suspension and debarment.

Views of Responsible Officials:

The Mount Sinai Health System has implemented a corrective action that includes a monthly reconciliation to ensure that all vendors are screened against various state and federal lists/registries checking for excluded, debarred and/or restricted vendors. The monthly process includes the generation of a file of all paid vendors which will be screened by Mount Sinai's exclusion screening vendor OIG Compliance Now.



Current Year Audit Findings and Corrective Action Plan

For the Year Ended December 31, 2022

Finding 2022-001 Special Tests and Provisions

Information on the federal program:

Grantor: Department of Education
Program Name: Federal Direct Student Loans
Assistance Listing No.: 84.268

Views of responsible officials and planned corrective actions:

Management agrees with the finding described above. The ISMMS Office of Student Financial Services has implemented a combined monthly reconciliation and drawdown process that identifies and resolves discrepancies, as required by the U.S. Department of Education's Direct Loan reconciliation guidelines under 34 CFR 685.300(b)(5). The process will be detailed in the School's procedure manual and staff will be trained accordingly. With this new process in place, we will be compliant with the U.S. Department of Education regulations.

Name of responsible official: LaVerne Walker
Director of Student Financial Services
laverne.walker@mssm.edu

Projected completion date:

- September 26, 2023: Completed implementation of combined monthly reconciliation and drawdown process
- December 31, 2023: Completed staff training sessions and revision to procedure manual

Finding 2022-002 Procurement and Suspension and Debarment

Information on the federal program:

Grantor: Department of Health and Human Services
Program Name: Research and Development Cluster
Assistance Listing No.: Various

Views of responsible officials and planned corrective actions:

Management agrees with the finding described above. The Mount Sinai Health System has implemented a corrective action that includes a monthly reconciliation to ensure that all vendors are screened against various state and federal lists/registries checking for excluded, debarred

Current Year Audit Findings and Corrective Action Plan

For the Year Ended December 31, 2022

and/or restricted vendors. The monthly process includes the generation of a file of all paid vendors with the screening being conducted by Mount Sinai's exclusion screening vendor OIG Compliance Now.

Name of responsible official: Franco Sagliocca,
Corporate Director, Supply Chain
franco.sagliocca@mountsinai.org

Projected completion date:

December 31, 2023: Completed process for generating a monthly file of paid vendors to submit to OIG Compliance Now for monthly screening against various state and federal lists/registries checking for excluded, debarred and/or restricted vendors.