



FY 2022 Annual **Financial Report**

OHIO AUDITOR OF STATE
KEITH FABER



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Board of Trustees
University of Toledo
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We have reviewed the *Independent Auditor's Report* of the University of Toledo, Lucas County, prepared by CliftonLarsonAllen LLP, for the audit period July 1, 2021 through June 30, 2022. Based upon this review, we have accepted these reports in lieu of the audit required by Section 117.11, Revised Code. The Auditor of State did not audit the accompanying financial statements and, accordingly, we are unable to express, and do not express an opinion on them.

Our review was made in reference to the applicable sections of legislative criteria, as reflected by the Ohio Constitution, and the Revised Code, policies, procedures and guidelines of the Auditor of State, regulations and grant requirements. The University of Toledo is responsible for compliance with these laws and regulations.

A handwritten signature in black ink that reads "Keith Faber".

Keith Faber
Auditor of State
Columbus, Ohio

November 22, 2022

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**THE UNIVERSITY OF TOLEDO
LUCAS COUNTY
REGULAR AND SINGLE AUDIT
FOR THE YEARS ENDED JUNE 30, 2022 AND 2021**

PREPARED BY GORDON CHAUVIN, CONTROLLER

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INDEPENDENT AUDITORS' REPORT

Board of Trustees
The University of Toledo
Toledo, Ohio

Report on the Audit of the Financial Statements

Opinions

We have audited the accompanying financial statements of the business-type activities and the discretely presented component unit of The University of Toledo (the University), a component of the State of Ohio, as of and for the years ended June 30, 2022 and 2021, and the related notes to the financial statements, which collectively comprise The University of Toledo's basic financial statements as listed in the table of contents.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the business-type activities and the discretely presented component unit of The University of Toledo, as of June 30, 2022 and 2021, and the respective changes in financial position, and, where applicable, cash flows thereof for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Emphasis of Matter

As discussed in Note 1 of the financial statements, the University implemented the provisions of Governmental Accounting Standards Board (GASB) Statement No. 87, Leases, for the year ended June 30, 2022, which represents a change in accounting principle. The University's June 30, 2021 statement of net position and statement of revenues, expenses, and changes in net position were restated to reflect the impact of adoption. Our opinions are not modified with respect to this matter.

Basis for Opinions

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

Responsibilities of Management for the Financial Statements

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

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 University's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

Auditors' Responsibilities for the Audit of the Financial Statements

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

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

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

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

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis, schedule of pension funding, and schedule of pension contributions, and schedule of OPEB funding, and schedule of OPEB contributions be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with GAAS, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audits of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Supplementary Information

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

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated October 31, 2022, on our consideration of the University's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the University's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering The University's internal control over financial reporting and compliance.



CliftonLarsonAllen LLP

Toledo, Ohio
October 31, 2022

**THE UNIVERSITY OF TOLEDO
MANAGEMENT'S DISCUSSION AND ANALYSIS
YEAR ENDED JUNE 30, 2022**

The following Management's Discussion and Analysis (MD&A) provides an overview of the financial position and activities of the University of Toledo (the University) for the year ended June 30, 2022 with comparative information for the years ended June 30, 2021 and 2020. The MD&A complements the accompanying audited financial statements and footnotes.

ABOUT THE UNIVERSITY OF TOLEDO

The University is a leading research institution in the state of Ohio with over 15,000 students, 1,300+ instructional faculty, and 3,700+ staff members. The University is comprised of thirteen colleges: Arts and Letters; Business and Innovation; Education; Engineering; Graduate Studies; Health and Human Services; Honors; Law; Medicine and Life Sciences; Natural Sciences and Mathematics; Nursing; Pharmacy and Pharmaceutical Sciences, and University College. The University offers more than 300 undergraduate, graduate, and professional programs leading to degrees in over 60 instructional departments. The University operates The University of Toledo Medical Center (UTMC), which includes 319 registered beds and, during the most recent fiscal year, provided services to 7,959 admitted patients, 200,983 outpatient clinic patients and 25,988 emergency visit patients. In addition, UTMC performed 7,960 surgical cases and, on average, cared for over 700 patients per day in both an inpatient and outpatient setting. UTMC specializes in kidney transplantation, cardiology, behavioral health, family medicine, orthopedic surgery and cancer treatment.

The Board of Trustees (BOT) governs the University and is responsible for oversight of academic programs, budgets, general administration, and employment of faculty and staff. The Governor, with the advice and consent of the State Senate, appoints the BOT members for staggered nine-year terms. Two student non-voting members, appointed for two-year terms, also serve on the Board.

The following financial statements reflect all assets, deferred inflows/outflows, liabilities, and net position of the University and the University of Toledo Foundation (Foundation), the University's discretely presented component unit. The University of Toledo Physicians, Clinical Faculty, Inc. (UTP-CF) and Rocket Innovations meet the criteria under Governmental Accounting Standards Board (GASB) Statement No. 61, *The Financial Reporting Entity: Omnibus*, and are therefore shown in a blended presentation. UTP-CF provides administrative support, billing, and collection services for physician services at the University. Rocket Innovations supports the University through investment in public and private economic development projects and promotes the interests of the University.

The Foundation is a legally separate entity with a primary function of fund-raising to supplement the resources that are available to the University in support of its programs. The Foundation is governed by a separate Board of Trustees which is self-perpetuating and consists of graduates and friends of the University. Nearly all the assets of the Foundation are restricted by donors to activities of the University. The University does not control the timing or number of receipts from the Foundation.

The University is a component unit of the state of Ohio and is included in the State of Ohio's Annual Comprehensive Financial Report (ACFR).

**THE UNIVERSITY OF TOLEDO
MANAGEMENT'S DISCUSSION AND ANALYSIS
YEAR ENDED JUNE 30, 2022**

ABOUT THE FINANCIAL STATEMENTS

The annual financial statements are prepared in accordance with Governmental Accounting Standards Board ("GASB") Statement No. 34, *Basic Financial Statements—and Management's Discussion and Analysis—for State and Local Governments*, as amended by GASB Statement No. 35, *Basic Financial Statements and Management's Discussion and Analysis for Public Colleges and Universities*. In addition to this MD&A section, the audited financial statements include Statements of Net Position; Statements of Revenues, Expenses, and Changes in Net Position; Statements of Cash Flows; and the Notes to the Financial Statements. In accordance with GASB Statement No. 61, *The Financial Reporting Entity: Omnibus*, which amends GASB Statement No. 14; the Foundation is discretely presented. A complete copy of the audited financial statements of the Foundation is available at the Foundation offices located near the campus of the University.

The **Statement of Net Position** is the University's balance sheet. It reflects the total assets, liabilities, deferred inflows/outflows, and net position (equity) of the University. Liabilities whose maturities are less than one year and assets available to pay those liabilities are classified as current. Other assets and liabilities with maturities greater than one year are classified as non-current. Investment assets are carried at market value. Capital assets, which include the University's land, buildings, improvements, and equipment, are presented net of depreciation. Net position is displayed in the following categories:

- Net investment in capital assets (presents the University's equity in capital assets)
- Restricted— non-expendable (available for investment purposes only and cannot be expended)
- Restricted – expendable (available for use based on externally imposed restrictions)
- Unrestricted (available to the University for any lawful purpose of the institution)

The **Statement of Revenues, Expenses and Changes in Net Position** is the University's income statement. It reports the detailed revenues and expenses presented in a net revenue (expense) format. Revenues and expenses are classified as operating, non-operating, and other changes, and subtotals are presented for net operating income (loss), income (loss) before other changes, and increase (decrease) in net position. Tuition revenue is shown net of financial aid, hospital patient services revenue is shown net of contractual allowances and bad debt, and depreciation is provided for capital assets.

In accordance with GASB Statement No. 35, appropriations received from the state of Ohio and certain federal and state grants and contracts are presented as non-operating revenue, whereas operating expenses include virtually all expenses except interest on long-term debt. Therefore, the University will typically reflect a net operating loss, though universities and other public institutions have traditionally relied on non-operating revenue to support functional operations of the institution.

The **Statement of Cash Flows** presents the sources and uses of cash during the year. It breaks out the sources and uses of cash in the following categories:

- Operating activities
- Non-capital financing activities
- Capital and related financing activities
- Investing activities

**THE UNIVERSITY OF TOLEDO
MANAGEMENT'S DISCUSSION AND ANALYSIS
YEAR ENDED JUNE 30, 2022**

Cash flows associated with the University's expendable net position appear in the operating and non-capital financing categories. Capital financing activities include payments for capital assets, proceeds from long-term debt and debt repayments. Purchases and sales of investments are reflected as investing activities.

The *Notes to the Financial Statements* follow the financial statements of the University. The Notes provide additional information and details to supplement the financial statements.

Impact of GASB Statements No. 68 and No. 75

GASB Statements 68 and 75, which require the University to recognize its share of the unfunded liability in the State retirement system's pension and other post-employment benefit (OPEB) plans, continue to have a significant impact on both the University's net position and operating results. The net position associated with GASB 68 is negative \$346.0 million as of June 30, 2022, and the net position associated with GASB 75 is negative \$7.8 million. These amounts reflect improvement of \$66.1 million for GASB 68 and \$39.4 million for GASB 75 compared to last year. Total unrestricted net position as of June 30, 2022 is negative \$100.0 million, an improvement of \$92.9 million over the prior year.

The University has a restricted expendable net position of \$117.2 million and a restricted non-expendable net position of \$12.8 million as of June 30, 2022. Net investment in capital is \$214.4 million. The following sections provide additional details on the University's 2022 financial position and results and a look ahead at significant economic conditions expected to affect the University in the future.

Effects of the COVID-19 Pandemic on the University

On January 30, 2020, the World Health Organization declared the coronavirus (COVID-19) outbreak a "Public Health Emergency of International Concern" and on March 11, 2020, declared it to be a pandemic. During March 2020, the University discontinued in-person classes and most campus operations and shifted to remote academic delivery for the remainder of the semester. Although the University has gradually transitioned back to in-person classes, the effects of the pandemic have exacerbated the trend of declining enrollment.

In response to the pandemic, the Federal government enacted multiple pieces of legislation intended to provide economic relief to both individuals and businesses. The University, including UTMC, received stimulus funding from a variety of programs totaling \$27.8 million in 2022, \$79.1 million in 2021, and \$15.3 million in 2020. Part of the funding was restricted to direct aid for students and part was available to offset lost revenue and assist with various expenses related to the pandemic. The funding from these various programs is reflected in the financial statements as non-operating federal grant revenue.

**THE UNIVERSITY OF TOLEDO
MANAGEMENT'S DISCUSSION AND ANALYSIS
YEAR ENDED JUNE 30, 2022**

FINANCIAL HIGHLIGHTS AND KEY TRENDS

Summary Statements of Net Position (in thousands)			
	2022	2021 restated	2020
Assets			
Cash and cash equivalents	\$ 134,327	\$ 173,547	\$ 119,594
Receivables, inventories, and other current assets	142,526	125,015	100,167
Total current assets	276,853	298,562	219,761
Restricted cash	4,336	3,063	1,344
Endowment and loan investments	61,524	69,658	55,734
Long-term investments	296,116	231,286	175,977
Capital assets, net of accumulated depreciation	509,310	527,253	521,024
Net pension asset	6,178	4,708	3,584
Net OPEB asset	52,478	34,905	13,503
Other non-current assets	15,738	18,444	15,235
Total non-current assets	945,680	889,317	786,401
Total assets	1,222,533	1,187,879	1,006,162
Deferred outflows of resources			
Deferred outflows of resources - pension and OPEB	76,546	68,340	122,516
Deferred outflows of resources - other	11,506	23,083	29,539
Total deferred outflows of resources	88,052	91,423	152,055
Liabilities			
Accounts payable and accrued expenses	115,661	90,300	80,520
Other current liabilities	91,672	103,095	100,458
Total current liabilities	207,333	193,395	180,978
Bonds, notes, and loans	263,058	282,119	274,240
Net OPEB liability	-	-	181,519
Net pension liability	195,712	365,587	438,665
Other long-term liabilities	57,366	66,150	61,138
Total non-current liabilities	516,136	713,856	955,562
Total liabilities	723,469	907,251	1,136,540
Deferred inflows of resources			
Deferred inflows of resources - pension and OPEB	293,200	201,556	130,220
Deferred inflows of resources - other	49,497	5,343	108
Total deferred inflows of resources	342,697	206,899	130,328
Net position			
Net investment in capital assets	214,414	218,891	245,711
Restricted – non-expendable	12,808	12,808	12,807
Restricted – expendable	117,182	126,289	89,550
Unrestricted	(99,985)	(192,836)	(456,719)
Total net position	\$ 244,419	\$ 165,152	\$ (108,651)

Current Assets

Current assets (\$276.9 million) decreased \$21.7 million in 2022 with a \$39.2 million decrease in cash partially offset by a \$17.5 million increase in receivables. Although the University, including UTMC, continued to receive stimulus payments in 2022, the amounts were significantly less than in prior years. In addition, spending that was tightly monitored in the aftermath of the pandemic increased as operations returned to a more normalized state and challenges materialized around staffing and supply chain. Receivables continued to increase as volumes at UTMC were generally favorable. The University's liquidity continues to provide a sufficient level of working capital. The **Statements of Cash Flows**, discussed later in more detail, will provide additional information regarding the sources and uses of cash.

Non-Current Assets

The majority of the University's endowments and long-term investments are pooled with assets of the University of Toledo Foundation and Alumni Association. University endowments (\$61.5 million)

**THE UNIVERSITY OF TOLEDO
MANAGEMENT'S DISCUSSION AND ANALYSIS
YEAR ENDED JUNE 30, 2022**

decreased \$8.1 million due to a struggling investment market. University long-term investments (\$296.1 million) increased \$64.8 million with an influx of funds from the parking agreement and transfers from operations slightly offset by unfavorable results in investment earnings. Capital assets (\$509.3 million), including University land, buildings, infrastructure, improvements, and equipment decreased \$17.9 million with depreciation expense continuing to outpace capital investment. Capital spending was predominantly focused on deferred maintenance and infrastructure projects funded by state appropriations, but also included continued investment in the Epic electronic medical record (EMR) project at UTMC. The net OPEB asset (\$52.5 million) increased \$17.6 million as a result of the University's share of the State retirement system's performance.

Deferred Outflows of Resources

Deferred outflows of resources (\$88.1 million) decreased \$3.4 million with a decrease of \$11.6 million in deferred outflows on debt refunding partially offset by a \$8.2 million increase in deferred outflows related to pensions and OPEB.

Current Liabilities

Current liabilities (\$207.3 million) increased \$13.9 million with increases of \$14.6 million in accounts payable and \$11.9 million in accrued liabilities partially offset by a \$16.6 million decrease in unearned revenue. The increase in accounts payable is primarily attributable to the timing of year-end payments related to facilities projects and a set-aside for Medicaid monies received in error. The increase in accrued liabilities is attributable to Medicare cost report settlements at UTMC, an increase in medical claims incurred but not paid based on actuarial analysis, and an increase in accrued payroll based on the timing of the pay cycle. The decrease in unearned revenue is attributable to stimulus funds received in 2021 and recognized as revenue in 2022.

Non-Current Liabilities

Total non-current liabilities (\$516.1 million) decreased \$197.7 million and continue to be significantly impacted by the University's share of unfunded liabilities in the State retirement systems. The University's share of the net pension liability (\$195.7 million) decreased \$169.9 million due to favorable activity in the state plans. The University is only obligated to pay contributions to the retirement systems and not the actual benefits themselves. Bonds, notes, and loans (\$263.1 million) decreased \$19.1 million reflecting scheduled bond payments as well as loan payments for the Epic implementation. Other long-term liabilities (\$57.4 million) decreased \$8.8 million, with a \$10.5 million reduction in the fair value of derivative instruments and \$6.3 million reduction in the liability associated with the Perkins loan program offset by increases of \$1.3 million in lease obligations for right of use assets and \$6.4 million in future service commitments related to the recently completed service concession arrangement for parking services. The change in lease obligations reflects additions of \$7.9 million and retirements of \$5.4 million as well as a \$1.1 million increase in the current portion.

Deferred Inflows of Resources

Deferred inflows of resources (\$342.7 million) increased \$135.8 million with \$91.6 million attributable to the University's share of actuarial activity in the State retirement plans and \$44.2 million attributable to the parking agreement. The parking agreement, which is described in further detail in the notes to the financial statements, provided for an upfront payment to the University of \$52.5 million as well as a commitment by the University to provide future services. The net of these amounts was recorded as a deferred inflow of resources and will be amortized to revenue over the 35-year term of the agreement.

**THE UNIVERSITY OF TOLEDO
MANAGEMENT'S DISCUSSION AND ANALYSIS
YEAR ENDED JUNE 30, 2022**

Prior Years' Highlights

In 2021, the University had total assets of approximately \$1.188 billion, an increase of \$181.7 million from the previous year driven mainly by cash, receivables and investments. Cash increased \$54.0 million due primarily to stimulus payments received by the University in response to the pandemic. Receivables increased \$24.8 million driven by an increase in patient volumes at UTMC after the ban on elective procedures during the pandemic. Investments increased \$69.2 million due to favorable results in the investment market. Total liabilities were \$907.3 million, a decrease of \$229.3 million, with a decrease of \$254.6 in pension and OPEB liability offset slightly by additional debt associated with the Epic implementation and ComDoc lease. Net position was \$165.2 million reflecting an increase of \$273.8 million.

In 2020 the University had total assets of approximately \$1.006 billion, a reduction of \$3.0 million from the previous year, with an increase in cash (\$66.8 million) offset by decreases in receivables and inventories (\$12.8 million), endowments and investments (\$10.5 million), capital assets (\$20.8 million) and other non-current assets (\$26.8 million). The increase in cash was largely attributable to payments received by UTMC in response to the pandemic and dividend distributions from UTP-CF in support of operations. The reduction in other non-current assets was driven by activity in the insurance captive including liquidation of investments to facilitate a dividend distribution. Total liabilities were \$1.137 billion, a decrease of \$5.8 million, with increases in unearned revenue (\$32.0 million) and net OPEB liability (\$25.0 million) offset by a decrease in net pension liability (\$68.8 million). Unearned revenue was primarily attributable to an influx of CARES Act funding received by UTMC that will be recognized in future years. Deferred inflows increased \$53.1 million due to pension and OPEB activity. Net position was a deficit of \$108.7 million reflecting a decrease of \$70.6 million.

**THE UNIVERSITY OF TOLEDO
MANAGEMENT'S DISCUSSION AND ANALYSIS
YEAR ENDED JUNE 30, 2022**

Summary of Revenues, Expenses, and Changes in Net Position (in thousands)			
<i>(in thousands)</i>	2022	2021 restated	2020
Operating revenues:			
Hospital, net	\$ 325,697	\$ 297,676	\$ 252,181
Tuition and fees, net	172,515	187,799	193,729
Grants and contracts	61,867	53,664	49,815
Auxiliary	50,221	40,138	57,695
Other patient services revenue	76,329	83,742	76,781
Other	148,960	91,677	81,920
Total operating revenue	835,589	754,696	712,121
Operating expenses:			
Salaries, wages, and benefits	495,253	404,443	621,932
Supplies	150,690	131,473	99,772
Outside purchased services	78,577	70,531	77,504
Depreciation and Amortization	56,251	55,927	54,011
Other	115,170	95,733	92,021
Total operating expenses	895,941	758,107	945,240
Operating Loss	(60,352)	(3,411)	(233,119)
Non-operating revenues (expenses):			
State share of instruction and grants & contracts	174,410	226,054	159,473
Investment income	(33,046)	59,016	(3,923)
Interest on debt	(12,980)	(13,911)	(13,567)
Asset disposal	(17)	(640)	(193)
Other	307	3,115	2,433
Total non-operating revenues	128,674	273,634	144,223
Other changes			
Capital appropriations	10,162	2,476	16,272
Other	783	1,104	2,024
Total other changes	10,945	3,580	18,296
Increase/(decrease) in net position	79,267	273,803	(70,600)
Net position - beginning of the year	165,152	(108,651)	(38,051)
Net position - end of the year	\$ 244,419	\$ 165,152	\$ (108,651)

Operating Revenues

Operating revenues (\$835.6 million) increased \$80.9 million with increases in hospital-based revenue, grants and auxiliaries partially offset by reductions in tuition revenue. UTMC's net patient revenue increased \$28.0 million driven by favorable volumes. In addition, other revenue reflects \$36.5 million in payments from Medicaid related to a newly implemented program focusing on underserved populations. Tuition and fees (\$172.5 million) decreased \$15.3 million due to declining enrollment. Grant revenue increased \$8.2 million driven by a \$4.1 million increase in federal awards. Auxiliary revenue (\$50.2 million) increased \$10.1 million with \$7.7 million attributable to Athletics as they resumed in-person events and more normal operations, and \$2.9 million attributable to dining and housing with more students physically on campus. Affiliation payments to the College of Medicine and Life Sciences increased \$2.7 million as scheduled in the agreement and revenue from the residency program increased \$3.2 million.

**THE UNIVERSITY OF TOLEDO
MANAGEMENT'S DISCUSSION AND ANALYSIS
YEAR ENDED JUNE 30, 2022**

Operating Expenses

Total operating expenses (\$895.9 million) increased \$137.8 million with \$46.1 million attributable to GASB 68 and 75 adjustments. Excluding the GASB adjustments, salaries and benefits increased \$44.7 million reflecting more normalized operations after the temporary furloughs and salary reductions in 2021. Supply expense increased \$19.2 million due mainly to continued growth of the pharmacy 340B pricing program at UTMC as well as favorable patient volumes. Purchased services increased \$8.0 million driven mainly by external staffing expenses at UTMC amid a challenging market for hiring employees. Other operating expenses increased \$19.4 million, including an increase of \$6.8 million in travel expenses as the travel environment normalized and an increase of \$8.9 million in occupancy costs related to deferred maintenance.

Non-Operating Revenues and Expenses

Total non-operating revenues (\$128.7 million) decreased \$145.0 million driven by federal grants and investment income. Federal non-operating grants decreased \$52.6 million as a result of reduced stimulus funding compared to last year. Investment income decreased \$92.1 million due to a challenging investment market. State support increased a modest \$1.2 million.

Other Changes

Total other changes (\$10.9 million) increased \$7.4 million due primarily to greater state capital appropriations utilized, consistent with the second year of the capital biennium.

Prior Years' Highlights

In 2021, the University experienced an increase in net position of \$273.8 million. Operating revenues were \$754.7 million, an increase of \$42.6 million, driven by growth of \$45.5 million in net patient revenue at UTMC due to a rebound in patient volumes following the ban on elective procedures during the pandemic. Tuition and fees decreased \$5.9 million and auxiliary revenue decreased \$17.6 million due to lower enrollment and less students on campus as well as refunds issued to students in response to the pandemic. Affiliation payments increased \$3.3 million as scheduled in the agreement. Operating expenses were \$758.1 million, a decrease of \$187.1 million, with \$185.6 million attributable to GASB 68 and 75 adjustments. Excluding the GASB adjustments, salaries and benefits decreased \$31.9 million driven mainly by temporary furloughs and salary reductions in response to the pandemic. Supply expense increased \$31.7 million due mainly to continued growth of the pharmacy 340B pricing program at UTMC as well as a rebound in patient volumes and associated expenses. In addition, there were numerous supply items purchased on both campuses in response to the pandemic including cleaning supplies, testing kits and various technology items to enable distance learning. Total non-operating revenue (\$273.6 million) increased \$129.4 million with \$60.7 million attributable to federal grants and \$62.7 million attributable to investment gains. State support increased \$5.6 million and capital appropriations dropped \$13.8 million which is consistent with the first year of the capital biennium.

In 2020, the University experienced a decrease in net position of \$70.6 million. Operating revenues were \$712.1 million, a decrease of \$34.6 million, driven by a reduction of \$38.5 million in net patient revenue at UTMC due in part to the ban on elective procedures in response to the pandemic. Tuition and fees decreased \$2.3 million and auxiliary revenue decreased \$5.6 million due to lower enrollment. Affiliation payments increased \$6.6 million as scheduled in the agreement. Operating expenses were \$945.2 million, a decrease of \$3.4 million, with an increase of \$9.8 million in GASB adjustments more than offset by reductions of \$4.6 million in supplies and \$7.5 million in purchased services as spending was constricted in response to the pandemic. Salaries and benefits were flat, with a \$4.4 million increase in wages offset by lower health care costs and other benefits.

**THE UNIVERSITY OF TOLEDO
MANAGEMENT'S DISCUSSION AND ANALYSIS
YEAR ENDED JUNE 30, 2022**

Prior Years' Highlights (continued)

Total non-operating revenue (\$144.2 million) increased \$2.6 million, with a \$12.7 million increase in federal grants offset by a \$10.4 million reduction in investment earnings. Total other changes (\$18.3 million) increased \$27.5 million with \$15.2 million attributable to the termination of the Perkins loan program recognized in the prior year and \$11.7 million attributable to higher state capital appropriations in the second year of the biennium.

STATEMENTS OF CASH FLOWS

Summary of Cash Flows (in thousands)			
	2022	2021	2020
Net cash flows from operating activities	\$ (118,147)	\$ (120,574)	\$ (90,376)
Net cash flows from non-capital financing activities	172,810	229,279	158,417
Net cash flows from capital and related financing activities	(49,561)	(42,053)	(32,651)
Net cash flows from investing activities	(43,049)	(10,980)	30,542
Net increase in cash	<u>\$ (37,947)</u>	<u>\$ 55,672</u>	<u>\$ 65,932</u>

Cash and cash equivalents decreased \$37.9 million during 2022. The University had net cash used in operating activities of \$118.1 million, an increase of \$2.4 million over last year. The University had net cash provided by non-capital financing of \$172.8 million, a decrease of \$56.5 million from the previous year reflecting a reduction in non-operating grants related to pandemic relief. Net cash used in capital and related financing activities was \$49.6 million, including capital asset purchases of \$29.8 million and debt service payments of 31.8 million. Net cash used by investing activities was \$43.0 million driven by net investment activity.

Prior Years' Highlights

Cash and cash equivalents increased \$55.7 million during 2021. The University had net cash used in operating activities of \$120.6 million, a decrease of \$30.2 million driven primarily by reduced tuition and auxiliary revenue as well as an increase in patient receivables at UTMC reflecting the nature of the revenue cycle as volumes rebounded from the pandemic. The University had net cash provided by non-capital financing of \$229.3 million, an increase of \$68.1 million from the previous year reflecting a \$5.6 million increase in state support as well as an increase of \$60.0 million in non-operating grants related primarily to pandemic relief. Net cash used in capital and related financing activities was \$42.1 million, including capital asset purchases of \$43.7 million and debt service payments of 27.5 million. Net cash used by investing activities was \$11.0 million driven by net investment activity.

In 2020, cash and cash equivalents increased \$65.9 million. The University had net cash used in operating activities of \$90.4 million, an increase of \$26.5 million. The University had net cash provided by non-capital financing of \$158.4 million, an increase of \$5.3 million from the previous year. Net cash used in capital and related financing activities was \$32.7 million including capital asset purchases of \$33.4 million and debt service payments of \$25.4 million. Net cash provided by investing activities was \$30.5 million, an increase of \$7.8 million, driven by net investment activity and withdrawals from the investment pool.

**THE UNIVERSITY OF TOLEDO
MANAGEMENT'S DISCUSSION AND ANALYSIS
YEAR ENDED JUNE 30, 2022**

Higher Education and the University

The United States Higher Education sector continues to be challenged as net tuition growth is not projected to be higher than operating cost growth, thus forcing continued cost containment efforts. The long-term outlook for higher education is challenged as well, with affordability and changing demographics among key factors. Rising labor costs, which are typically 65%-75% of the operating expenses of the organization, are the hardest to reduce. Constant need for investment in programs, technology and aging infrastructure continue to drive costs up and stretch resources. Also, there is uncertainty and concern regarding the continued growth in unfunded pension liabilities.

Overall, State funding has mostly remained flat for higher education, with significant variance from state to state. State-funding models have transitioned to performance-based models that focus on accountability and evaluate universities on the number of degrees issued and courses completed. State funding is likely to see incremental increases, but is not expected to keep pace with the growth of operating expenses. Furthermore, state-funding increases have been coupled with tuition limitations or even tuition freezes.

The state of Ohio implemented a performance-based funding model for State Share of Instruction (SSI) in fiscal year 2014. The revised methodology includes performance-based metrics such as course completion and degrees awarded, as well as consideration for at-risk students. The University did receive an SSI increase for FY22 of 1.1% after receiving a 5.2% increase for FY21. The state of Ohio passed its biennium budget in July 2022 that allowed state universities to increase tuition and general fees up to 2% for non-guarantee students, and up to 4.6% for the fall 2022 incoming cohort.

On December 28, 2017, the Board of Trustees approved the adoption of the Toledo Tuition Guarantee Plan, a cohort-based, guaranteed undergraduate tuition program developed in accordance with Ohio Revised Code §3345.48. New, degree-seeking undergraduate students who enroll for the first time beginning summer or fall semester 2018 were the first cohort to participate in the plan. The plan provides a fixed undergraduate tuition rate for 12 consecutive semesters, including intersessions & summer, and fixed-rate general fees for four years. Students who take classes beyond their four-year guarantee period will pay the tuition rate set for the next unexpired cohort.

Since 2016, the University of Toledo has worked diligently to ensure that strategic planning processes engage stakeholders institution-wide to accurately reflect the needs of the entire institution. These plans include: (1) an institutional strategic plan; (2) a facilities master plan; and (3) a diversity strategic plan. These planning processes required feedback from a range of internal and external constituents, including Faculty Senate and Graduate Council. In addition to these over-arching institutional strategic plans, various colleges and units also have developed strategic plans using similar practices that engage a range of constituents with the goal of continuous improvement.

After his arrival in July 2020, President Postel introduced a series of key initiatives to address critical systemic challenges within the institution and to prioritize strategic planning efforts, while also managing the impact of the pandemic. In no particular order these initiatives include develop and implement a systemic approach to the elimination of racism on our campuses; develop a department and plan for enterprise risk management; develop and implement a strategic enrollment management plan; enhance educational opportunities and partnerships through academic affiliation agreement with ProMedica; enhance, stabilize, and sustain UTMC; develop and implement reinvestment strategy; develop and implement budget modernization; modernize human resources. These key initiatives are seen as a way to focus the institutional strategic plan in light of current workgroups, composed of

**THE UNIVERSITY OF TOLEDO
MANAGEMENT'S DISCUSSION AND ANALYSIS
YEAR ENDED JUNE 30, 2022**

faculty, staff and students, focus on increasing efficiencies, addressing operational challenges, and embracing innovative ideas.

As the University prepares for its next strategic plan, these teams will create a solid foundation upon which the new strategic plan will evolve and ensure the institution is fulfilling its mission.

The University continues to focus on efficiency and cost reduction strategies. The University has reduced administrative expenses over the last several years by managing resources more efficiently; establishing stronger budget and position controls; and implementing automation and re-engineering processes. The University, like others, has been hit with higher costs on supplies and consumables coupled with a challenging labor market trying to recruit and retain talent in all areas of the University. However, the University continues its pursuit of reducing expenses wherever possible while still maintaining critical functions in support of the student experience and its mission.

The University completed an affiliation agreement in fiscal year 2016 between the University's College of Medicine and Life Sciences and ProMedica, a locally-owned health system in northwest Ohio and southeast Michigan with a network of hospitals, physicians, health care professionals, researchers, and specialty clinics and facilities. The partnership continues to provide long-term strength and expansion of educational and financial opportunities for the University's College of Medicine and Life Sciences. ProMedica's Toledo Hospital and Toledo's Children's Hospital have become academic medical centers and University students and residents now train at the ProMedica facilities. ProMedica will provide the University with significant financial support for operations and capital investment.

As the pandemic forced many University's into remote learning modes, the University recognizes the importance of adapting to technological advances for how education is delivered. The U.S. Department of Education reports that one-quarter of students are exclusively distance learners or use some form of online courses toward obtaining a degree. The University continues to look for opportunities to expand its online education, while balancing with the full student experience, having in person classes, on campus activities and providing amenities that students' desire.

Healthcare and the University

The healthcare industry, in which UTMC operates, is subject to strict regulation from several governmental agencies, including those which administer the Medicare and Medicaid programs. Furthermore, federal, state, and local policies developed to regulate the manner in which health care is provided, administered, and paid for nationally and locally has an impact as well. As a result, the health care industry is sensitive to legislative and regulatory changes in such programs and is affected by reductions and limitations in governmental spending for such programs as well as changing health care policies.

UTMC maintains over 300 patient beds. It is a provisional Level Two Trauma Center, offering emergency health and trauma services 24 hours a day. UTMC's signature programs have earned many accolades in the community and include Cardiology, Neurology, Orthopedic, Vascular and Cardiothoracic Surgery along with an international Kidney Transplantation program.

During fiscal year 2022, UTMC continued to support the mission of the University "to improve the human condition" by providing patient-centered, university quality care. Seeing an overwhelming need in the Toledo community, UTMC has established a comprehensive Psychiatric service, which includes an 18-bed Inpatient Recovery service, 18-bed Adolescent service, 18-bed Senior Behavioral Health service along with an Intensive Outpatient Recovery service.

**THE UNIVERSITY OF TOLEDO
MANAGEMENT'S DISCUSSION AND ANALYSIS
YEAR ENDED JUNE 30, 2022**

While UTMC is well positioned to maintain a viable financial position in the coming years, ongoing constraints on revenue could arise if Congress passes legislation that would impact certain programs, e.g. 340B or reductions in Market Basket updates. Management believes that much of the payment pressure facing UTMC can be offset by strengthening the partnership between the hospital and various physician groups to improve patient volumes, clinical documentation, length of stay, re-admission rates and payment denials. This partnership is critical and will enhance not only the financial performance, but also the care provided to the communities that the hospital serves.

UTMC is placing considerable focus on productivity and cost reduction and will effectively manage expenses as reimbursements come under pressure. An essential part of reducing unnecessary treatment and costs is length of stay reductions. UTMC administration and the Hospitalists who manage a large part of the inpatient population have teamed up to manage inpatient stays; promoting the optimal utilization of resources and pursuing quality outcomes. In addition, the hospital has, or will be initiating several new programs, e.g. Adult Behavioral Health, Level II Trauma, Women Health Center, High Intensity Focused Ultrasound for Prostate Cancer, etc. to improve the financial position of the hospital and better serve the community.

UTMC administration is exploring opportunities to purchase land and build/lease facilities that will take the healthcare provided on-campus out into the communities. This "hub and spoke" approach will extend the reach of the hospital beyond its current campus, improving market share and better serving outlying communities.

Labor contract negotiations, which were completed in FY22, will provide market driven wage and benefit adjustments that are needed to retain the current staff and attract highly qualified individuals to the hospital. In addition, changes in leadership that were made in FY21 have instilled new processes and protocols that have improved efficiencies and operational performance.

In summary, while facing the challenges of an ever-changing healthcare environment, UTMC has aggressively moved forward to improve operational performance in the areas of productivity, billing, labor management and overall patient care. In addition, it has taken steps to expanded current service lines and establish new programs to improve the financial position of the hospital and provide the community with the services and quality of care that UTMC has long been known to deliver.

Contacting Financial Management

This financial report is designed to provide our bondholders, customers, community members, and other interested parties with a general overview of the University of Toledo's finances and to demonstrate the University's accountability for the funds it receives.

If you have questions about this report or need additional information, contact the Finance and Administration department, at University Hall 3700, 2801 W. Bancroft St., Toledo, Ohio 43606-3390.

THE UNIVERSITY OF TOLEDO
STATEMENTS OF NET POSITION
JUNE 30, 2022 AND 2021
(DOLLARS IN THOUSANDS)

	University		UT Foundation	
	2022	2021 restated	2022	2021
ASSETS				
Current assets:				
Cash and cash equivalents	\$ 134,327	\$ 173,547	\$ 1,803	\$ 2,143
Accounts receivable, net	122,931	105,791	943	857
Contributions receivable, net	-	-	5,092	7,600
Inventories	10,437	9,244	-	-
Notes receivable, net	1,387	1,681	-	-
Other	7,771	8,299	83	8
Total current assets	276,853	298,562	7,921	10,608
Noncurrent assets:				
Restricted cash	4,336	3,063	-	-
Endowment and loan investments	61,524	69,658	-	-
Notes receivable, net	2,137	4,027	-	-
Lease receivable	5,002	5,218	-	-
Long-term investments	296,116	231,286	605,249	616,685
Investments held by insurance captive	6,434	7,194	-	-
Contributions receivable, net	-	-	4,913	5,031
Capital assets, net	477,721	499,459	41,938	43,983
Right of use assets, net	31,589	27,794	-	-
Rocket Innovations	2,008	1,848	-	-
Charitable remainder trusts and annuity contracts	-	-	3,773	4,648
Cash surrender value of life insurance policies	-	-	1,477	1,430
Net pension asset	6,178	4,708	-	-
Net OPEB asset	52,478	34,905	-	-
Other	157	157	593	593
Total noncurrent assets	945,680	889,317	657,943	672,370
Total assets	1,222,533	1,187,879	665,864	682,978
Deferred outflows:				
Deferred outflow of resources - derivatives	1,916	12,423	-	-
Deferred outflow of resources - OPEB	1,517	15,671	-	-
Deferred outflow of resources - pension	75,029	52,669	-	-
Deferred outflow of resources - refunding	9,590	10,660	-	-
Total deferred outflows	\$ 88,052	\$ 91,423	\$ -	\$ -

See accompanying Notes to the Financial Statements.

THE UNIVERSITY OF TOLEDO
STATEMENTS OF NET POSITION (CONTINUED)
JUNE 30, 2022 AND 2021
(DOLLARS IN THOUSANDS)

	<u>University</u>		<u>UT Foundation</u>	
	<u>2022</u>	<u>2021 restated</u>	<u>2022</u>	<u>2021</u>
LIABILITIES				
Current liabilities:				
Accounts payable	\$ 46,540	\$ 31,978	\$ 1,837	\$ 1,407
Accrued liabilities	69,121	57,211	436	405
Unearned revenue	39,850	56,405	67	46
Compensated absences - current portion	26,526	26,262	-	-
Long-term liabilities - current portion	25,296	21,539	353	336
Total current liabilities	207,333	193,395	2,693	2,194
Noncurrent liabilities:				
Compensated absences	7,886	7,491	-	-
Long-term liabilities	263,058	282,119	14,104	14,728
Lease obligations	26,686	25,343	-	-
Refundable federal student loans	4,503	10,842	-	-
Other	6,964	1,017	-	-
Insurance captive reserve for losses	9,411	9,034	-	-
Fair value of derivative investment	1,916	12,423	-	-
Net pension liability	195,712	365,587	-	-
Funds held for affiliates	-	-	275,117	255,527
Total noncurrent liabilities	516,136	713,856	289,221	270,255
Total liabilities	723,469	907,251	291,914	272,449
Deferred inflows:				
Deferred inflow of resources - OPEB	61,749	97,754	-	-
Deferred inflow of resources - pension	231,451	103,802	-	-
Deferred inflow of resources - other	49,497	5,343	-	-
Total deferred inflows	342,697	206,899	-	-
NET POSITION				
Net investment in capital assets	214,414	218,891	32,965	33,768
Restricted for:				
Nonexpendable	12,808	12,808	145,246	136,721
Expendable	117,182	126,289	168,011	204,721
Unrestricted	(99,985)	(192,836)	27,728	35,319
Total net position	\$ 244,419	\$ 165,152	\$ 373,950	\$ 410,529

See accompanying Notes to the Financial Statements.

THE UNIVERSITY OF TOLEDO
STATEMENTS OF REVENUES, EXPENSES, AND OTHER
CHANGES IN NET POSITION
YEARS ENDED JUNE 30, 2022 AND 2021
(DOLLARS IN THOUSANDS)

	University		UT Foundation	
	2022	2021 restated	2022	2021
REVENUES				
Operating revenues:				
Hospital patient service revenue, net of bad debt of \$8,121 in 2022 and \$7,078 in 2021	\$ 325,697	\$ 297,676	\$ -	\$ -
Student tuition and fees, net of student aid of \$78,217 in 2022 and \$75,072 in 2021	172,515	187,799	-	-
Federal grants and contracts	44,351	40,271	-	-
State grants and contracts	2,569	2,885	-	-
Local grants and contracts	497	532	-	-
Private grants and contracts	14,450	9,976	-	-
Sales and services	3,374	2,508	-	-
Auxiliary Enterprises, net of student aid of \$2,507 in 2022 and \$2,422 in 2021	50,221	40,138	-	-
Other patient services revenue	76,329	83,742	-	-
Contributions and support	-	-	14,789	18,731
Residency reimbursement	23,773	20,585	-	-
Academic Affiliation Investment	44,619	41,894	-	-
Other	77,194	26,690	7,870	7,530
Total operating revenues	835,589	754,696	22,659	26,261
EXPENSES				
Operating expenses:				
Salaries and wages	456,537	426,139	-	-
Benefits	38,716	(21,696)	-	-
Supplies	150,690	131,473	-	-
Travel and entertainment	10,898	3,889	-	-
Information and communication	29,646	27,576	-	-
Occupancy	33,827	24,012	-	-
Scholarship	31,971	29,705	-	-
Outside purchased services	78,577	70,531	-	-
Provision for doubtful accounts	1,301	2,741	-	-
Support to University	-	-	17,066	13,013
Fundraising and development	-	-	4,719	4,088
Management	-	-	5,296	5,358
Depreciation and Amortization	56,251	55,927	1,122	1,142
Other	7,527	7,810	3,201	3,185
Total operating expenses	895,941	758,107	31,404	26,786
Operating loss	\$ (60,352)	\$ (3,411)	\$ (8,745)	\$ (525)

See accompanying Notes to the Financial Statements.

THE UNIVERSITY OF TOLEDO
STATEMENTS OF REVENUES, EXPENSES, AND OTHER
CHANGES IN NET POSITION (CONTINUED)
YEARS ENDED JUNE 30, 2022 AND 2021
(DOLLARS IN THOUSANDS)

	<u>University</u>		<u>UT Foundation</u>	
	<u>2022</u>	<u>2021 restated</u>	<u>2022</u>	<u>2021</u>
Operating loss	\$ (60,352)	\$ (3,411)	\$ (8,745)	\$ (525)
NONOPERATING REVENUES (EXPENSES)				
State share of instruction	110,700	109,475	-	-
Income (Loss) after state share of instruction	<u>50,348</u>	<u>106,064</u>	<u>(8,745)</u>	<u>(525)</u>
Federal grants and contracts	47,118	99,694	-	-
State grants and contracts	11,167	10,849	-	-
Gifts	5,425	6,036	-	-
Investment income (loss)	(33,046)	59,016	(30,060)	82,718
Interest on debt	(12,980)	(13,911)	-	-
Asset disposal	(17)	(640)	-	-
Other	307	3,115	2,226	2,753
Total nonoperating revenues	<u>17,974</u>	<u>164,159</u>	<u>(27,834)</u>	<u>85,471</u>
Income (loss) before other changes	68,322	270,223	(36,579)	84,946
Other changes				
Capital appropriations	10,162	2,476	-	-
Capital grants, gifts, and contracts	783	1,103	-	-
Addition to permanent endowment	-	1	-	-
Total other changes	<u>10,945</u>	<u>3,580</u>	<u>-</u>	<u>-</u>
Increase (Decrease) in net position	79,267	273,803	(36,579)	84,946
NET POSITION				
Net position at beginning of year	<u>165,152</u>	<u>(108,651)</u>	<u>410,529</u>	<u>325,583</u>
Net position at end of year	<u>\$ 244,419</u>	<u>\$ 165,152</u>	<u>\$ 373,950</u>	<u>\$ 410,529</u>

See accompanying Notes to the Financial Statements.

THE UNIVERSITY OF TOLEDO
STATEMENTS OF CASH FLOWS
YEARS ENDED JUNE 30, 2022 AND 2021
(DOLLARS IN THOUSANDS)

	<u>2022</u>	<u>2021 Restated</u>
Cash flows from operating activities		
Tuition and fees	\$ 172,546	\$ 187,739
Grants and contracts	62,251	42,299
Patient revenues	387,017	361,771
Sales and services of educational activities	3,558	1,514
Payments to suppliers and outside purchased services	(347,426)	(311,569)
Payments to employees	(601,372)	(556,459)
Auxiliary Enterprise charges	48,264	49,442
Other	157,015	104,689
Net cash used in operating activities	<u>(118,147)</u>	<u>(120,574)</u>
Cash flows from non-capital financing activities		
State share of instruction	110,700	109,475
Student direct lending receipts	104,907	116,152
Student direct lending disbursements	(106,397)	(113,638)
Student loan repayments, net of loans issued	1,359	2,346
Return of Perkins capital to Federal government	(1,469)	(1,635)
Gifts, grants, and contracts	63,710	116,579
Net cash provided by non-capital financing activities	<u>172,810</u>	<u>229,279</u>
Cash flows from capital and related financing activities		
Purchases of capital assets	(31,865)	(43,861)
Principal paid on capital debt	(19,265)	(14,670)
Capital appropriations	10,162	2,476
Proceeds from debt issuance	376	26,026
Capital grants and gifts	4,033	819
Interest paid on capital debt	(13,002)	(12,843)
Net cash used in capital and related financing activities	<u>(49,561)</u>	<u>(42,053)</u>
Cash flows from investing activities		
Proceeds from sales of investments	53,686	29,982
Purchases of investments	(96,114)	(43,166)
Investment income	(621)	2,204
Net cash used in investing activities	<u>\$ (43,049)</u>	<u>\$ (10,980)</u>

See accompanying Notes to the Financial Statements.

THE UNIVERSITY OF TOLEDO
STATEMENTS OF CASH FLOWS (CONTINUED)
JUNE 30, 2022 AND 2021
(DOLLARS IN THOUSANDS)

	<u>2022</u>	<u>2021 Restated</u>
Net increase (decrease) in cash	\$ (37,947)	\$ 55,672
Cash and cash equivalents - beginning of year	176,610	120,938
Cash and cash equivalents - end of year	<u>\$ 138,663</u>	<u>\$ 176,610</u>

	<u>2022</u>	<u>2021 restated</u>
Reconciliation of operating loss to net cash used in operating activities:		
Operating loss	\$ (60,352)	\$ (3,411)
Adjustments to reconcile operating loss to Net cash used in operating activities:		
Depreciation and amortization	56,251	54,764
Provision for patient bad debt	(1,712)	1,949
(Increase) decrease in assets:		
Accounts receivable, net	(17,140)	(26,145)
Inventories	(1,193)	(375)
Other current assets	528	1,420
Increase (decrease) in liabilities:		
Accounts payable, accrued liabilities and other	26,472	9,523
Deferred revenue	(16,555)	(6,988)
Compensated absences	659	(149)
Medical profession liability accrual	377	555
Net pension liability and pension deferrals	(105,482)	(151,717)
Net cash used in operating activities	<u>\$ (118,147)</u>	<u>\$ (120,574)</u>

Supplemental disclosure of noncash transactions

Acquisition of right of use assets under lease agreements	<u>\$ 7,878</u>	<u>\$ 22,972</u>
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See accompanying Notes to the Financial Statements.

THE UNIVERSITY OF TOLEDO
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2022 AND 2021
(DOLLARS IN THOUSANDS)

NOTE 1 ORGANIZATION, BASIS OF PRESENTATION, AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The University of Toledo (the University) is a leading research institution in the state of Ohio with over 15,000 students, 1,300+ instructional faculty and 3,700+ staff members. The University is comprised of thirteen colleges: Arts and Letters, Business and Innovation, Education, Engineering, Graduate Studies, Health and Human Services, Honors, Law, Medicine and Life Sciences, Natural Sciences and Mathematics, Nursing, Pharmacy and Pharmaceutical Sciences, and University College. The University offers more than 300 undergraduate, graduate and professional programs leading to degrees in over 60 instructional departments. The University operates The University of Toledo Medical Center (UTMC), which includes 319 registered beds and, during the most recent fiscal year, provided services to 7,959 admitted patients, 200,983 outpatient clinic patients, and 25,988 emergency visit patients. In addition, UTMC performed 7,960 surgical cases and, on average, cared for over 700 patients per day in both an inpatient and outpatient setting. UTMC specializes in kidney transplantation, cardiology, behavioral health, family medicine, orthopedic surgery and cancer treatment.

Organization

The University of Toledo was founded in 1872 and is a component unit of the state of Ohio and discretely presented in the state's Annual Comprehensive Financial Report. The University is classified as a state instrumentality under Internal Revenue Code Section 115 and is therefore, exempt from federal income taxes. Certain activities of the University may be subject to taxation as unrelated business income under Internal Revenue Code Sections 511 through 514.

The Board of Trustees (BOT) governs the University and is responsible for oversight of academic programs, budgets, general administration and employment of faculty and staff. The Governor, with the advice and consent of the State Senate, appoints the BOT members for staggered nine-year terms. Three national and two student trustees, all nonvoting members, also serve on the Board and are appointed for two-year terms.

Measurement Focus, Basis of Accounting, and Financial Statement Presentation

The financial statements have been prepared in accordance with accounting principles generally accepted in the United States of America as prescribed by the Governmental Accounting Standards Board (GASB). In accordance with GASB Statement No. 35 – *Basic Financial Statements and Management Discussion and Analysis for Public Colleges and Universities, an amendment of GASB Statement No. 34*, the University presents management's discussion and analysis; statements of net position; statements of revenue, expenses, and changes in net position; statements of cash flows; and notes to financial statements.

THE UNIVERSITY OF TOLEDO
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2022 AND 2021
(DOLLARS IN THOUSANDS)

NOTE 1 ORGANIZATION, BASIS OF PRESENTATION, AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Measurement Focus, Basis of Accounting, and Financial Statement Presentation (Continued)

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

Nonexchange transactions, in which the University receives value without directly giving equal value in return, include: federal, state, and local grants; state appropriations; and other contributions. On an accrual basis, revenue from grants, state appropriations, and other contributions is recognized in the year in which all eligibility requirements have been satisfied. Eligibility requirements include timing requirements, which specify the year when the resources are required to be used or the fiscal year when use is first permitted, matching requirements, in which the University must provide local resources to be used for a specific purpose, and expense requirements, in which the resources are provided to the University on a reimbursement basis.

The financial statements have been prepared in accordance with GASB Statement No. 61 *The Financial Reporting Entity: Omnibus*. This standard requires examination of significant operational or financial relationships with the University and establishes criteria for identifying and presenting component units of the organization. Based on this examination and application of these criteria, the University has identified three component units: The University of Toledo Foundation, The University of Toledo Physicians, Clinical Faculty, Inc. (UTP-CF), and Rocket Innovations as described in the following paragraphs.

Component Units of the Organization

The University of Toledo Foundation

The University of Toledo Foundation is a legally separate, tax-exempt entity that acts primarily as a fundraising organization to supplement the resources available to the University in support of its programs. The Foundation transferred approximately \$17,066 and \$13,013 during fiscal years 2022 and 2021, respectively, to the University for both restricted and unrestricted purposes in support of its programs. Certain marketable investments of the University are pooled with marketable investments of the Foundation. The Foundation manages these funds and charges the University a management fee equal to 1.25% of the fair market value of the University's share of the pooled investments.

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NOTE 1 ORGANIZATION, BASIS OF PRESENTATION, AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Component Units of the Organization (Continued)

The University of Toledo Foundation (Continued)

The Foundation is a nonprofit organization that reports under Financial Accounting Standards Board (FASB) standards, including Accounting Standards Codification 958-205, previously FASB Statement No. 117, and *Financial Reporting for Not-for-Profit Organizations*. As such, certain revenue recognition criteria and presentation features are different from GASB revenue recognition criteria and presentation features. No modifications have been made to the Foundation's financial information in the University's financial reporting entity for these differences.

In accordance with GASB Statement No. 14, as amended, the Foundation is reflected as a discretely presented component unit in the University's financial statements. A complete copy of the audited financial statements of the Foundation is available at the Foundation offices located near the campus of the University.

The University of Toledo Physicians, Clinical Faculty, Inc.

Effective July 1, 2011, The University became the sole member of the once self-perpetuating board of The University of Toledo Clinical Faculty, Inc. which subsequently changed to University of Toledo Physicians, Clinical Faculty, Inc. (UTP-CF). UTP-CF is the sole member of University of Toledo Physicians, LLC (UTP).

UTP-CF is a multi-specialty corporation that employs 246 physicians in Northwest Ohio and is exempt from federal income tax under Section 501(c) (3) of the Internal Revenue Code. The Organization provides physician services at The University of Toledo Medical Center and other local facilities in the following areas: anesthesiology, medicine, neurology, obstetrics, orthopedics, pathology, pediatrics, psychiatry, radiology, radiation oncology, rehabilitation, surgery, urology, family medicine, and emergency medicine. UTP-CF also provides administrative support, billing and collection services for physician services at UTMC. Total Operating Revenues for UTP-CF, net of provision for doubtful accounts, were \$117,151 and \$113,411 for the fiscal years ended June 30, 2022 and 2021, respectively.

UTP-CF uses enterprise fund accounting. Revenues and expenses are recognized on an accrual basis, using the economic resources measurement focus based on GASB Codification Topic 1600, *Accounting and Financial Reporting for Proprietary Funds and Other Governmental Entities That Use Proprietary Fund Accounting*, as amended.

The UTP-CF financial statements include the accounts of UTP-CF, and its wholly owned subsidiaries; University of Toledo Physicians, LLC (UTP), UTP Pathology Services, LLC (PATH), University of Toledo Dentists, Inc., Associates of the Medical College of Ohio, Inc. (University of Toledo Dentists, Inc.), and the University of Toledo Medical Assurance Company, LLC (UTMAC). For presentation purposes, UTP and PATH are presented as blended component units, and University of Toledo Dentists, Inc. are discretely presented.

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NOTE 1 ORGANIZATION, BASIS OF PRESENTATION, AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Component Units of the Organization (Continued)

The University of Toledo Physicians, Clinical Faculty, Inc. (Continued)

In accordance with GASB Statement No. 14, as amended, UTP-CF financials are presented in a blended manner, reflected as a part of the University's financials, and are also shown below in condensed format. Separate audited financial statements for UTP-CF are available at the UTP-CF offices located near the campus of the University.

University of Toledo Physicians Clinical Faculty, Inc.

Condensed Statements of Net Position

	2022	2021 restated
ASSETS		
Current assets	\$ 26,754	\$ 37,249
Due from University of Toledo	2,378	6,477
Capital assets	3,299	1,424
Investments held by insurance captive	26,766	21,556
Noncurrent assets	9,479	10,610
Total assets	68,676	77,316
LIABILITIES		
Current liabilities	22,619	24,035
Due to University of Toledo	904	466
Noncurrent Liabilities	8,760	9,773
Total liabilities	32,283	34,274
NET POSITION		
Invested in Capital Assets	3,299	1,424
Unrestricted	33,094	41,798
Total net position	\$ 36,393	\$ 43,222

THE UNIVERSITY OF TOLEDO
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(DOLLARS IN THOUSANDS)

NOTE 1 ORGANIZATION, BASIS OF PRESENTATION, AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Component Units of the Organization (Continued)

The University of Toledo Physicians, Clinical Faculty, Inc. (Continued)

Condensed Statements of Revenues, Expenses and Changes in Net Position

	<u>2022</u>	<u>2021 restated</u>
OPERATING REVENUES		
Net patient service revenue	\$ 95,390	\$ 93,781
Other Revenues	21,763	19,630
Total operating revenues	<u>117,153</u>	<u>113,411</u>
OPERATING EXPENSES		
Salaries, wages, and benefits	99,197	88,494
Depreciation	1,367	1,366
Other	19,270	18,258
Total operating expenses	<u>119,834</u>	<u>108,118</u>
Operating income (loss)	(2,681)	5,293
Total nonoperating revenues (expenses)	<u>(4,148)</u>	<u>1,456</u>
Increase (decrease) in net position	(6,829)	6,749
Net position - beginning of the year	43,222	36,473
Net position - end of the year	<u>\$ 36,393</u>	<u>\$ 43,222</u>

Condensed Statements of Cash Flows

	<u>2022</u>	<u>2021 restated</u>
Net cash flows from operating activities	\$ 119	\$ 5,893
Net cash flows from financing activities	(3,966)	1,114
Net cash flows from investing activities	<u>(7,966)</u>	<u>(2,624)</u>
Net increase (decrease) in cash	(11,813)	4,383
Cash and cash equivalents - beginning of year	24,325	19,942
Cash and cash equivalents - end of year	<u>\$ 12,512</u>	<u>\$ 24,325</u>

Rocket Innovations

In February 2009, the University formed a nonprofit corporation called Science, Technology, and Innovation Enterprises, which filed an amendment in December 2014 to change its name to Rocket Innovations (the Corporation). The University is the sole member of the Corporation which has been organized for charitable, educational, and scientific purposes within the scope of Section 501(c)(3) of the Internal Revenue Code. The Corporation supports the University through investment in public and private economic development projects and promotes the interests of the University.

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NOTE 1 ORGANIZATION, BASIS OF PRESENTATION, AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Component Units of the Organization (Continued)

Rocket Innovations (Continued)

The Corporation consists of equity investments (common stock, preferred stock, warrant options, and promissory notes) valued at approximately \$2,460 and \$2,434 as of June 30, 2022 and 2021, respectively. Total cash available to help fund future investments for the years ended June 30, 2022 and 2021 was approximately \$383 and \$493, respectively. In accordance with GASB Statement No. 61, the Corporation's financials are presented in a blended manner, reflected as a part of the University's financials, and are also shown below in condensed format as of and for the year ended June 30 of each respective year.

Rocket Innovations

Condensed Statements of Net Position

	2022	2021
ASSETS		
Current assets	\$ 4,596	\$ 4,278
Other assets	2,008	1,848
Total assets	6,604	6,126
LIABILITIES		
Current liabilities	26	26
Total liabilities	26	26
NET POSITION		
Unrestricted	6,578	6,100
Total net position	\$ 6,578	\$ 6,100

Condensed Statements of Revenues, Expenses, and Changes in Net Position

	2022	2021
Total operating revenue	\$ 1,608	\$ 2,234
Total operating expenses	1,164	803
Operating income	444	1,431
Investment income	34	781
Increase in net position	478	2,212
Net position - beginning of the year	6,100	3,888
Net position - end of the year	\$ 6,578	\$ 6,100

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NOTE 1 ORGANIZATION, BASIS OF PRESENTATION, AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Component Units of the Organization (Continued)

Rocket Innovations (Continued)

Condensed Statements of Cash Flows

	2022	2021
Net cash flows from operating activities	\$ 453	\$ 1,509
Cash and cash equivalents - beginning of year	3,688	2,179
Cash and cash equivalents - end of year	\$ 4,141	\$ 3,688

Significant Accounting Policies

Cash and Cash Equivalents

Cash and cash equivalents consist of cash on hand and demand deposits with banks. Investments with original maturities less than 90 days are considered cash equivalents. Restricted cash consists of cash deposits segregated for the Federal Perkins Loan Program. For purposes of the statements of cash flows, "cash" is defined as the total of cash and cash equivalents and restricted cash.

Inventories

Inventories are stated at the lower of cost or market. Cost is determined on an average cost basis.

Patient Revenue and Accounts Receivable

Patient accounts receivable and revenue are recorded at net realizable value when patient services are performed. The University has agreements with third-party payors that provide for payments to the University at amounts different from its established rates. A summary of the payment arrangements with major third-party payors follows:

- Medicare and Medicaid: The University is a provider of services under the Medicare and Medicaid programs. The University is paid a prospectively determined fixed price for each Medicare and Medicaid inpatient. The price varies depending on the type of illness or the patient's diagnostic related group classification. Capital costs, certain Medicare outpatient services, and Medicaid outpatient services are also reimbursed on a prospectively determined fixed price. Graduate medical education is reimbursed on a per diem basis under the Medicare program. The University receives payment for other Medicare outpatient services and certain inpatient costs on a reasonable cost basis.
- Other Payors: The University has also entered into payment agreements with certain commercial carriers to provide health care services. Payment to the University under these agreements is based on prospectively determined fixed prices, fee screens, or on a percentage of billed charges.

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NOTE 1 ORGANIZATION, BASIS OF PRESENTATION, AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Significant Accounting Policies (Continued)

Patient Revenue and Accounts Receivable (Continued)

Provision is made in the financial statements for the differences between the University's standard rate charged for services rendered and third-party reimbursements and for estimated settlements based on third-party reimbursement contracts. Retroactive settlements resulting from third-party audits of filed cost reports are reflected in the financial statements in the year of settlement. These provisions and settlements are included in deductions from patient service revenue. There is at least a reasonable possibility that recorded estimates will change in the near-term. Laws and regulations governing the Medicare and Medicaid programs are complex and subject to interpretation. The University believes that it is in compliance with all applicable laws and regulations and is not aware of any pending or threatened investigations involving allegations of potential wrongdoing. While no such regulatory inquiries have been made, compliance with such laws and regulations can be subject to regulatory action including fines, penalties, and exclusion from the Medicare and Medicaid programs.

Charity care includes services provided to persons who cannot afford healthcare because of inadequate resources or who are uninsured or underinsured. In addition to charity care, services are provided under Medicaid and other welfare programs. Certain payments received under these programs are less than the cost of providing the service.

A summary of charity and uncompensated care, at cost, is as follows:

	Year Ended 6/30/2022	Year Ended 6/30/2021
Traditional charity care	\$ 2,467	\$ (1,131)
Unpaid costs of traditional Medicaid programs	11,123	11,384
Unpaid costs of other welfare programs	15,515	23,220
Total charity and uncompensated care	<u>\$ 29,105</u>	<u>\$ 33,473</u>

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NOTE 1 ORGANIZATION, BASIS OF PRESENTATION, AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Significant Accounting Policies (Continued)

Capital Assets

Capital assets are stated at historical cost or their acquisition value at date of donation in the case of gifts. When capital assets are sold or otherwise disposed of, the carrying value of such assets is removed from the asset accounts, along with the related accumulated depreciation. Depreciation has been recorded in accordance with generally accepted accounting principles. The University has a rare book collection and manuscript collection in the library that is not capitalized since it represents historical works of art that are held for exhibition, education, research, and public service. These collections are neither disposed of for financial gain nor encumbered by any means.

Deferred Outflows of Resources

In addition to assets, the statements of financial position reports a separate section for deferred outflows of resources. This separate financial statement element, deferred outflows of resources, represents a consumption of net position that applies to future periods and will, therefore, not be recognized as an outflow of resources (expense/expenditure) until then. Deferred outflows of resources for the University consist of accumulated changes in the fair value of hedging derivative instruments, deferred losses on refunding of debt, and applicable changes to net pension and OPEB liability (see Notes 10,12,13).

Pensions and OPEB

For purposes of measuring the net pension and OPEB (other postemployment benefits) liability, net pension and OPEB asset, deferred outflows of resources and deferred inflows of resources related to pensions and OPEB and pension and OPEB expense, information about the fiduciary net position of the State Teachers Retirement System of Ohio (STRS) and the Ohio Public Employees Retirement System (OPERS) Pension Plan and additions to/deductions from STRS' and OPERS' fiduciary net position have been determined on the same basis as they are reported by STRS and OPERS. STRS and OPERS use the economic resources measurement focus and the full accrual basis of accounting. Contribution revenue is recorded as contributions are due, pursuant to legal requirements. Benefit payments (including refunds of employee contributions) are recognized as an expense when due and payable in accordance with the benefit terms. Investments are reported at fair value.

Unearned Revenue

Summer term tuition and fees, and corresponding expenses relating to various sessions falling in the fiscal year, are recognized in the fiscal year they occur. The portion of sessions falling into the next fiscal year are recorded as unearned revenue and prepaid expenses in the statement of net position and will be recognized in the following year.

THE UNIVERSITY OF TOLEDO
NOTES TO THE FINANCIAL STATEMENTS
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NOTE 1 ORGANIZATION, BASIS OF PRESENTATION, AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Significant Accounting Policies (Continued)

Insurance Captive Reserve for Losses

The insurance captive reserve for losses represents a liability for estimated unpaid losses and loss adjustment expenses relating to healthcare professional liability. A provision is also recorded for incurred but not paid amounts related to claim run-out provisions on the medical stop-loss coverage.

Note Payable to Foundation

As described in Note 9, the University borrowed \$5,798 from the pooled investment portfolio during the year ended June 30, 2017 to fund various capital projects. The balance outstanding as of June 30, 2022 was \$3,720, of which \$1,701 represents the University's share and has therefore, been eliminated in the financial statements. The remaining \$2,019 represents the portion of the loan effectively owed to the Foundation. The balance outstanding as of June 30, 2021 was \$3,778, with \$1,574 eliminated as the University's share and \$2,204 effectively owed to the Foundation.

Deferred Inflows of Resources

In addition to liabilities, the statement of financial position reports a separate section for deferred inflows of resources. This separate financial statement element, deferred inflows of resources, represents an acquisition of net position that applies to future periods and will therefore not be recognized as an inflow of resources (revenue) until then. Deferred inflows of resources for the University are attributable to collective changes in the net pension and OPEB liability, deferred gains on refunding of debt and lease arrangements where the University is the lessor.

Net Position

Net position is classified into the three following categories:

Net Investment in Capital Assets: Capital assets, net of accumulated depreciation and amortization and outstanding principal balances of debt attributable to the acquisition, construction, or improvement in those assets.

Restricted: Net position subject to externally imposed constraints that they may be maintained permanently by the University, or net position whose use by the University is subject to externally imposed constraints that can be fulfilled by actions of the University pursuant to those constraints or that expire by the passage of time. Restricted net position is classified further as nonexpendable or expendable. Nonexpendable restricted net position contains externally imposed restrictions that stipulate the resources be maintained permanently. Expendable restricted net position is available for expenditure by the University but must be spent for purposes as determined by donors or external entities that have placed time or purpose restrictions on the use of the assets.

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NOTE 1 ORGANIZATION, BASIS OF PRESENTATION, AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Significant Accounting Policies (Continued)

Net Position (Continued)

Nonexpendable restricted net position is categorized as shown below. Income from the underlying assets is available to support the activities within these categories.

Nonexpendable restricted net position	2022	2021
Scholarships and fellowships	\$ 10,635	\$ 10,635
University purposes	2,173	2,173
Total	<u>\$ 12,808</u>	<u>\$ 12,808</u>

Expendable restricted net position is categorized as shown below:

Expendable restricted net position	2022	2021
Capital projects	\$ 32,901	\$ 41,834
Debt service	20,956	19,590
Research	5,617	2,984
Scholarships and fellowships	48,329	56,383
University purposes	9,379	5,498
Total	<u>\$ 117,182</u>	<u>\$ 126,289</u>

Unrestricted: Net position available to the University for any lawful purpose of the institution. Unrestricted net position may be designated for specific purposes by action of management or the Board of Trustees or may otherwise be limited by contractual agreements with outside parties. The University has committed unrestricted net position to provide for identified future needs, such as debt service, contractual obligations, capital outlay, academic programming, and postemployment benefits. In the determination of whether to first apply restricted or unrestricted resources when an expense is incurred for purposes for which both restricted and unrestricted net position are available, it is the University's practice to use restricted first.

Compensatory Time

Compensatory time may be given in lieu of overtime pay to classified employees who work in excess of the regular schedule. The liability and expense for future payouts are recorded as earned.

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NOTE 1 ORGANIZATION, BASIS OF PRESENTATION, AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Significant Accounting Policies (Continued)

Compensated Absences

University employees earn vacation and sick leave based, in part, on length of service. Vacation pay is fully vested when earned. Upon separation from service, employees are paid accumulated vacation, and some are paid for sick pay based upon the nature of separation (death, retirement, or termination). Certain limitations have been placed on the hours of vacation and sick leave that employees may accumulate and carry over for payment at termination, retirement, or death. Unused hours exceeding their limitation are forfeited. The liability and expense incurred are recorded at year-end as long-term and short-term liabilities in the statements of net position, and as a component of operating expenses in the statements of revenues, expenses, and changes in net position.

Grants and Contracts

The University receives grants and contracts from federal, state, and private agencies to fund research and other activities. Grants and contracts generally provide for the recovery of direct and indirect costs. The University recognizes revenues associated with grants and contracts as the related costs are incurred. Indirect cost recovery is recorded as a percentage of direct costs at negotiated fixed rates. Revenues received under grants and contracts are subject to the examination and retroactive adjustments by the awarding agency. Federal funds are subject to an annual audit per regulations in the Office of Management and Budget (OMB) *Uniform Guidance* (2 CFR part 200, subpart F).

Operating and Nonoperating Revenue

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

Operating Revenues: Operating revenues include activities that have the characteristics of exchange transactions, such as (1) student tuition and fees, net of scholarship discounts and allowances; (2) patient service revenue; (3) sales and services of auxiliary enterprises, net of agency payments; and (4) most federal, state, and local grants and contracts.

Nonoperating Revenues: Nonoperating revenues include activities that have the characteristics of nonexchange transactions that are defined as nonoperating revenues by GASB Statement No. 9, *Reporting Cash Flows of Proprietary and Nonexpendable Trust Funds and Governmental Entities That Use Proprietary Fund Accounting*, and GASB Statement No. 35, *Basic Financial Statements and Management's Discussion and Analysis*.

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NOTE 1 ORGANIZATION, BASIS OF PRESENTATION, AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Significant Accounting Policies (Continued)

Scholarship Discounts and Allowances

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

State Subsidies

The University receives student-based subsidy and other subsidies from the state. These subsidies are determined biennially and released annually based upon allocations determined by the Ohio General Assembly and the Ohio Department of Higher Education.

In addition to subsidies, the state provides capital appropriations for construction of major plant facilities on the campus. The financing of construction is obtained by the state through issuance of state revenue bonds. State funds are pledged for the repayment of the revenue bonds. In the event these funds are insufficient to retire the revenue bonds, a pledge exists to assess a special student fee to students of state assisted institutions of higher education. As a result of this financing arrangement, the outstanding debt relating to the revenue bonds is not included in the University's statements of net position.

State appropriations are recognized when received. Restricted funds are recognized as revenue only to the extent expended.

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NOTE 1 ORGANIZATION, BASIS OF PRESENTATION, AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Significant Accounting Policies (Continued)

Endowments

For donor-restricted endowments, the Uniform Prudent Management of Institutional Funds Act, as adopted by Ohio, permits the University and the Foundation to distribute an amount of realized and unrealized endowment appreciation as the Board of Trustees determines to be prudent. The University's and the Foundation's Board of Trustees established an investment policy for the endowments and quasi endowments with the objectives of protecting principal and maximizing total investment return without assuming extraordinary risks. It is the goal of the University to provide spendable income levels that are reasonably stable and sufficient to meet budgetary requirements and to maintain a spending rate, currently 4.0% of the three-year market average, which ensures a proper balance between the preservation of corpus and enhancement of the purchasing power of investment earnings. As of June 30, 2022 and 2021, net appreciation of \$48,329 and \$56,383, respectively, was available to be spent, of which \$37,976 and \$44,556, respectively, was restricted to specific purposes.

Interest Rate Swap Agreements

The University has entered into various interest rate swap agreements in order to manage and hedge risks associated with interest. In June 2008, the GASB issued Statement No. 53, *Accounting and Financial Reporting for Derivative Instruments*, effective for the University's fiscal year 2010. This Statement requires derivative instruments (such as interest rate swap agreements) to be reported at fair value. In addition, for derivative instruments that qualify as effective hedges, changes in fair value will be reported as deferrals in the statement of net position, while changes in the fair value of the derivative instruments that do not qualify as effective hedges including investment derivative instruments, will be reported as nonoperating revenue (expense) as a component of investment income. See Note 10 for relevant disclosures.

Use of Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements. Estimates also affect the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

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NOTE 1 ORGANIZATION, BASIS OF PRESENTATION, AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Significant Accounting Policies (Continued)

Perkins Loan Program Termination

The Federal Perkins Loan Program (Perkins program) was established in 1957 as a campus-based program serving students with financial need who qualified for lower interest loans than traditional Stafford loans issued through banks. Funds for the Perkins program were initially received through Federal Capital Contributions (FCC) from the U.S. Department of Education (DOE) and were supplemented with Institutional Capital Contributions (ICC). The two sources of funding are tracked and shown separately on the annual Fiscal Operations Report and Application to Participate (FISAP) report. Institutions originated loans to their students and are responsible for servicing the loans throughout the repayment term. As a revolving loan program, the dollars collected from former students are used to make new loans to current students.

The U.S. Congress did not renew the Perkins program after September 30, 2017 and consequently no disbursements were permitted after June 30, 2018. The DOE has given institutions the option of assigning existing Perkins loans back to the federal government or continuing to collect on them while returning the FCC as loans are repaid. The University has elected to continue to collect on Perkins loans. Historically, the balance of the Perkins loans was reported in Notes Receivable and Restricted Net Position (Expendable for Student Loans). Due to the impending repayment of the FCC portion as the loans are collected, an accrued liability was established effective June 30, 2019, for the amount of the remaining FCC due to the DOE.

Adoption of New Accounting Standards

In June 2017, the Governmental Accounting Standards Board (GASB) issued GASB Statement No. 87, *Leases*. This standard requires the recognition of certain lease assets and liabilities for leases that were previously classified as operating leases as well as recognition of inflows or outflows of resources based on the payment provisions of the contract. It establishes a single model for lease accounting based on the foundational principle that leases are financings of the right to use an underlying asset. Under this standard, a lessee is required to recognize a lease liability and an intangible right-to-use lease asset, and a lessor is required to recognize a lease receivable and a deferred inflow of resources.

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NOTE 1 ORGANIZATION, BASIS OF PRESENTATION, AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Adoption of New Accounting Standards (continued)

The University adopted the requirements of the guidance effective July 1, 2021 and has applied the provisions of this standard to the beginning of the earliest comparative period presented. The financial statements for the fiscal year ended June 30, 2021 were restated as summarized below.

Statement of revenues and expenses	<u>2021</u>
Change in net position, as previously reported	\$ 274,265
Implementation of GASB 87	
Operating revenues	(133)
Operating expenses	334
Nonoperating expenses	<u>(663)</u>
Change in net position, as restated	<u><u>\$ 273,803</u></u>

Balance Sheet at June 20, 2021	Balance as Previously Reported	GASB 87 Changes	Balance as Restated
Total current assets	\$ 298,392	\$ 170	\$ 298,562
Total noncurrent assets	865,902	23,415	889,317
Total Assets	<u><u>\$ 1,164,294</u></u>	<u><u>\$ 23,585</u></u>	<u><u>\$ 1,187,879</u></u>
Total current liabilities	\$ 191,436	\$ 1,959	\$ 193,395
Total noncurrent liabilities	697,111	16,745	713,856
Deferred inflow of resources	201,556	5,343	206,899
Net position	165,614	(462)	165,152
Total Liabilities, Deferred Inflows of Resources and Net Position	<u><u>\$ 1,255,717</u></u>	<u><u>\$ 23,585</u></u>	<u><u>\$ 1,279,302</u></u>

Reclassifications

Certain items in the June 30, 2021 comparative information have been reclassified to correspond to the June 30, 2022 financial statement presentation.

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NOTE 2 CASH AND CASH EQUIVALENTS

The carrying amount of the University's cash and cash equivalents for all funds was \$138,663 and \$176,610 as of June 30, 2022 and 2021, respectively, as compared to bank balances of \$146,093 and \$177,071, respectively. The differences in carrying amount and bank balances are caused by outstanding checks and deposits in transit. The University had cash deposits with a single financial institution totaling \$26,621 and \$14,410 as of June 30, 2022 and 2021. \$250 of the cash deposits is insured by the Federal Deposit Insurance Corporation (FDIC) as of June 30, 2022 and 2021. The remaining amounts are collateralized with single financial institution collateral pools at the Federal Reserve Banks, or at member banks of the federal reserve system, in the name of the respective depository bank and pledged as a pool of collateral against all of the public deposits it holds or as specific collateral held at the Federal Reserve Bank in the name of the University, per the Ohio Revised Code 135.181B which requires that the total market value of the securities so pledged is at least equal to 105% of the total amount of all public deposits.

UTP-CF maintains the majority of its operating cash balances in three financial institutions. The balances at each institution are insured by the FDIC up to certain limits. At June 30, 2022 and 2021, UTP-CF had approximately \$7,128 and \$29,124 in excess of FDIC insured limits, respectively. Management reviews the financial institutions periodically to assess any custodial credit risk. During 2022 and 2021, UTP-CF had additional collateral pledged by various financial institutions where deposits exceeded FDIC limits and at June 30, 2022 and 2021, deposits in excess of FDIC and pledged collateral equaled approximately \$1,000 and \$222, respectively.

NOTE 3 INVESTMENTS

University investments are categorized by the following: endowment and loan investments, long-term investments, and investments held by insurance captive. Endowment and loan investments include gifted endowment funds of the University held in an investment pool with gifted endowment funds of the Foundation. Long-term investments are considered institutional reserves emphasizing both capital preservation and long-term appreciation. Long-term investments consist of the University's equity in the Foundation's investment pool as well as fixed income instruments. Investments held by insurance captive include short-term and long-term fixed income instruments. The University's investment policy establishes investment objectives, strategies, and measures for evaluation. The policy complies with the state of Ohio regulations provided by legislation.

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NOTE 3 INVESTMENTS (CONTINUED)

The University's investment policy authorizes the investment of Board Designated Reserves and endowed funds in the following investments:

- Obligations of the U.S. Treasury and other federal agencies
- Municipal and state bonds
- Certificates of deposit
- Repurchase agreements
- Mutual funds and mutual fund pools
- Money market funds
- Corporate bonds and stocks
- Mortgages and collateralized mortgage obligations
- Alternative investments

The carrying values of investments as of June 30, 2022, exclusive of accrued interest, consisted of the following:

	Endowment and Loan Investments	Long-Term Investments	Investments Held by Insurance Captive	Total
Certificates of deposit	\$ -	\$ 5,711	\$ -	\$ 5,711
Corporate bonds and notes	-	60,043	2,182	62,225
Corporate stock	-	-	31	31
Equity in internal investment pool	60,583	211,923	-	272,506
Money market	47	493	-	540
Mutual funds - equity	777	5,519	-	6,296
Mutual funds - fixed income	117	-	-	117
U.S. government and agencies	-	12,427	4,221	16,648
Total investments	\$ 61,524	\$ 296,116	\$ 6,434	\$ 364,074

The carrying values of investments as of June 30, 2021, exclusive of accrued interest, consisted of the following:

	Endowment and Loan Investments	Long-Term Investments	Investments Held by Insurance Captive	Total
Certificates of deposit	\$ -	\$ 9,913	\$ -	\$ 9,913
Corporate bonds and notes	-	33,151	2,731	35,882
Corporate stock	-	-	1	1
Equity in internal investment pool	68,540	183,552	-	252,092
Money market	45	11	-	56
Mutual funds - equity	927	-	-	927
Mutual funds - fixed income	146	-	-	146
U.S. government and agencies	-	4,659	4,462	9,121
Total investments	\$ 69,658	\$ 231,286	\$ 7,194	\$ 308,138

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NOTE 3 INVESTMENTS (CONTINUED)

GASB Statement No. 40, *Deposit and Investment Risk Disclosure*, requires certain additional disclosures related to the interest rate, credit, foreign currency and custodial risks associated with interest-bearing investments. At the present time, the University does not have formal policies addressing these types of risk.

Interest Rate Risk

Interest rate risk is the risk that changes in interest rates will adversely affect the fair value of an investment. Investments with interest rates that are fixed for longer periods are likely to be subject to more variability in their fair values as a result of future changes in interest rates.

As of June 30, 2022, the University had the following interest-bearing investments and maturities.

Investment Type	Fair Value	Investment Maturity (in Years)			
		< 1	1 - 5	6 - 10	> 10
U.S. government and agencies	\$ 16,648	\$ -	\$ 11,892	\$ 937	\$ 3,819
Corporate bonds and notes	62,225	18,079	30,053	5,076	9,017
Mutual funds - fixed income	117	-	14	85	18
Total	\$ 78,990	\$ 18,079	\$ 41,959	\$ 6,098	\$ 12,854

As of June 30, 2021, the University had the following interest-bearing investments and maturities:

Investment Type	Fair Value	Investment Maturity (in Years)			
		< 1	1 - 5	6 - 10	> 10
U.S. government and agencies	\$ 9,121	\$ 2,536	\$ 5,736	\$ 171	\$ 678
Corporate bonds and notes	35,882	5,718	13,759	8,939	7,466
Mutual funds - fixed income	146	-	30	87	29
Total	\$ 45,149	\$ 8,254	\$ 19,525	\$ 9,197	\$ 8,173

Credit Risk

Credit risk is the risk that an issuer or other counterparty to an investment will not fulfill its obligations. Credit quality information – as commonly expressed in terms of the credit ratings issued by the nationally recognized statistical rating organizations (NRSROs) such as Moody's Investors Service, Standard & Poor's, or Fitch Ratings – provides a current depiction of potential variable cash flows and credit risk.

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NOTE 3 INVESTMENTS (CONTINUED)

Credit Risk (Continued)

The credit ratings of the University's interest-bearing investments as of June 30, 2022 are as follows:

Investment Type	Fair Value	Credit Rating (Moody's)			
		Aaa	Aa	A	Baa and less
U.S. government and agencies	\$ 16,648	\$ 16,648	\$ -	\$ -	\$ -
Corporate bonds and notes	62,225	348	4,192	23,928	33,757
Mutual funds - fixed income	117	3	99	15	-
Total	\$ 78,990	\$ 16,999	\$ 4,291	\$ 23,943	\$ 33,757

The credit ratings of the University's interest-bearing investments as of June 30, 2021 are as follows:

Investment Type	Fair Value	Credit Rating (Moody's)			
		Aaa	Aa	A	Baa and less
U.S. government and agencies	\$ 9,121	\$ 9,121	\$ -	\$ -	\$ -
Corporate bonds and notes	35,882	36	312	16,878	18,656
Mutual funds - fixed income	146	-	11	29	106
Total	\$ 45,149	\$ 9,157	\$ 323	\$ 16,907	\$ 18,762

Concentration Risk

Concentration of credit risk is the risk of loss attributed to the magnitude of investment in a single issuer. The University's investment policy requires investment pool direct placements to be sufficiently diversified and provides that no more than 7% of its equity holdings and 5% of its fixed income holdings can be invested in any particular issue. The foregoing restrictions do not apply to securities that are issued or fully guaranteed by the United States government. The University did not have investments in any single issuer that equaled 5% or more in 2022 or 2021.

Foreign Currency Risk

Foreign currency risk is the risk that changes in exchange rates will adversely affect the fair value of an investment or deposit. The University had no foreign equity holdings as of June 30, 2022 and 2021.

Custodial Credit Risk

For an investment, custodial credit risk is the risk that, in the event of the failure of the counterparty, the University will not be able to recover the value of its investment or collateral securities that are in the possession of an outside party. The University had no exposure to custodial credit risk for the years ended June 30, 2022 and 2021.

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NOTE 3 INVESTMENTS (CONTINUED)

The University of Toledo Foundation and Subsidiaries Investments

Certain investments of the University and The University of Toledo Alumni Association (Alumni Association) are pooled with investments of the Foundation. The pooled investments are managed by the Foundation. The following are the Foundation's pooled investments and non-pooled investments at June 30:

	2022		2021	
	Fair Value	Cost	Fair Value	Cost
Mutual funds, index funds and ETFs - equities	\$ 282,289	\$ 263,171	\$ 311,835	\$ 230,937
Mutual funds and ETFs - fixed income	64,488	72,586	52,366	53,112
Real Estate	12,772	14,328	9,689	9,039
Common stock	58,209	60,329	79,376	56,522
Hedge funds	44,876	43,805	49,522	43,894
Partnerships	123,115	72,185	92,702	70,810
U.S. government and agency issues	12,222	12,489	12,051	11,829
Corporate bonds	2,467	2,701	3,026	2,885
Cash equivalents	4,345	4,345	5,844	5,844
Total pooled investments	<u>\$ 604,783</u>	<u>\$ 545,939</u>	<u>\$ 616,411</u>	<u>\$ 484,872</u>

The Foundation had the following sources of unrealized and realized gains and losses related to the pooled investments reported in their statement of activities for the years ended June 30:

	2022	2021
Unrealized gains:		
Ending balance	\$ 28,833	\$ 67,112
Beginning balance	67,112	4,135
Unrealized appreciation/(depreciation)	(38,279)	62,977
Realized appreciation/(depreciation)	5,311	13,949
Total realized and unrealized appreciation/(depreciation)	<u>\$ (32,968)</u>	<u>\$ 76,926</u>

THE UNIVERSITY OF TOLEDO
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NOTE 4 FAIR VALUE MEASUREMENTS

The University categorizes its fair value measurements within the fair value hierarchy established by generally accepted accounting principles. The hierarchy is based on the valuation inputs used to measure the fair value of the asset. Level 1 inputs are quoted prices in active markets for identical assets; Level 2 inputs are significant other observable inputs; Level 3 inputs are significant unobservable inputs. Investments that are measured at fair value using the net asset value per share (or its equivalent) as a practical expedient are not classified in the fair value hierarchy below.

In instances where inputs used to measure fair value fall into different levels in the above fair value hierarchy, fair value measurements in their entirety are categorized based on the lowest level input that is significant to the valuation. The University's assessment of the significance of particular inputs to these fair value measurements requires judgment and considers factors specific to each asset or liability.

The University has the following recurring fair value measurements as of June 30, 2022, and 2021:

Assets and Liabilities Measured at Fair Value on a Recurring Basis

	Balance at June 30, 2022	Fair Value Measurements Using:		
		Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)
Investments by fair value level:				
Certificates of deposit	\$ 5,711	\$ -	\$ 5,711	\$ -
Corporate bonds and notes	62,225	-	62,225	-
Corporate stock	31	-	31	-
Mutual funds - equity	6,296	6,296	-	-
Mutual funds - fixed income	117	117	-	-
U.S. Government and agencies	16,648	16,648	-	-
Total investments by fair value level	\$ 91,028	\$ 23,061	\$ 67,967	\$ -
Investments measured at the net asset value (NAV):				
Equity in internal investment pool	\$ 272,506			
Total investments measured at the NAV	\$ 272,506			
Total investments measured at fair value	\$ 363,534			
Derivative instruments by fair value level:				
Interest rate swap liability	\$ 1,916	\$ -	\$ 1,916	\$ -
Total derivative instruments by fair value level	\$ 1,916	\$ -	\$ 1,916	\$ -

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NOTE 4 FAIR VALUE MEASUREMENTS (CONTINUED)

Assets and Liabilities Measured at Fair Value on a Recurring Basis

	Balance at June 30, 2021	Fair Value Measurements Using:		
		Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)
Investments by fair value level:				
Certificates of deposit	\$ 9,913	\$ -	\$ 9,913	\$ -
Corporate bonds and notes	35,882	-	35,882	-
Corporate stock	1	-	1	-
Mutual funds - equity	927	927	-	-
Mutual funds - fixed income	146	146	-	-
U.S. Government and agencies	9,121	9,121	-	-
Total investments by fair value level	\$ 55,990	\$ 10,194	\$ 45,796	\$ -
Investments measured at the net asset value (NAV):				
Equity in internal investment pool	\$ 252,092			
Total investments measured at the NAV	\$ 252,092			
Total investments measured at fair value	\$ 308,082			
Derivative instruments by fair value level:				
Interest rate swap liability	\$ 12,423	\$ -	\$ 12,423	\$ -
Total derivative instruments by fair value level	\$ 12,423	\$ -	\$ 12,423	\$ -

Debt and equity securities classified in Level 1 are valued using prices quoted in active markets for those securities. The fair value of corporate bonds and issuances of the U.S. government and its agencies was determined primarily based on level 2 inputs. The University estimates the fair value of these investments using other inputs such as interest rates and yield curves that are observable at commonly quoted intervals. The valuation method for investments measured at the net asset value (NAV) per share (or its equivalent) is presented in the following section.

Investments in Entities that Calculate Net Asset Value per Share

The University holds an equity interest in the investment pool of the Foundation. Fair value is measured on a recurring basis using the net asset value per share as a practical expedient. The fair value of the University's equity interest in the investment pool was \$272,506 and \$252,092 as of June 30, 2022 and 2021, respectively. There were no unfunded commitments and there is no redemption notice period or restriction on redemption frequency.

The primary investment strategy of the investment pool is capital preservation and long-term appreciation through a mix of fixed income instruments and equities.

THE UNIVERSITY OF TOLEDO
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NOTE 4 FAIR VALUE MEASUREMENTS (CONTINUED)

The University of Toledo Foundation and Subsidiaries Investments

The Foundation uses fair value measurements to define fair value and establish a framework for measuring fair value. The three-level fair value hierarchy prioritizes the inputs to valuation techniques used to measure fair value. In general, fair values determined by Level 1 inputs use quoted prices in active markets for identical assets that the Foundation has the ability to access. Fair values determined by Level 2 inputs include quoted prices for similar assets in active markets, and other inputs such as interest rates and yield curves that are observable at commonly quoted intervals. Level 3 inputs are unobservable inputs, including inputs that are available in situations where there is little, if any, market activity for the related asset.

In instances whereby inputs used to measure fair value fall into different levels of the fair value hierarchy, fair value measurements in their entirety are categorized based on the lowest level input that is significant to the valuation. The Foundation's assessment of the significance of particular inputs to these fair value measurements requires judgment and considers factors specific to each asset.

Disclosures concerning assets measured at fair value on a recurring basis for June 30, 2022 are as follows:

	Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)	Balance at June 30, 2022
Pooled Investments:				
Mutual Funds, Index Funds, and ETFs -				
Equities	\$ 282,289	\$ -	\$ -	\$ 282,289
Mutual Funds and ETFs - Fixed Income	64,489	-	-	64,489
Common Stock	58,209	-	-	58,209
U.S. Government and Agency Issues	-	12,222	-	12,222
Corporate Bonds	-	2,467	-	2,467
Real Estate	-	12,772	-	12,772
Subtotal	<u>404,987</u>	<u>27,461</u>	<u>-</u>	<u>432,448</u>
Hedge Funds - NAV Practical Expedient	-	-	-	44,876
Partnerships - NAV Practical Expedient	-	-	-	123,115
Cash Equivalents	-	-	-	4,344
Total Pooled Investments	<u>\$ 404,987</u>	<u>\$ 27,461</u>	<u>\$ -</u>	<u>\$ 604,783</u>

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NOTE 4 FAIR VALUE MEASUREMENTS (CONTINUED)

Disclosures concerning assets measured at fair value on a recurring basis for June 30, 2021 are as follows:

	Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)	Balance at June 30, 2021
Pooled Investments:				
Mutual Funds, Index Funds, and ETFs - Equities	\$ 311,835	\$ -	\$ -	\$ 311,835
Mutual Funds and ETFs - Fixed Income	52,366	-	-	52,366
Common Stock	79,375	-	-	79,375
U.S. Government and Agency Issues	-	12,051	-	12,051
Corporate Bonds	-	3,026	-	3,026
Real Estate	-	9,689	-	9,689
Subtotal	<u>443,576</u>	<u>24,766</u>	<u>-</u>	<u>468,342</u>
Hedge Funds - NAV Practical Expedient	-	-	-	49,522
Partnerships - NAV Practical Expedient	-	-	-	92,702
Cash Equivalents	-	-	-	5,845
Total Pooled Investments	<u>\$ 443,576</u>	<u>\$ 24,766</u>	<u>\$ -</u>	<u>\$ 616,411</u>

THE UNIVERSITY OF TOLEDO
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NOTE 5 ACCOUNTS AND NOTES RECEIVABLE

The accounts and notes receivable, shown net of allowances for uncollectible accounts at June 30, 2022 and 2021, respectively, are summarized as follows:

	2022	2021
Accounts receivable:		
Tuition and fees	\$ 7,071	\$ 8,775
Patient services	76,691	56,942
Sales and services	8,774	11,283
Auxiliary services	543	413
Grants and contracts	29,852	28,378
Total accounts receivable - net of allowances	<u>122,931</u>	<u>105,791</u>
Notes receivable:		
Current	1,387	1,681
Noncurrent	2,137	4,027
Total notes receivable - net of allowances	<u>3,524</u>	<u>5,708</u>
Total accounts and notes receivable - net of allowances	<u>\$ 126,455</u>	<u>\$ 111,499</u>

Accounts receivable is for transactions relating to tuition and fees, patient services, auxiliary enterprise sales, grants and contracts, and miscellaneous sales and services. Accounts receivable are recorded net of contractual allowances and allowances for uncollectible accounts totaling \$12,239 and \$11,574 for fiscal years 2022 and 2021, respectively. Student notes receivable are recorded net of allowance for uncollectible accounts of \$760 as of June 30, 2022 and 2021, respectively.

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NOTE 5 ACCOUNTS AND NOTES RECEIVABLE (CONTINUED)

The University of Toledo Foundation – Contributions Receivable

As of June 30, 2022 and 2021, donors to the Foundation have made unconditional promises to give that are measured at fair value. A risk premium has been estimated by management based on uncertainty factors to determine expected future cash flows from unconditional promises to give that are discounted to a net present value based on a risk-free interest rate. Write-offs of uncollectible pledges for the years ended June 30, 2022 and 2021 amounted to \$958 and \$1,223, respectively.

Contributions receivable as of June 30 are as follows:

	2022	2021
Within one year	\$ 5,505	\$ 7,911
Over one to five years	5,491	5,077
More than five years	319	601
Total	11,315	13,589
Risk premium	(998)	(879)
Present value discount	(312)	(79)
Net contributions receivable	<u>\$ 10,005</u>	<u>\$ 12,631</u>
Net due in one year	\$ 5,092	\$ 7,600
Net due in excess of one year	4,913	5,031
Total contributions receivable	<u>\$ 10,005</u>	<u>\$ 12,631</u>

In May 2006, the Foundation received a pledge of \$15 million to establish three endowed funds to support the University. The timing and amounts of the payments and the amounts allocated to the funds were determined by the donors who agreed to completing the pledge within 15 years. The final pledge payment was received in 2021. The pledge balance due was recorded at fair value as a contribution receivable with a net present value of \$3.1 million as of June 30, 2020.

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NOTE 6 LEASES RECEIVABLE

The University, acting as lessor, leases certain land and office space under long-term, non-cancelable lease agreements. The leases expire at various dates through 2066 and provide for renewal options ranging from one year to ten years. During the year ended June 30, 2022, the University recognized \$354 and \$241 in lease revenue and interest revenue, respectively, pursuant to these contracts. During the year ended June 30, 2021, the University recognized \$354 and \$252 in lease revenue and interest revenue, respectively, pursuant to these contracts.

Certain leases provide for increases in future minimum annual rental payments based on specific rates or defined increases in the Consumer Price Index.

Total future minimum lease payments to be received under lease agreements are as follows:

	Principal	Interest	Total
2023	\$ 217	\$ 230	\$ 447
2024	162	222	384
2025	172	214	386
2026	188	206	394
2027	197	198	395
2028-2032	1,069	850	1,919
2033-2037	1,322	587	1,909
2038-2042	372	384	756
2043-2047	417	307	724
2048-2052	585	199	784
2053-2057	335	68	403
2058-2062	93	32	125
2063-2066	90	9	99
TOTALS	\$ 5,219	\$ 3,506	\$ 8,725

THE UNIVERSITY OF TOLEDO
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NOTE 7 CAPITAL ASSETS

Capital assets are recorded at cost or if acquired by gift at their acquisition value as of the date of donation. Capital assets activity for the year ended June 30, 2022, consisted of the following:

	Balance 6/30/2021 Restated	Additions	Reallocation/ Reductions	Balance 6/30/2022
Capital assets, not being depreciated or amortized:				
Land and land improvements	\$ 26,326	\$ -	\$ -	\$ 26,326
Construction in progress	26,974	12,640	12,117	51,731
Total capital assets, not being depreciated or amortized	53,300	12,640	12,117	78,057
Capital assets, being depreciated or amortized:				
Land improvements	17,781	-	-	17,781
Right of use assets	31,325	7,878	-	39,203
Infrastructure	185,800	-	-	185,800
Buildings	1,127,090	-	1,654	1,128,744
Equipment	201,927	17,811	(14,329)	205,409
Total capital assets, being depreciated and amortized	1,563,923	25,689	(12,675)	1,576,937
Less accumulated depreciation and amortization:				
Land improvements	14,517	966	-	15,483
Right of use assets	3,531	4,083	-	7,614
Infrastructure	146,469	5,214	-	151,683
Buildings	753,665	35,503		789,168
Equipment	171,788	10,486	(538)	181,736
Total Accumulated Depreciation and Amortization	1,089,970	56,252	(538)	1,145,684
Total capital assets, being depreciated or amortized, net	473,953	(30,563)	(12,137)	431,253
Capital assets, net	\$ 527,253	\$ (17,923)	\$ (20)	\$ 509,310

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NOTE 7 CAPITAL ASSETS (CONTINUED)

Capital assets activity for the year ended June 30, 2021, consisted of the following:

	Balance 6/30/2020 Restated	Additions	Reallocation/ Reductions	Balance 6/30/2021 Restated
Capital assets, not being depreciated or amortized:				
Land and land improvements	\$ 26,326	\$ -	\$ -	\$ 26,326
Construction in progress	15,503	5,141	6,330	26,974
Total capital assets, not being depreciated or amortized	41,829	5,141	6,330	53,300
Capital assets, being depreciated or amortized:				
Land improvements	17,647	134	-	17,781
Right of use assets	8,353	22,972	-	31,325
Infrastructure	177,962	8,215	(377)	185,800
Buildings	1,110,569	-	16,521	1,127,090
Equipment	215,798	29,824	(43,695)	201,927
Total capital assets, being depreciated and amortized	1,530,329	61,145	(27,551)	1,563,923
Less accumulated depreciation and amortization:				
Land improvements	13,558	959	-	14,517
Right of use assets	-	-	3,531	3,531
Infrastructure	141,154	5,605	(290)	146,469
Buildings	719,727	35,610	(1,672)	753,665
Equipment	168,342	12,590	(9,144)	171,788
Total Accumulated Depreciation and Amortization	1,042,781	54,764	(7,575)	1,089,970
Total capital assets, being depreciated or amortized, net	487,548	6,381	(19,976)	473,953
Capital assets, net	\$ 529,377	\$ 11,522	\$ (13,646)	\$ 527,253

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NOTE 7 CAPITAL ASSETS (CONTINUED)

Assets are classified as either for Academic or Hospital use. Academic assets are capitalized at a cost of \$50 or greater with the exception of equipment and computer software, which are capitalized at a cost of \$5 or greater. Academic asset depreciation and amortization on capital leases are recognized on a straight-line basis over the estimated useful life of the asset, as follows:

Classification	Life
Infrastructure	10 to 25 years
Buildings	40 years
Building additions	10 to 40 years
Equipment	5 - 10 years

Hospital assets are capitalized with a cost of \$5 or greater for equipment, buildings, and building additions based on increase of capacity, life, or operating efficiency of a capital asset. Hospital asset depreciation and amortization on capital leases are recognized on a straight-line basis over the estimated useful life of the asset, as follows:

Classification	Life
Infrastructure	2 to 40 years
Buildings	5 to 40 years
Building additions	5 to 40 years
Equipment	3 to 20 years

NOTE 8 SERVICE CONCESSION ARRANGEMENTS

Effective October 1, 2021, the University entered into an agreement with ParkUToledo to operate, manage and maintain the University's parking system, including collecting parking fees and issuing tickets for parking violations. The objectives of entering into this agreement were to leverage the parking assets to generate cash resources and to provide parking services in a more efficient and cost-effective manner. The term of the agreement is 35 years and the University received an upfront payment of \$52.5 million with the potential for future annual payments contingent on the balance in ParkUToledo's surplus fund.

In addition to operating and maintaining the parking system, ParkUToledo is responsible for making all capital improvements required to be completed during the term of the agreement. At the end of the agreement, ParkUToledo will surrender and deliver to the University all if its rights, title and interest in the parking system, including all improvements.

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NOTE 8 SERVICE CONCESSION ARRANGEMENTS (CONTINUED)

As part of the agreement, the University committed to demolition of the two existing parking garages and construction of surface lots to take their place. In addition, the University is responsible for electricity, snow removal and waste disposal related to the parking system for the term of the agreement. Also, in the event there is insufficient funding available for debt service payments, the University has agreed to provide a maximum of \$5 million in the aggregate over the term of the agreement.

In accordance with the requirements of GASB Statement No. 60, *Accounting and Financial Reporting for Service Concession Arrangements*, the University has recorded a deferred inflow of resources, which will be amortized to revenue over the life of the agreement, and a liability for future service obligations. As of June 30, 2022, the University's balance sheet reflects a deferred inflow of resources of \$44,508 and a liability for future service obligations of \$6,854. Revenue recognized during the year ended June 30, 2022 was \$1,204. The parking assets continue to be reported in the University's financial statements, including depreciation as applicable.

NOTE 9 DEBT

On May 1, 2018, the University issued \$28,320 in General Receipts Bonds, Series 2018B. Proceeds from the Bonds were used to advance refund and defease the General Receipts Bonds Series 2010 totaling \$26,660 and to pay cost of issuance. The refunded bonds maturing June 1 of the years 2018 to 2020, inclusive, were paid on their respective due dates from the escrow fund. The refunded bonds maturing June 1, 2021 were called for redemption on June 1, 2020 at par plus accrued interest. The Series 2018B bonds bear interest at a fixed rate of 4.26%, and the net present value loss on the refunded bonds was \$7,885.

On May 1, 2018, the University issued \$9,175 in General Receipts Bonds, Series 2018A. Proceeds from the Bonds were used to advance refund and defease the remaining General Receipts Bonds Series 2008A totaling \$10,035 and to pay cost of issuance. The refunded bonds were called for redemption on June 1, 2018 at par plus accrued interest. The Series 2018A Bonds bear interest at a fixed rate of 5%, and the net present value savings of the refunded bonds was \$797.

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NOTE 9 DEBT (CONTINUED)

On December 28, 2017, the University issued \$35,655 in General Receipts Bonds, Series 2017B. Proceeds from the Bonds were used to advance refund and defease the portion of the General Receipts Bonds Series 2011B maturing on June 1 of the years 2022 to 2031, inclusive, totaling \$38,385 and to pay cost of issuance. The refunded bonds will be called for redemption on June 1, 2021 at par plus accrued interest. The Series 2017B Bonds bear interest at a fixed rate of 5%, and the net present value savings of the refunded Bonds was \$3,024.

On March 28, 2017, the University issued \$72,820 in General Receipts Premium Bonds, Series 2017A. Proceeds from the Bonds, together with available funds, were used to refund \$32,140 General Receipt Bonds Series 2007A, advance refund \$11,060 General Receipt Bonds Series 2008A, fund \$30,000 in capital projects to the University's Main Campus, and to pay cost of issuance. Capital improvements include the renovation of Parks Tower, improvements to various campus facilities, and electrical, lighting and HVAC upgrades. The Bonds have an average coupon of 4.39%, and the net present value savings of the refunded Bonds of \$3,311.

On June 27, 2013, the University issued \$15,610 in General Receipts Bonds, Series 2013D through a direct placement with U.S. Bank National Association. Proceeds of the Series 2013D were used to fund the purchase of \$15,050 of outstanding General Receipts Bonds, Series 2007B that were tendered for purchase, to redeem on July 16, 2013 the outstanding General Receipts Bonds, Series 2005, and to pay cost of issuance of the Series 2013D Bonds. The Series 2013D Bonds bear interest at 72% of the one-month LIBOR plus 0.50%. On November 7, 2017, Huntington National Bank purchased the bonds at 72% of the sum of LIBOR plus 0.85% subject to a mandatory tender on July 7, 2023.

On June 27, 2013, the University issued \$34,180 in General Receipts Bonds, Series 2013C. Proceeds of the Series 2013C were used to advance refund General Receipts Bonds, Series 2009B, Build America Bonds at par due to a reduction in the federal subsidy and to pay cost of issuance of the Series 2013C Bonds. The Series 2013C Bonds bear a fixed rate of interest with an average yield of 4.03% and a final maturity of June 1, 2031.

On June 21, 2013, the University issued \$86,485 in General Receipts Bonds, Series 2013B through a direct placement with PNC Bank, National Association. Proceeds of the Series 2013B were used to advance refund General Receipts Bonds, Series 2011A, and to pay the cost of issuance of the Series 2011A Bonds. Series 2013B Bonds bear interest at 72% of the one-month LIBOR plus 0.39%. The Bonds have a mandatory tender date of June 1, 2023.

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NOTE 9 DEBT (CONTINUED)

On June 7, 2013, the University issued \$10,125 in General Receipts Bonds, Series 2013A through a direct placement with Capital One Public Funding, LLC. Proceeds of the Series 2013A were used to defease and advance refund the \$9,635 outstanding General Receipts Bonds, Series 2004 and to pay the cost of issuance of the Series 2013A Bonds. The University recognized cash flow savings of \$904 and an economic gain of \$790 from the advance refunding of Series 2004. Series 2013A bears interest at 1.99% with a final maturity of June 1, 2025. The Bonds have mandatory tender date June 1, 2023.

On November 3, 2011, the University issued \$47,640 in General Receipts Bonds, Series 2011B. Proceeds of the Series 2011B Bonds were, together with other available funds, to pay the cost of various improvements on the University's Health Science Campus, including reconstruction of existing facilities to house a comprehensive cancer center; expansions, renovations and improvements to the University of Toledo Medical Center, including reconstruction and renovation of patient rooms and operating rooms; renovations and improvements to Dowling Hall building for outpatient office space and clinical space; acquisition and installation of hardware and software for electronic medical records system; acquisition of medical equipment; and acquisition and installation of various other facility improvements. Additional proceeds of the Series 2011B Bonds were used to pay the costs related to the issuance of the Series 2011B Bonds. The Series 2011B Bonds bear a fixed rate of interest with an average yield of 4.41%.

The University has defeased a portion of the Series 2011B Bonds through an advance refunding during the year ended June 30, 2018, and accordingly, they are not reflected in the accompanying financial statements. The amount of Bonds that have been defeased and are outstanding as of June 30, 2021 is \$38,385.

On April 26, 2007, the University issued \$49,900 in General Receipts Bonds, Series 2007B, to finance the rehabilitation and improvement of a facility to provide classrooms for undergraduates; the rehabilitation and improvement of the main library; and improvements to athletic facilities. Series 2007B bears interest based on the Auction Period Rate for each 35-day auction period. During fiscal year 2010, the University made two public tender offers for the 2007B Series Bonds. The University also tendered and repurchased 2007B Series Bonds in fiscal year 2013 from proceeds of the Series 2013D Bond issuance. Bonds repurchased and subsequently cancelled under these tender offers have been credited against the mandatory redemption schedule of the Series 2007B Bonds. The next scheduled principal redemption date on the series 2007B Bonds is currently June 1, 2036.

The principal and interest payments of all of the General Receipts Bonds are collateralized by the pledge of the general receipts of the University. The bond indentures have various covenants relating to reporting with which the University management believes they have complied.

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NOTE 9 DEBT (CONTINUED)

Contracts have been entered into for capital construction projects amounting to approximately \$6,353. The estimated cost to complete construction in progress at June 30, 2022 is \$5,731.

As part of the Epic EMR project, the University entered into an agreement with Epic to finance the cost of the license and implementation over a period of five years. The future payments required by the agreement are as follows:

	Principal	Interest	Total
2023	\$ 4,272	\$ 268	\$ 4,540
2024	4,358	181	4,539
2025	4,446	93	4,539
2026	2,258	13	2,271
Total	\$ 15,334	\$ 555	\$ 15,889

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NOTE 9 DEBT (CONTINUED)

Long-term liabilities activity for the year ended June 30, 2022, consisted of the following:

Description	Due Dates	Interest Rate	Balance			Balance June 30, 2022	Current
			June 30, 2021	Additions	Retirements		
General Receipts Series 2013A, private placement bonds Refund Series 2004	2014-2025	1.99%	\$ 3,640	\$ -	\$ 885	\$ 2,755	\$ 900
General Receipts Series 2013B, private placement bonds Refund Series 2011A	2015-2032	Variable	69,100	-	435	68,665	1,685
General Receipts Series 2013D, private placement bonds Refund partial Series 2007B and all of Series 2005	2031-2036	Variable	15,610	-	-	15,610	-
Total private placement bonds			88,350	-	1,320	87,030	2,585
General Receipts Series 2007B, term bonds: Renovations for athletic, classrooms, and library	2031-2036	Variable	1,325	-	-	1,325	-
General Receipts Series 2011B, serial and term bonds: Health Science campus improvements and Medical Center reconstruction for cancer center	2015-2031	4.5% to 5.0%	-	-	-	-	-
General Receipts Series 2013C, serial bonds Refund Series 2009B	2019-2031	5.00%	28,585	-	2,290	26,295	2,400
General Receipts Series 2017A, serial bonds Refund partial Series 2008A and all of Series 2007A	2019-2047	3.625% to 5.0%	64,855	-	3,180	61,675	3,415
General Receipts Series 2017B, serial bonds Refund Series 2011B maturities 2022-2031	2022-2031	5.00%	35,655	-	2,835	32,820	2,975
General Receipts Series 2018A, serial bonds Refund remaining Series 2008A	2019-2027	5.00%	6,840	-	1,065	5,775	1,180
General Receipts Series 2018B, serial bonds Refund partial Series 2008A and all of Series 2007A	2033-2044	4.26%	28,320	-	-	28,320	-
Total serial bonds			165,580	-	9,370	156,210	9,970
Unamortized bond premium			13,375	-	1,055	12,320	1,055
Unamortized bond discount			(578)	-	(75)	(503)	(75)
Interest rate swap contract			10,544	-	1,035	9,509	1,054
Loan payable-Epic			19,522	-	4,188	15,334	4,272
Note payable-UT Foundation			2,204	-	185	2,019	-
Total other long-term debt			45,067	-	6,388	38,679	6,306
Total long-term debt			298,997	-	17,078	281,919	18,861
Less current portion						18,861	
Long-term liabilities						<u>\$ 263,058</u>	

Description	Balance			Balance	
	June 30, 2021	Additions	Retirements	June 30, 2022	Current
Compensated absences	\$ 33,753	\$ 17,258	\$ 16,599	\$ 34,412	\$ 26,526
Long-term liabilities	298,997	-	17,078	281,919	18,861
Lease obligation	30,004	7,871	5,392	32,483	5,797
Refundable federal student loans	10,842	-	6,339	4,503	-
Other	1,017	10,397	3,812	7,602	638
Insurance captive reserve for losses	9,034	1,788	1,411	9,411	-
Fair value of derivative investment	12,423	-	10,507	1,916	-
Net OPEB liability	-	-	-	-	-
Net pension liability	365,587	22,135	192,010	195,712	-
Total noncurrent liabilities	761,657	59,449	253,148	567,958	51,822
Less current portion				51,822	
Noncurrent liabilities				<u>\$ 516,136</u>	

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NOTE 9 DEBT (CONTINUED)

Long-term liabilities activity for the year ended June 30, 2021 (as restated), consisted of the following:

Description	Due Dates	Interest Rate	Balance June 30, 2020	Additions	Retirements	Balance June 30, 2021	Current
General Receipts Series 2013A, private placement bonds Refund Series 2004	2014-2025	1.99%	\$ 4,505	\$ -	\$ 865	\$ 3,640	\$ 885
General Receipts Series 2013B, private placement bonds Refund Series 2011A	2015-2032	Variable	69,100	-	-	69,100	435
General Receipts Series 2013D, private placement bonds Refund partial Series 2007B and all of Series 2005	2031-2036	Variable	15,610	-	-	15,610	-
Total private placement bonds			89,215	-	865	88,350	1,320
General Receipts Series 2007B, term bonds Renovations for athletic, classrooms, and library	2031-2036	Variable	1,325	-	-	1,325	-
General Receipts series 2009A, serial and term bonds: Refund Series 1998, Hospital renovations and digital records	2010-2020	3.0% to 4.375%	-	-	-	-	-
General Receipts Series 2011B, serial and term bonds Health Science campus improvements and Medical Center reconstruction for cancer center	2015-2031	4.5% to 5.0%	1,525	-	1,525	-	-
General Receipts Series 2013C, serial bonds Refund Series 2009B	2019-2031	5.00%	30,765	-	2,180	28,585	2,290
General Receipts Series 2017A, serial bonds Refund partial Series 2008A and all of Series 2007A	2019-2047	5.00%	67,975	-	3,120	64,855	3,180
General Receipts Series 2017B, serial bonds Refund Series 2011B maturities 2022-2031	2022-2031	5.00%	35,655	-	-	35,655	2,835
General Receipts Series 2018A, serial bonds Refund remaining Series 2008A	2019-2027	5.00%	7,935	-	1,095	6,840	1,065
General Receipts Series 2018B, serial bonds Refund partial Series 2008A and all of Series 2007A	2033-2044	4.26%	28,320	-	-	28,320	-
Total serial bonds			173,500	-	7,920	165,580	9,370
Unamortized bond premium			14,430	-	1,055	13,375	1,055
Unamortized bond discount			(653)	-	(75)	(578)	(75)
Interest rate swap contract			11,582	-	1,038	10,544	1,020
Loan payable-Epic			-	22,336	2,814	19,522	4,188
Note payable - UT Foundation			2,294	-	90	2,204	-
Total other long-term debt			27,653	22,336	4,922	45,067	6,188
Total long-term debt			290,368	22,336	13,707	298,997	16,878
Less current portion						16,878	
Long-term liabilities						<u>\$ 282,119</u>	

Description	Balance June 30, 2020	Additions	Retirements	Balance June 30, 2021	Current
Compensated absences	\$ 33,902	\$ 13,706	\$ 13,855	\$ 33,753	\$ 26,262
Long-term liabilities	290,368	22,336	13,707	298,997	16,878
Lease obligation	8,848	22,972	1,816	30,004	4,661
Refundable federal student loans	12,477	-	1,635	10,842	-
Other	14,595	-	13,578	1,017	-
Insurance captive reserve for losses	8,479	555	-	9,034	-
Fair value of derivative investment	17,551	-	5,128	12,423	-
Net pension liability	436,665	-	71,078	365,587	-
Total noncurrent liabilities	822,885	59,569	120,797	761,657	47,801
Less current portion				47,801	
Noncurrent liabilities				<u>\$ 713,856</u>	

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NOTE 9 DEBT (CONTINUED)

Principal and interest on long-term debt are payable from general receipts. The obligations are generally callable. The future amounts of principal and interest payments required by the bond agreements are as follows:

	Principal	Interest	Swap Interest	Net Interest	Net P&I
2023	\$ 12,555	\$ 11,087	\$ 157	\$ 11,244	\$ 23,799
2024	13,130	10,409	241	10,650	23,780
2025	13,575	9,877	152	10,029	23,604
2026	14,185	9,159	227	9,386	23,571
2027	13,960	8,525	159	8,684	22,644
2028-2032	107,670	32,652	1,009	33,661	141,331
2033-2037	34,390	10,849	110	10,959	45,349
2038-thereafter	33,775	8,279	-	8,279	42,054
Totals	\$ 243,240	\$ 100,837	\$ 2,055	\$ 102,892	\$ 346,132

The University's General Receipts Bonds contain a provision that in any event of default, the trustee may declare the principal and accrued interest of all outstanding bonds be due and payable immediately. Furthermore, in such events of default and upon the written request of the holders of at least 25% of the outstanding bonds, the trustee must declare the principal and accrued interest of all outstanding bonds to be due and payable immediately.

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NOTE 10 INTEREST RATE SWAPS

In order to hedge against interest rate fluctuations on the Series 2002 variable rate bonds, the University entered into three interest rate derivative (swap) agreements in November 2002. One swap expired June 1, 2020. The two remaining swaps expire on June 1, 2032 and have a current notional value of \$52,125. These swaps are associated with the Series 2013B Bonds and the counterparty for these swaps is JP Morgan Chase. The University pays a fixed rate of 3.888% to the counterparty and receives a variable rate of interest of 71% of one-month LIBOR from the counterparty on these two swaps. Only the net difference in interest payments is actually exchanged with the counterparty. The swap agreement's fair value is estimated using the zero-coupon method, whereby the future net settlement payment as required by the swap is calculated, and then discounted using the spot rates implied by the current yield curve. The mark-to-market valuation on the two swap agreements as of June 30, 2022 is a liability of \$1,442 compared to a liability of \$8,326 on June 30, 2021.

In April, 2007, the University entered into a swap agreement with JP Morgan Chase that expires on June 31, 2036, in the notional amount of \$33,250, to hedge a portion of the exposure against interest rate fluctuations arising from the variable interest rates on the Series 2007B. \$17,640 of the notional amount is now associated with the Series 2013B and the remaining \$15,610 notional value is associated with the Series 2013D. Based on the swap agreement, the University owes interest calculated at a fixed rate of 3.666% to the swap counterparty. In return, the counterparty owes the University interest at a variable rate based on 68% of one-month LIBOR. Only the net difference in interest payments is actually exchanged with the counterparty. The swap agreement's fair value is estimated using the zero-coupon method, whereby the future net settlement payment as required by the swap is calculated, and then discounted using the spot rates implied by the current yield curve. The mark-to-market valuation on the swap agreement as of June 30, 2022 is a liability \$474 compared to a liability of \$4,097 on June 30, 2021.

Upon termination of any of the swap agreements, a payment may be owed by the University to the swap counterparty or by the swap counterparty to the University, depending on the prevailing economic circumstances at the time of the termination.

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NOTE 10 INTEREST RATE SWAPS (CONTINUED)

Effective Date	Type	Objective	Notional Amount	Pays	Receives	Maturity Date	Counter Party Credit Rating	MTM @	
								06/30/22	06/30/21
11/16/02	Pay-Fixed, Rec-Var.	Synthetic Fixed Interest	\$ 24,690	3.888%	71% Libor	6/1/32	Aa3/A+	\$ (683)	\$ (3,944)
11/19/02	Pay-Fixed, Rec-Var.	Synthetic Fixed Interest	27,435	3.888%	71% Libor	6/1/32	Aa3/A+	(758)	(4,382)
4/26/07	Pay-Fixed, Rec-Var.	Synthetic Fixed Interest	<u>32,825</u>	3.660%	68% Libor	6/1/36	Aa3/A+	<u>(475)</u>	<u>(4,097)</u>
			<u>\$ 84,950</u>					<u>\$ (1,916)</u>	<u>\$ (12,423)</u>

Interest rate swaps are classified as hedging derivative instruments, if the hedging instruments meet the criteria outlined in GASB Statement No. 53, paragraph 27a and b, or as investment derivative instruments if they do not meet the criteria. All of the swap agreements have been determined to be effective hedging derivative instruments as of both June 30, 2022 and June 30, 2021.

All of the University's hedging relationships in fiscal year 2012 were terminated in fiscal year 2013 and designated into new hedging relationships. In accordance to GASB 53 these swaps are considered hybrid instruments consisting of a financing element and an embedded derivative. The at-market amount of the swaps at the time of the new hedging relationship is designated as a hedging instrument with a current mark-to-market value of (\$1,916). The above-market amounts which equal \$9,508 are considered borrowings and are included in long term debt which will be paid down by a portion of the swaps' periodic fixed payments.

As of the balance sheet date, the swap agreements can be summarized as follows:

	Change in Fair Value		2022 Classification		2021 Classification	
	2022	2021	Amount	Notional	Amount	Notional
Business-type activities						
Cash flow hedges:						
Pay-fixed interest rate swaps (receive-variable)	\$ 10,507	\$ 5,128	\$ (1,916)	\$ 84,950	\$ (12,423)	\$ 85,375
				Deferred charge		Deferred charge

The fair values of the interest rate swaps were estimated using the zero-coupon method. This method calculates the future net settlement payments required by the swap, assuming that the current forward rates implied by the yield curve correctly anticipate future spot interest rates. These payments are then discounted using the spot rates implied by the current yield curve for hypothetical zero-coupon bonds due on the date of each future net settlement on the swaps.

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NOTE 10 INTEREST RATE SWAPS (CONTINUED)

Rating	Bear Stearns (JPM) 2002 (Swap A and B)	Bank One (JPM) 2002 (Swap C)	JPM 2007B
Aaa/AAA	Infinity	Infinity	Infinity
Aa1, Aa2, Aa3/AA+, AA, AA-	Infinity	Infinity	Infinity
A1/A	10,000	Infinity	Infinity
A2/A	10,000	Infinity	Infinity
A3/A-	10,000	Infinity	Infinity
Baa1/BBB+	5,000	5,000	5,000
Baa2/BBB	500	3,000	3,000
Baa3/BBB-	500	0	0
Below Baa3/BBB- or suspended, withdrawn or unrated	0	0	0

As of June 30, 2022, the University's net liability position is \$11,425 exclusive of accrued interest in the amount of \$174 compared to a net liability position of \$22,967 in 2021. The University has not been required to post collateral with any counterparty as of June 30, 2022.

It is the University's policy to enter into netting arrangements whenever it has entered into more than one derivative instrument transaction with a counterparty. Under the terms of these arrangements, should one party become insolvent or otherwise default on its obligations, close-out netting provisions permit the nondefaulting party to accelerate and terminate all outstanding transactions and net the transactions' fair values so that a single sum will be owed by, or owed to, the nondefaulting party.

Although the University originally executed interest rate swap agreements with multiple counterparties, fall contracts, comprising approximately 100% of the net exposure to credit risk, are held with one company as the result of merger activity since 2002. That counterparty is rated Aa3/A+.

Interest Rate Risk – The University is exposed to interest rate risk on its interest rate swaps. On its pay-fixed, receive-variable interest rate swap, as LIBOR or the Securities Industry and Financial Markets Association (SIFMA) swap decreases, the University's net payment on the swap increases.

Basis Risk – The University is exposed to basis risk on its LIBOR-based interest rate swaps due to variable-rate payments received on these instruments based on a rate or index other than interest rates the University pays on its variable-rate debt, which, depending on the series is remarketed every 30 or 35 days.

Termination Risk – The University or its counterparties may terminate a derivative instrument if the other party fails to perform under the terms of the contract.

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NOTE 10 INTEREST RATE SWAPS (CONTINUED)

Rollover Risk – The University is exposed to rollover risk on its LIBOR-based interest rate swaps that mature or may be terminated prior to the maturity of the hedged debt. When these hedging interest rate swaps terminate, or in the case of a termination option, if the counterparty exercises its option, the University will be re-exposed to the risks being hedged by the interest rate swaps.

NOTE 11 LEASE OBLIGATIONS

The University leases equipment as well as certain operating and office facilities for various terms under long-term, non-cancelable lease agreements. The leases expire at various dates through 2038 and provide for renewal options ranging from three months to five years.

Certain facility leases provide for increases in future minimum annual rental payments based on specific rates or defined increases in the Consumer Price Index.

Total future minimum lease payments under lease agreements are as follows:

	Principal	Interest	Total
2023	\$ 5,797	\$ 1,378	\$ 7,175
2024	5,647	1,120	6,767
2025	4,632	861	5,493
2026	2,854	658	3,512
2027	2,280	540	2,820
2028-2032	7,734	1,599	9,333
2033-2037	3,449	241	3,690
2038	90	2	92
TOTALS	\$ 32,483	\$ 6,399	\$ 38,882

Right-to-use assets acquired through outstanding leases are shown below, by underlying asset class.

	FY 2022	FY 2021
Buildings	\$ 21,979	\$ 19,398
Equipment	17,224	11,927
Total right of use assets	39,203	31,325
Less: Accumulated Amortization	(7,614)	(3,531)
Net right of use assets	\$ 31,589	\$ 27,794

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NOTE 12 RETIREMENT BENEFITS

The University participates in the State Teachers Retirement System of Ohio (STRS) and the Ohio Public Employees Retirement System (OPERS). Each is a statewide, cost-sharing, multiple-employer public employee retirement system governed by the Ohio Revised Code (ORC) that covers substantially all employees of the University. Each system has three retirement plan options available and provides retirement, survivor and disability benefits to plan members and their beneficiaries. The systems also provide postemployment healthcare benefits to retirees and beneficiaries. Employees may opt out of STRS or OPERS and participate in the Alternative Retirement Plan (ARP) if they meet certain eligibility requirements. The ARP is a defined contribution plan using state-approved investment providers and does not include disability, health care, or death benefits.

Each retirement system issues a publicly available financial report that includes financial statements and required supplementary information for the pension and postemployment health care plans. The reports may be obtained by contacting:

State Teachers Retirement System of Ohio
275 E. Broad Street
Columbus, OH 43215
(888) 227-7877
www.strsoh.org

Ohio Public Employees Retirement System
277 East Town Street
Columbus, OH 43215
(800) 222-7377
www.opers.org

Contributions

STRS – Employer and member contribution rates are established by the State Teachers Retirement Board and limited by Chapter 3307 of the Ohio Revised Code. For the plan years ended June 30, 2021 and 2020, the contribution rate was 14% of covered payroll for both members and employers. Under Ohio law, funds to pay health care costs may be deducted from employer contributions. For the year ended June 30, 2021, no employer allocation was made to the health care fund.

OPERS – The ORC provides statutory authority for member and employer contributions. Member contribution rates for the plan years ended December 31, 2021 and 2020 were 10% for the state and local division, 12% for the public safety division and 13% for the law enforcement division. Employer contribution rates for plan years 2021 and 2020 were 14% of covered payroll for the state and local division, and 18.1% of covered payroll for the law enforcement and public safety divisions. For the Traditional and Combined Plans no employer contributions were allocated to healthcare for 2020 and 2021. For the Member-Directed Plan, 4% of employer contributions was allocated to health care coverage for both 2020 and 2021.

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NOTE 12 RETIREMENT BENEFITS (CONTINUED)

Contributions (Continued)

ARP – The ORC provides statutory authority for member and employer contributions. Member contribution rates are the same as those required by the respective state retirement systems. For STRS-eligible employees who elected an ARP, the University contributed 9.53% of covered payroll to the selected investment provider during the 2021 plan year and 4.47% to STRS. For OPERS-eligible employees who elected an ARP, the University contributed 11.56% of covered payroll to the selected investment provider during the 2021 plan year and 2.44% to OPERS. The employer amounts remitted to STRS and OPERS are based on the statutory mitigating rate which is designed to offset any negative financial impact of the ARP on the state retirement systems.

University contributions to the retirement plans for the year ended June 30 are summarized below.

Plan	2022	2021
STRS	\$ 13,070	\$ 12,647
OPERS	27,306	25,624
ARP	7,680	7,573
Total	\$ 48,056	\$ 45,844

Benefits

STRS – Plan benefits are established under Chapter 3307 of the ORC, as amended by Substitute Senate Bill 342 in 2012, which gives the Retirement Board the authority to make future adjustments to the member contribution rate, retirement age and service requirements, and the cost-of-living adjustments as the need or opportunity arises, depending on the retirement system’s funding progress. STRS members have a choice of three retirement plans: a Defined Benefit (DB) plan, a Defined Contribution (DC) plan and a Combined Plan.

The DB Plan offers an annual retirement allowance based on final average salary multiplied by a percentage that varies based on years of service. Effective Aug. 1, 2015, the calculation is 2.2% of final average salary for the five highest years of earnings multiplied by all years of service. Eligibility changes will be phased in until Aug. 1, 2026, when retirement eligibility for unreduced benefits will be five years of service credit and age 65, or 35 years of service credit and at least age 60.

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NOTE 12 RETIREMENT BENEFITS (CONTINUED)

Benefits (Continued)

The Defined Contribution (DC) Plan allows members to place all their member contributions and the 9.53% portion of the 14% employer contribution into an investment account. Investment allocation decisions are determined by the member. The remaining 4.47% portion of the 14% employer rate is allocated to the defined benefit unfunded liability. A member is eligible to receive a retirement benefit at age 50 and termination of employment. The member may elect to receive a lifetime monthly annuity or a lump sum withdrawal.

The Combined Plan offers features of both the DB Plan and the DC Plan. In the Combined Plan, 12% of the 14% member rate goes to the DC Plan and the remaining 2% is applied to the DB Plan. Member contributions to the DC Plan are allocated among investment choices by the member, and contributions to the DB Plan from the employer and the member are used to fund the defined benefit payment at a reduced level from the regular DB Plan. The defined benefit portion of the Combined Plan payment is payable to a member on or after age 60 with five years of service. The defined contribution portion of the account may be taken as a lump sum payment or converted to a lifetime monthly annuity at age 50 and after termination of employment.

DB and Combined Plan members are eligible for disability and death benefits based on specified criteria in the plan.

OPERS – Authority to establish and amend benefits is provided by Chapter 145 of the ORC. OPERS members have a choice of three retirement plans: the Traditional Pension Plan, a defined benefit plan; the Combined Plan, a combination defined benefit/defined contribution plan; and the Member-Directed Plan, a defined contribution plan. All state and local governmental employees in Ohio, except those covered by one of the other state or local retirement systems in Ohio, are members of OPERS.

Retirement benefits in the Traditional Pension Plan are calculated on a formula that considers age, years of service and final average salary. Depending on when they joined the plan, members with five years of service are eligible for retirement at either age 60 or 62, and members with 25 years of service are eligible for retirement at either age 55 or 57. The annual benefit is 2.2% of final average salary for the first 30 or 35 years of service, depending on when the member joined, and 2.5% for years of service in excess. Final average salary is based on the highest three or five years of earnings, depending on when the member joined. Members who retire before meeting the age and service requirements receive a percentage reduction in the benefit amount.

Law Enforcement and Public Safety members, as defined in ORC Chapter 145, are eligible for special retirement options under the Traditional Pension Plan and are not eligible to participate in the Member-Directed or Combined plans.

For the Member-Directed Plan, the amount available for benefits consists of the member's contributions, vested employer contributions and investment gains or losses resulting from the members' investment selections.

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NOTE 12 RETIREMENT BENEFITS (CONTINUED)

Benefits (Continued)

Benefits in the Combined Plan consist of both an age-and-service formula and a defined contribution element. The defined benefit element is calculated on the basis of age, final average salary, and years of service. Eligibility regarding age and years of service in the Combined Plan is the same as the Traditional Plan. The annual benefit is 1% of final average salary for the first 30 or 35 years of service, depending on when the member joined, and 1.25% for years of service in excess.

Members in the Traditional Pension Plan and Combined Plan are eligible for Disability, Survivor and Death benefits based on age and/or service criteria. Members of the Member-Directed Plan do not qualify for these ancillary benefits. A cost-of-living adjustment is provided for retirement benefits under the Traditional Plan and the defined benefit portion of the Combined Plan. For those who retired prior to January 7, 2013, current law provides for a 3% adjustment. For subsequent retirees, beginning in calendar year 2021, current law provides an adjustment based on the Consumer Price Index but capped at 3%.

Net Pension Liability, Deferrals, and Pension Expense – At June 30, 2022 and 2021, the University reported a liability for its proportionate share of the net pension liability of STRS and the OPERS traditional plan, as well as an asset for its proportionate share of the net pension asset of the OPERS combined plan and member-directed plan. The net pension liability and asset were measured as of June 30, 2021 and June 30, 2020 respectively for STRS and December 31, 2021 and December 31, 2021 respectively for the OPERS plans. The total pension liability used to calculate the net pension liability or asset was determined by an actuarial valuation as of those dates. The University's proportion of the net pension liability or asset was based on a projection of its long-term share of contributions to the pension plan relative to the projected contributions of all participating reporting units, actuarially determined.

Plan	Date			2022	2021	Change
		2022	2021	Proportiate Share	Proportiate Share	
STRS	June 30	\$ 93,424	\$ 193,830	0.731%	0.801%	0.07%
OPERS Traditional	December 31	102,288	171,757	1.176%	1.160%	-0.02%
OPERS Combined and Member-Directed	December 31	(6,178)	(4,708)	1.329%	1.329%	0.00%

For the year ended June 30, 2022 and 2021, the University recognized pension expense of \$66,057 and \$23,257, respectively.

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NOTE 12 RETIREMENT BENEFITS (CONTINUED)

At June 30, 2022 the University reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	STRS		OPERS	
	Deferred Outflows of Resources	Deferred Inflows of Resources	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between projected and actual experience	\$ 2,886	\$ 586	\$ 5,465	\$ 2,912
Changes of assumptions	25,919	-	13,097	-
Difference between projected and actual investment earnings	-	80,514	-	122,994
Changes in proportion and differences between University contributions and proportionate share of contributions	-	18,409	1,866	6,036
Contributions after the measurement date	13,070	-	12,726	-
Total	\$ 41,875	\$ 99,509	\$ 33,154	\$ 131,942

At June 30, 2021, the University reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	STRS		OPERS	
	Deferred Outflows of Resources	Deferred Inflows of Resources	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between projected and actual experience	\$ 435	\$ 1,239	\$ 136	\$ 8,036
Changes of assumptions	10,403	-	287	-
Difference between projected and actual investment earnings	9,426	-	-	67,638
Changes in proportion and differences between University contributions and proportionate share of contributions	-	9,222	7,368	17,667
Contributions after the measurement date	12,647	-	11,967	-
Total	\$ 32,911	\$ 10,461	\$ 19,758	\$ 93,341

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NOTE 12 RETIREMENT BENEFITS (CONTINUED)

Amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Year Ending June 30	Amount
2023	\$ (40,326)
2024	(56,518)
2025	(46,090)
2026	(39,448)
2027	41
Thereafter	123
Total	<u>\$ (182,218)</u>

In addition, the contributions subsequent to the measurement date will be included as a reduction of the net pension liability in the next year (2023).

Actuarial Assumptions – The total pension liability is based on the results of an actuarial valuation using the following actuarial assumptions, applied to all periods included in the measurement:

	STRS - as of 6/30/21	OPERS - as of 12/31/21
Valuation date	June 30, 2021	December 31, 2021
Actuarial cost method	Entry age normal	Individual entry age
Cost of living	0.00%	.5% - 3.0%
Salary increases, including inflation	2.5% - 12.5%	2.75% - 10.75%
Price inflation	2.50%	2.75%
Investment rate of return	7%, net of investment expense, including inflation	6.90%
Experience study rate	Period of 5 years ended June 30, 2016	Period of 5 years ended December 31, 2020
Mortality basis	RP-2014 Annuitant Mortality Table and MP-2016 mortality improvement scale	RP-2014 Healthy Annuitant Mortality Table and MP-2020 mortality improvement scale

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NOTE 12 RETIREMENT BENEFITS (CONTINUED)

	STRS - as of 6/30/20	OPERS - as of 12/31/20
Valuation date	June 30, 2020	December 31, 2020
Actuarial cost method	Entry age normal	Individual entry age
Cost of living	0.00%	0.5% - 3.0%
Salary increases, including inflation	2.5% - 12.5%	3.25% - 10.75%
Price inflation	2.50%	2.50%
Investment rate of return	7.45%, net of investment expense Period of 5 years ended June 30,	7.2%, net of investment expense Period of 5 years ended December
Experience study rate	2016	31, 2015
Mortality basis	RP-2014 Annuitant Mortality Table and MP-2016 mortality improvement scale	RP-2014 Healthy Annuitant Mortality Table and MP-2015 mortality improvement scale

Discount Rate – The discount rate used to measure the total pension liability was 7.00% and 7.45% for STRS and 6.9% and 7.2% for OPERS as of 2021 and 2020 respectively. The projection of cash flows used to determine the discount rate assumed that employee contributions will be made at the current contribution rate and that employer contributions will be made at contractually required rates for all plans. Based on those assumptions, each pension plan’s fiduciary net position was projected to be available to make all projected future benefit payments for current active and inactive employees. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

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

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NOTE 12 RETIREMENT BENEFITS (CONTINUED)

The target allocation and best estimates of arithmetic real rates of return for each major asset class are summarized in the following table:

STRS as of 6/30/2021			OPERS as of 12/31/2021		
Investment Category	Target Allocation	Long-term Expected Real Rate of Return	Investment Category	Target Allocation	Long-term Expected Real Rate of Return
Domestic Equity	28.00%	5.10%	Fixed Income	24.00%	1.03%
International Equity	23.00%	5.30%	Domestic Equity	21.00%	3.78%
Alternatives	17.00%	4.84%	Real Estate	11.00%	3.66%
Fixed Income	21.00%	0.75%	Private Equity	12.00%	7.43%
Real Estate	10.00%	3.75%	International Equity	23.00%	4.88%
Liquidity Reserves	1.00%	0.00%	Other Investments	9.00%	5.77%
Total	<u>100.00%</u>		Total	<u>100.00%</u>	4.21%

STRS as of 6/30/2020			OPERS as of 12/31/2020		
Investment Category	Target Allocation	Long-term Expected Real Rate of Return	Investment Category	Target Allocation	Long-term Expected Real Rate of Return
Domestic Equity	28.00%	5.10%	Fixed Income	25.00%	1.32%
International Equity	23.00%	5.30%	Domestic Equity	21.00%	5.64%
Alternatives	17.00%	4.84%	Real Estate	10.00%	5.39%
Fixed Income	21.00%	0.75%	Private Equity	12.00%	10.42%
Real Estate	10.00%	3.75%	International Equity	23.00%	7.36%
Liquidity Reserves	1.00%	0.00%	Other Investments	9.00%	4.75%
Total	<u>100.00%</u>		Total	<u>100.00%</u>	

Sensitivity of the Net Pension Liability to Changes in the Discount Rate – The following presents the net pension liability of the University, calculated using the discount rate listed below, as well as what the University’s net pension liability would be if it were calculated using a discount rate that is 1.00 percentage point lower or 1.00 percentage point higher than the current rate:

Plan	1.00% decrease		Current discount rate		1.00% increase	
STRS 6/30/2021	6.00%	\$ 174,948	7.00%	\$ 93,424	8.00%	\$ 24,536
OPERS 12/31/2021	5.90%	265,050	6.90%	96,110	7.90%	(44,392)
Total		<u>\$ 439,998</u>		<u>\$ 189,534</u>		<u>\$ (19,856)</u>

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NOTE 12 RETIREMENT BENEFITS (CONTINUED)

Plan	1.00% decrease		Current discount rate		1.00% increase	
STRS 6/30/2020	6.45%	\$ 275,980	7.45%	\$ 193,830	8.45%	\$ 124,214
OPERS 12/31/2020	6.20%	324,314	7.20%	167,049	8.20%	36,403
Total		\$ 600,294		\$ 360,879		\$ 160,617

Pension Plan Fiduciary Net Position – Detailed information about the pension plan’s fiduciary net position is available in the separately issued STRS and OPERS financial report.

Payable to the Pension Plan – The University reported a payable of \$3,448 and \$3,159 to OPERS at June 30, 2022 and 2021, respectively, for the outstanding amount of contributions required for the years then ended.

NOTE 13 OTHER POSTEMPLOYMENT BENEFITS

As described in Note 12, both STRS and OPERS provide benefits other than pensions, such as health care, that meet the GASB criteria for other postemployment benefit OPEB plans.

The net OPEB liability represents the University’s proportionate share of each OPEB plan’s collective actuarial present value of projected benefit payments attributable to past periods of service, net of each OPEB plan’s fiduciary net position. The net OPEB liability calculation is dependent on critical long-term variables, including estimated average life expectancies, earnings on investments, cost of living adjustments and others. While these estimates use the best information available, unknowable future events require adjusting these estimates annually.

GASB 75 assumes the OPEB liability is solely the obligation of the employer, because they benefit from employee services. OPEB contributions come from these employers and health care plan enrollees which pay a portion of the health care costs in the form of a monthly premium. The ORC permits, but does not require, the retirement systems to provide healthcare to eligible benefit recipients. Any change to benefits or funding could significantly affect the net OPEB liability. Resulting adjustments to the net OPEB liability would be effective when the changes are legally enforceable. The retirement systems may allocate a portion of the employer contributions to provide for these OPEB benefits.

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NOTE 13 OTHER POSTEMPLOYMENT BENEFITS (CONTINUED)

Plan Descriptions

STRS (State Teachers Retirement System)

STRS administers a cost-sharing health plan administered for eligible retirees who participated in the defined benefit or combined pension plans offered by STRS. Ohio law authorizes STRS to offer this plan. Benefits include hospitalization, physicians' fees, prescription drugs, and partial reimbursement of monthly Medicare Part B premiums. Medicare Part B premium reimbursements will be discontinued effective January 1, 2020. The plan is included in the report of STRS which can be obtained by visiting www.strsoh.org or by calling (888) 227-7877.

ORC Chapter 3307 authorizes STRS to offer the plan and gives the Retirement Board discretionary authority over how much, if any, of the health care costs will be absorbed by STRS. Active employee members do not contribute to the health care plan. Nearly all health care plan enrollees, for the most recent year, pay a portion of the health care costs in the form of a monthly premium. Under Ohio law, funding for postemployment health care may be deducted from employer contributions, currently 14% of covered payroll. For the fiscal year ended June 30, 2021, STRS did not allocate any employer contributions to postemployment health care.

OPERS (Ohio Public Employees Retirement System)

The ORC permits, but does not require, OPERS to offer postemployment health care coverage. The ORC allows a portion of the employers' contributions to be used to fund health care coverage. The health care portion of the employer contribution rate for the Traditional Pension Plan and Combined Plan is comparable, as the same coverage options are provided to participants in both plans.

Prior to January 1, 2015, the System provided comprehensive health care coverage to retirees with 10 or more years of qualifying service credit and offered coverage to their dependents on a premium deduction or direct bill basis. Beginning January 1, 2015, the service eligibility criteria for health care coverage increased from 10 years to 20 years with a minimum age of 60, or 30 years of qualifying service at any age. Beginning with January 2016 premiums, Medicare-eligible retirees could select supplemental coverage through the Connector and may be eligible for monthly allowances deposited to an HRA to be used for reimbursement of eligible health care expenses. Coverage for non-Medicare retirees includes hospitalization, medical expenses, and prescription drugs. The System determines the amount, if any, of the associated health care costs that will be absorbed by the System and attempts to control costs by using managed care, case management, and other programs. Additional details on health care coverage can be found in the Plan Statement in the OPERS 2021 ACFR.

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NOTE 13 OTHER POSTEMPLOYMENT BENEFITS (CONTINUED)

Plan Descriptions (Continued)

OPERS (Ohio Public Employees Retirement System) (Continued)

Participants in the Member-Directed Plan are not eligible for health care coverage offered to benefit recipients in the Traditional Pension Plan and Combined Plan. A portion of employer contributions for these participants is allocated to a retiree medical account. Upon separation or retirement, participants may be reimbursed for qualified medical expenses from these accounts.

With the assistance of the System's actuary and Board approval, a portion of each employer contribution to OPERS may be set aside for the funding of postemployment health care coverage. The portion of Traditional Pension Plan and Combined Plan employer contributions allocated to health care was 0.0% for 2022 and 2021, respectively. The employer contribution as a percent of covered payroll deposited for Member-Directed Plan health care accounts was 4.0% for 2021 and 2020.

Net OPEB Asset, Deferrals, and OPEB Expense – At June 30, 2022 and 2021, the University reported an asset for its proportionate share of the net OPEB asset of OPERS, respectively, and an asset for its proportionate share of the net OPEB asset of STRS. The net OPEB asset for OPERS was measured as of December 31, 2021 and December 31, 2020. The net OPEB asset for STRS were measured as of June 30, 2021 and June 30, 2020, respectively. The total OPEB asset used to calculate the net OPEB asset was determined by an actuarial valuation s of those dates. The University's proportion of the net OPEB asset was based on its share of contributions to the respective retirement systems relative to the contributions of all participating entities.

Plan	Measurement Date	Share of Net OPEB				
		Liability (Asset)		Proportionate Share		
		2022	2021	2022	2021	Change
STRS	July 1	\$ (15,415)	\$ (14,079)	0.73%	0.80%	0.07%
OPERS	December 31	(37,063)	(20,826)	1.18%	1.17%	-0.01%

For the years ended June 30, 2022 and 2021, the University recognized OPEB income of \$32,530 and \$128,783, respectively.

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NOTE 13 OTHER POSTEMPLOYMENT BENEFITS (CONTINUED)

Plan Descriptions (Continued)

OPERS (Ohio Public Employees Retirement System) (Continued)

At June 30, 2022, the University reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	STRS		OPERS	
	Deferred Outflows of Resources	Deferred Inflows of Resources	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between projected and actual experience	\$ 541	\$ 2,830	\$ -	\$ 5,622
Changes of assumptions	962	9,212	-	15,003
Difference between projected and actual investment earnings	-	4,265	-	17,669
Changes in proportion and differences between University contributions and proportionate share of contributions	-	2,045	14	5,103
Contributions after the measurement date	-	-	-	-
Total	\$ 1,503	\$ 18,352	\$ 14	\$ 43,397

At June 30, 2021, the University reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	STRS		OPERS	
	Deferred Outflows of Resources	Deferred Inflows of Resources	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between projected and actual experience	\$ 902	\$ 2,804	\$ -	\$ 18,795
Changes of assumptions	232	13,372	10,238	33,744
Difference between projected and actual investment earnings	493	-	-	11,092
Changes in proportion and differences between University contributions and proportionate share of contributions	-	1,526	3,793	16,421
Contributions after the measurement date	-	-	13	-
Total	\$ 1,627	\$ 17,702	\$ 14,044	\$ 80,052

Amounts reported as deferred outflows of resources and deferred inflows of resources related to OPEB will be recognized in benefit expense as follows:

Year Ending		
June 30	STRS	OPERS
2023	\$ (4,995)	\$ (31,704)
2024	(4,526)	(4,959)
2025	(4,575)	(4,061)
2026	(1,778)	(2,659)
2027	(588)	-
Thereafter	(387)	-
total	\$ (16,849)	\$ (43,383)

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NOTE 13 OTHER POSTEMPLOYMENT BENEFITS (CONTINUED)

Plan Descriptions (Continued)

OPERS (Ohio Public Employees Retirement System) (Continued)

Actuarial Assumptions – The total OPEB liability is based on the results of an actuarial valuation using the following key assumptions, applied to all periods included in the measurement:

	STRS - as of 6/30/21	OPERS - as of 12/31/21
Inflation	2.50%	2.50%
Salary increases	12.5% at age 20 to 2.5% at age 65	2.75% - 10.75% (includes inflation)
Blended discount rate of return	7.00%	6.00%
Investment rate of return	7.00 percent, net of investment expenses, including inflation	6.00 percent, net of investment expenses
Health care cost trends	-16.18% to 29.98% initial, 4.00% ultimate	5.50% initial, 3.50% ultimate in 2034

	STRS - as of 6/30/20	OPERS - as of 12/31/20
Inflation	2.50%	3.25%
Salary increases	12.50% at age 20 to 2.50% at age 65	3.25% - 10.75% (includes inflation)
Blended discount rate of return	7.45%	6.00%
Investment rate of return	7.45%, net of investment expenses, including inflation	6.00%, net of investment expenses
Health care cost trends	-6.69-11.87% initial, 4.00% ultimate	8.5% initial, 3.5% ultimate in 2035

STRS

For healthy retirees, the mortality rates are based on the RP-2014 Annuitant Mortality Table with 50% of rates through age 69, 70% of rates between ages 70 and 79, 90% of rates between ages 80 and 84, and 100% of rates, thereafter, projected forward generationally using mortality improvement scale MP-2016.

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NOTE 13 OTHER POSTEMPLOYMENT BENEFITS (CONTINUED)

Plan Descriptions (Continued)

STRS (Continued)

Projections of benefits include the historical pattern of sharing benefit costs between the employers and retired plan members. Actuarial assumptions used in the June 30, 2020, valuation are based on the results of an actuarial experience study for the period July 1, 2011 through June 30, 2016.

OPERS

Pre-retirement mortality rates are based on 130% of the Pub-2010 General Employee Mortality tables (males and females) for State and Local Government divisions and 170% of the Pub-2010 Safety Employee Mortality tables (males and females) for the Public Safety and Law Enforcement divisions. Post-retirement mortality rates are based on 115% of the PubG-2010 Retiree Mortality Tables (males and females) for all divisions. Post-retirement mortality rates for disabled retirees are based on the PubNS-2010 Disabled Retiree Mortality Tables (males and females) for all divisions. For all of the previously described tables, the base year is 2010 and mortality rates for a particular calendar year are determined by applying the MP-2020 mortality improvement scales (males and females) to all of these tables.

Projections of health care costs for financial reporting purposes are based on the substantive plan and include the types of coverage provided at the time of each valuation and the historical pattern of sharing of costs between the System and plan members. The total OPEB liability was determined by an actuarial valuation as of December 31, 2020, rolled forward to the measurement date of December 31, 2021.

Discount Rate

STRS

The discount rate used to measure the total OPEB liability was 7.00% and 7.45% as of June 30, 2021 and 2020, respectively. The projection of cash flows used to determine the discount rate assumed STRS Ohio continues to allocate no employer contributions to the health care fund. Based on these assumptions, the OPEB plan's fiduciary net position was projected to be available to make all projected future benefit payments to current plan members as of June 30, 2020. Therefore, the long-term expected rate of return on health care fund investments of 7.00% and 7.45% was applied to all periods of projected health care costs to determine the total OPEB liability as of June 30, 2021 and 2020, respectively.

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NOTE 13 OTHER POSTEMPLOYMENT BENEFITS (CONTINUED)

Discount Rate (Continued)

OPERS

A single discount rate of 6.00% was used to measure the total OPEB liability on the measurement date of December 31, 2021 and 2020. Projected benefit payments are required to be discounted to their actuarial present value using a single discount rate that reflects (1) a long-term expected rate of return on OPEB plan investments (to the extent that the health care fiduciary net position is projected to be sufficient to pay benefits), and (2) a tax-exempt municipal bond rate based on an index of 20-year general obligation bonds with an average AA credit rating as of the measurement date (to the extent that the contributions for use with the long-term expected rate are not met). This single discount rate was based on the actuarial assumed rate of return on the health care investment portfolio of 6.00% and a municipal bond rate of 1.84%. The projection of cash flows used to determine this single discount rate assumed that employer contributions will be made at rates equal to the actuarially determined contribution rate. Based on these assumptions, the health care fiduciary net position and future contributions were sufficient to finance health care costs through the year 2121. As a result, the actuarial assumed long-term expected rate of return on health care investments was applied to projected costs through the year 2121, the duration of the projection period through which projected health care payments are fully funded.

THE UNIVERSITY OF TOLEDO
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2022 AND 2021
(DOLLARS IN THOUSANDS)

NOTE 13 OTHER POSTEMPLOYMENT BENEFITS (CONTINUED)

Target Investment Allocation and Long-term Expected Real Rate of Return

STRS as of 6/30/2021			OPERS as of 12/31/2021		
Investment Category	Target Allocation	Long-term Expected Real Rate of Return	Investment Category	Target Allocation	Long-term Expected Real Rate of Return
Domestic Equity	28.00%	5.10%	Fixed Income	34.00%	0.91%
International Equity	23.00%	5.30%	Domestic Equity	25.00%	3.78%
Alternatives	17.00%	4.84%	Real Estate	7.00%	3.71%
Fixed Income	21.00%	0.75%	International Equity	25.00%	4.88%
Real Estate	10.00%	3.75%	Other Investments	2.00%	2.92%
Liquidity Reserves	1.00%	0.00%		7.00%	1.93%
Total	100.00%		Total	100.00%	

STRS as of 6/30/2020			OPERS as of 12/31/2020		
Investment Category	Target Allocation	Long-term Expected Real Rate of Return	Investment Category	Target Allocation	Long-term Expected Real Rate of Return
Domestic Equity	28.00%	5.10%	Fixed Income	34.00%	1.07%
International Equity	23.00%	5.30%	Domestic Equity	25.00%	5.64%
Alternatives	17.00%	4.84%	Real Estate	7.00%	6.48%
Fixed Income	21.00%	0.75%	International Equity	25.00%	7.36%
Real Estate	10.00%	3.75%	Other Investments	9.00%	4.02%
Liquidity Reserves	1.00%	0.00%			
Total	100.00%		Total	100.00%	

Sensitivity of the Net OPEB Liability to Changes in the Discount Rate and Health Care Cost Trend Rate – The following presents the net OPEB liability of the University, calculated using the current discount rate listed below, as well as what the University’s net OPEB liability would be if it were calculated using a discount rate that is 1.00 percentage point lower or 1.00 percentage point higher than the current rate. Also shown is what the net OPEB liability would be based on health care cost trend rates that are 1.00 percentage point lower and higher than the current rate.

THE UNIVERSITY OF TOLEDO
NOTES TO THE FINANCIAL STATEMENTS
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NOTE 13 OTHER POSTEMPLOYMENT BENEFITS (CONTINUED)

Target Investment Allocation and Long-term Expected Real Rate of Return
(Continued)

Plan	1.00% decrease		Current discount rate		1.00% increase	
STRS 6/30/2021	6.00%	\$ (13,000)	7.00%	\$ (15,415)	8.00%	\$ (17,415)
OPERS 12/31/2021	5.00%	(21,797)	6.00%	(37,063)	7.00%	(49,735)
Total		<u>\$ (34,797)</u>		<u>\$ (52,478)</u>		<u>\$ (67,150)</u>

Plan	1.00% decrease		Current health care trend rate		1.00% increase	
STRS 6/30/2021		\$ (17,334)		\$ (15,415)		\$ (13,021)
OPERS 12/31/2021		(37,464)		(37,063)		(36,588)
Total		<u>\$ (54,798)</u>		<u>\$ (52,478)</u>		<u>\$ (49,609)</u>

Plan	1.00% decrease		Current discount rate		1.00% increase	
STRS 6/30/2020	6.45%	\$ (12,249)	7.45%	\$ (14,079)	8.45%	\$ (15,631)
OPERS 12/31/2020	2.16%	(5,178)	3.16%	(20,826)	4.16%	(33,689)
Total		<u>\$ (17,427)</u>		<u>\$ (34,905)</u>		<u>\$ (49,320)</u>

Plan	1.00% decrease		Current health care trend rate		1.00% increase	
STRS 6/30/2020		\$ (15,535)		\$ (14,079)		\$ (12,305)
OPERS 12/31/2020		(21,333)		(20,905)		(20,258)
Total		<u>\$ (36,868)</u>		<u>\$ (34,984)</u>		<u>\$ (32,563)</u>

OPEB Plan Fiduciary Net Position – Detailed information about the OPEB plan’s fiduciary net position is available in the separately issued STRS and OPERS financial report.

Payable to the OPEB Plan – The University did not have a payable to the OPEB plans as of June 30, 2022 and 2021.

Assumption Changes Since the Prior Measurement Date

STRS

There were no changes in assumptions since the prior measurement date of June 30, 2020.

Benefit Term Changes Since the Prior Measurement Date

STRS

There was no change to the claims costs process. Claim curves were updated to reflect the projected FYE 2021 premium based on June 30, 2020 enrollment distribution. The non-Medicare subsidy percentage was increased effective January 1, 2021 from 1.984% to 2.055% per year of service. The non-Medicare frozen subsidy base premium was increased effective January 1, 2021. The Medicare subsidy percentages were adjusted effective January 1, 2021 to 2.1% for the AMA Medicare plan. The Medicare Part B monthly reimbursement elimination date was postponed indefinitely.

THE UNIVERSITY OF TOLEDO
NOTES TO THE FINANCIAL STATEMENTS
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(DOLLARS IN THOUSANDS)

NOTE 14 CONTINGENCIES AND COMMITMENTS

In the normal course of its activities, the University is a party to various legal actions. The University intends to vigorously defend itself against all claims and is of the opinion that the outcome of current legal actions will not have a material effect on the University's financial position.

The University participates in the Inter-University Council Risk Management and Insurance Consortium (IUC-RMIC). Since 1994, the IUC-RMIC Universities have purchased their property and casualty insurance on a group basis. The IUC-RMIC formalized their pooling in 2006 and created the Board of Governors. The Board of Governors is comprised of representatives from each University and is the decision making body for insurance issues of the group programs. There are three committees related to the insurance program that report to the Board of Governors: Underwriting, Loss Control, and Audit. Underwriting and Loss Control have representation from each University. In 2009, a director was hired to coordinate the activities of the IUC-RMIC and act as a facilitator to other IUC committees and university departments to address insurance and risk related issues.

Through the IUC-RMIC group, the University maintains property insurance with a \$100 deductible, a pre-funded group pool deductible of \$350 per occurrence, and an annual group aggregate stop-loss of \$700. With the policy renewal effective July 1, 2020, losses due to natural catastrophes, such as flood, earthquake, and wind, will incur larger deductibles. Total insurable value for the University of Toledo is approximately \$3,253,000.

The casualty portion of the IUC-RMIC program provides educator's legal liability, general liability, and automobile liability, and includes a \$100 deductible. There is also a casualty group pool fund with dedicated limits for each member totaling \$10,000 which consists of \$1,000 by the members and \$9,000 from reinsurance. Finally, there are general liability shared excess limits totaling \$30,000. The educator's legal liability coverage has shared excess limits totaling \$25,000 in excess of the pool.

The IUC-RMIC also provides other coverages such as foreign liability with travel assistance, special accident, crime, cyber and fiduciary. The University's contributions to IUC for property and casualty coverage totaled \$2,234 and \$1,454 for 2022 and 2021, respectively.

The University participates in a state pool of agencies and universities that pays workers' compensation premiums into the State Insurance Fund (the Plan), which pays workers' compensation benefits to beneficiaries who have been injured on the job. Losses from asserted and unasserted claims for the participating state agencies and universities in the Plan are accrued by the Ohio Bureau of Workers' Compensation (the Bureau) based on estimates that incorporate the preceding five-year experience, as well as other considerations including the nature of each claim or incident and relevant trend factors. Participants in the Plan annually fund the workers' compensation liability based on rates set by the Bureau to collect the cash needed in subsequent fiscal years to pay the workers' compensation claims of participating state agencies and universities.

THE UNIVERSITY OF TOLEDO
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2022 AND 2021
(DOLLARS IN THOUSANDS)

NOTE 14 CONTINGENCIES AND COMMITMENTS (CONTINUED)

The University is also self-insured for unemployment compensation and substantially all employee health benefits. Liabilities for estimates of losses retained by the University for outstanding claims and claims incurred but not reported under self-insurance programs have been based on the University's experience and actuarial valuation. The estimated value of these claims was \$8,548 and \$5,174 as of June 30, 2022 and 2021, respectively. Settlements have not exceeded insurance coverage in each of the past three years.

Academic Affiliation Agreement

On August 26, 2015, the University and ProMedica Health System (ProMedica) entered into an academic affiliation agreement for a period of 50 years. ProMedica is a nonprofit health system located in Toledo, Ohio, with facility locations in northwest Ohio and southeast Michigan. The agreement aligns the University's University of Medicine and Life Sciences with ProMedica to collaborate and support training of physicians and other healthcare professionals; achieve physician synergies; train the next generation of healthcare providers; extend academic and research capabilities to the community; and support the academic, training, and research missions of the University and its faculty.

As part of the agreement, ProMedica committed to a \$40 million initial investment in the University of Medicine and Life Sciences which was paid in three installments. ProMedica will also make annual academic affiliation investments to support the academic mission of the University of Medicine and Life Sciences that will range from \$12.5 million to \$50 million over a five-year transition period beginning on July 1, 2016. After the transition period, annual academic affiliation payments will be based on ProMedica's annualized patient service revenue and is expected to be at least \$50 million. ProMedica is also committing \$250 million in capital spending to enhance the academic mission of the University of Medicine and Life Sciences.

NOTE 15 RELATED PARTY TRANSACTIONS

At its March 2016 meeting, the Foundation Board of Trustees approved funding by the pooled investment portfolio of up to \$6 million for University capital projects. This 10-year loan was approved by the University in July 2016 with the first draw in August 2016. The balance owed to the pool was \$3,720 and \$3,778 as of June 30, 2022 and 2021, respectively.

THE UNIVERSITY OF TOLEDO
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2022 AND 2021
(DOLLARS IN THOUSANDS)

NOTE 15 RELATED PARTY TRANSACTIONS (CONTINUED)

On March 30, 2016, the University of Toledo entered into a Grantor Trust Agreement with the Foundation to allow the Foundation to hold title to 8,554.8 shares of VHA-VHC Alliance Newco, Inc. (now known as Vizient, Inc.). The purpose for this trust rests in the fact that Vizient, Inc. is a for-profit entity and Ohio law does not permit state entities to hold title or ownership interests in for-profit entities. The initial gift was recorded based on a valuation analysis of the common stock at \$2,000 as of June 30, 2016, and a corresponding receivable was recorded by the University. The value at June 30, 2022 and 2021 is \$2,013.

During the years ended June 30, 2022 and 2021, the University paid \$23,995 and \$23,858, respectively, to UTP-CF primarily for wage expense where the University utilized UTP-CF's employees.

During the years ended June 30, 2022 and 2021, the University received \$1,840 and \$1,659, respectively, from UTP-CF for the hospital facility fee charged to patients in connection with professional services rendered in hospital-based clinics. The University also received \$15,003 and \$11,479 from UTP-CF for the years ended June 30, 2022 and 2021, respectively, as reimbursement for expenses paid on behalf of UTP-CF.

Accounts receivable from UTP-CF were \$903 and \$466 as of June 30, 2022 and 2021. Accounts payable to UTP-CF were \$1,515 and \$1,179 as of June 30, 2022 and 2021.

During the years ended June 30, 2022 and 2021, the University paid \$372 and \$378, respectively, to UTMAC LLC for professional liability and medical stop-loss insurance.

During the years ended June 30, 2022 and 2021, UTP-CF paid \$1,667 and \$1,483, respectively, to UTMAC LLC for professional liability insurance.

During the years ended June 30, 2022 and 2021, UTMAC LLC declared and paid dividends of \$150 and \$0, respectively, to UTP-CF.

THE UNIVERSITY OF TOLEDO
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2022 AND 2021
(DOLLARS IN THOUSANDS)

NOTE 16 FUNCTIONAL CLASSIFICATION OF EXPENSES

Operating expenses by functional classification for the year ended June 30, 2022 are summarized as follows:

	Payroll	Supplies	Services	Other	Total
Patient Services	\$ 254,755	\$ 131,573	\$ 31,642	\$ 23,227	\$ 441,197
Instruction	187,275	1,942	2,458	3,036	194,711
Research	24,808	7,560	3,341	16,411	52,120
Public Service	5,008	243	2,061	1,603	8,915
Academic Support	39,249	2,072	13,459	4,216	58,996
Student Services	20,781	619	992	3,567	25,959
Institutional Support	32,436	698	6,774	(1,364)	38,544
Operation and Maintenance of Plant	12,419	3,035	(741)	23,249	37,962
Auxiliary Enterprises	22,701	2,948	18,592	18,324	62,565
	<u>\$ 599,432</u>	<u>\$ 150,690</u>	<u>\$ 78,578</u>	<u>\$ 92,269</u>	<u>920,969</u>
Student Aid					22,902
Depreciation and Amortization					56,251
Pension/OPEB revenue from GASB adjustment					(105,482)
Provision for Bad Debts					1,301
Total Operating Expenses					<u>\$ 895,941</u>

Operating expenses by functional classification for the year ended June 30, 2021 (as restated) are summarized as follows:

	Payroll	Supplies	Services	Other	Total
Patient Services	\$ 224,831	\$ 112,433	\$ 25,551	\$ 23,770	\$ 386,585
Instruction	182,175	1,934	2,412	1,657	188,178
Research	23,146	7,201	4,356	9,167	43,870
Public Service	5,036	251	2,475	1,345	9,107
Academic Support	38,288	3,475	14,148	8,006	63,917
Student Services	20,172	517	838	2,738	24,265
Institutional Support	27,024	748	4,368	(4,625)	27,515
Operation and Maintenance of Plant	12,452	1,929	894	18,098	33,373
Auxiliary Enterprises	21,516	2,985	17,379	13,734	55,614
	<u>\$ 554,640</u>	<u>\$ 131,473</u>	<u>\$ 72,421</u>	<u>\$ 73,890</u>	<u>832,424</u>
Student Aid					18,624
Depreciation and Amortization					55,927
Pension/OPEB revenue from GASB adjustment					(151,609)
Provision for Bad Debts					2,741
Total Operating Expenses					<u>\$ 758,107</u>

**THE UNIVERSITY OF TOLEDO
REQUIRED SUPPLEMENTARY INFORMATION
JUNE 30, 2021 AND 2020
(DOLLARS IN THOUSANDS)**

Schedule of Pension Funding	2022		2021		2020		2019		2018		2017		2016	
	STRS	OPERS	STRS	OPERS	STRS	OPERS	STRS	OPERS	STRS	OPERS	STRS	OPERS	STRS	OPERS
Plan year end	June 30, 2021	December 31, 2021	June 30, 2020	December 31, 2020	June 30, 2019	December 31, 2019	June 30, 2018	December 31, 2018	June 30, 2017	December 31, 2017	June 30, 2016	December 31, 2016	June 30, 2015	December 31, 2015
University's proportion of the collective net pension liability:														
Percentage	0.73%	1.16%	0.80%	1.15%	0.82%	1.30%	0.82%	1.19%	0.87%	1.29%	0.89%	1.35%	0.91%	1.38%
Amount	\$ 93,424	\$ 96,110	\$ 193,830	\$ 167,049	\$ 180,297	\$ 254,784	\$ 181,318	\$ 324,464	\$ 206,268	\$ 200,690	\$ 297,264	\$ 304,944	\$ 251,992	\$ 239,124
University's covered-employee payroll	\$ 78,769	\$ 181,471	\$ 84,784	\$ 181,513	\$ 84,785	\$ 182,206	\$ 82,947	\$ 183,753	\$ 85,069	\$ 184,052	\$ 83,626	\$ 186,245	\$ 85,398	\$ 185,470
University's proportionate share of the collective pension liability as a percentage of covered-employee payroll	118.61%	52.96%	228.62%	92.03%	212.65%	139.83%	218.60%	176.58%	242.47%	109.04%	355.47%	163.73%	295.08%	128.93%
Plan fiduciary net position as a percentage of the total pension liability	87.78%	93.01%	75.48%	87.21%	77.40%	82.44%	77.31%	74.91%	75.29%	84.85%	66.78%	77.39%	72.09%	81.19%

Schedule of Pension Contributions	2022		2021		2020		2019		2018		2017		2016	
	STRS	OPERS	STRS	OPERS	STRS	OPERS	STRS	OPERS	STRS	OPERS	STRS	OPERS	STRS	OPERS
Statutorily required contribution	\$ 13,070	\$ 27,393	\$ 12,647	\$ 25,624	\$ 13,595	\$ 27,015	\$ 13,473	\$ 27,323	\$ 13,178	\$ 26,804	\$ 13,431	\$ 26,899	\$ 13,162	\$ 26,666
Contributions in relation to the actuarially determined contractually required contribution	\$ 13,070	\$ 27,393	\$ 12,647	\$ 25,624	\$ 13,595	\$ 27,015	\$ 13,473	\$ 27,323	\$ 13,178	\$ 26,804	\$ 13,431	\$ 26,899	\$ 13,162	\$ 26,666
Contribution deficiency/(excess)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Covered employee payroll	\$ 81,525	\$ 189,768	\$ 78,789	\$ 177,238	\$ 84,710	\$ 183,883	\$ 84,059	\$ 186,901	\$ 82,939	\$ 184,427	\$ 85,062	\$ 190,184	\$ 83,566	\$ 188,684
Contributions as a percentage of covered employee payroll	16.03%	14.43%	16.05%	14.46%	16.05%	14.69%	16.03%	14.62%	15.89%	14.53%	15.79%	14.14%	15.75%	14.13%

Information is required to be presented for 10 years. However, until a full 10-year trend is compiled, the University will present information for those years for which information is available.

Changes in Assumptions and Benefits Terms: No significant changes noted

**THE UNIVERSITY OF TOLEDO
REQUIRED SUPPLEMENTARY INFORMATION
JUNE 30, 2021 AND 2020
(DOLLARS IN THOUSANDS)**

Schedule of OPEB Funding	2022		2021		2020		2019		2018	
	STRS	OPERS	STRS	OPERS	STRS	OPERS	STRS	OPERS	STRS	OPERS
Plan year end	June 30, 2021	December 31, 2021	June 30, 2020	December 31, 2020	June 30, 2019	December 31, 2019	June 30, 2018	December 31, 2018	June 30, 2017	December 31, 2017
University's proportion of the collective net OPEB liability (asset):										
Percentage	0.73%	1.18%	0.80%	1.17%	0.82%	1.31%	0.82%	1.20%	0.87%	1.31%
Amount	\$ (15,415)	\$ (37,063)	\$ (14,079)	\$ (20,826)	\$ (13,503)	\$ 181,519	\$ (13,251)	\$ 156,522	\$ 33,878	\$ 142,066
University's covered-employee payroll	\$ 78,769	\$ 181,471	\$ 84,784	\$ 181,513	\$ 84,785	\$ 182,206	\$ 82,947	\$ 183,753	\$ 85,069	\$ 184,052
University's proportionate share of the collective net OPEB liability as a percentage of covered-employee payroll	-19.57%	-20.42%	-16.61%	-11.47%	-15.93%	99.62%	-15.98%	85.18%	39.82%	77.19%
Plan fiduciary net position as a percentage of the total OPEB liability	182.13%	115.56%	182.13%	115.56%	174.74%	47.80%	176.00%	46.33%	47.11%	54.14%

Schedule of OPEB Contributions	2022		2021		2020		2019		2018	
	STRS	OPERS	STRS	OPERS	STRS	OPERS	STRS	OPERS	STRS	OPERS
Statutorily required contribution	\$ -	\$ 14	\$ -	\$ 27	\$ -	\$ 28	\$ -	\$ 31	\$ -	\$ 293
Contributions in relation to the actuarially determined contractually required contribution	\$ -	\$ 14	\$ -	\$ 27	\$ -	\$ 28	\$ -	\$ 31	\$ -	\$ 293
Contribution deficiency/(excess)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Covered employee payroll	\$ 81,525	\$ 189,768	\$ 78,789	\$ 177,238	\$ 84,710	\$ 183,883	\$ 84,059	\$ 186,901	\$ 82,939	\$ 184,427
Contributions as a percentage of covered employee payroll	0.00%	0.01%	0.00%	0.02%	0.00%	0.02%	0.00%	0.02%	0.00%	0.16%

Information is required to be presented for 10 years. However, until a full 10-year trend is compiled, the University will present information for those years for which information is available.

Changes in Assumptions and Benefit Terms: No significant changes noted for STRS. For OPERS, on January 15, 2020, the Board approved several changes to the health care plan offered to Medicare and pre-Medicare retirees in efforts to decrease costs and increase the solvency of the health care plan. These changes are effective January 1, 2022, and include changes to base allowances and eligibility for Medicare retirees, as well as replacing OPERS-sponsored medical plans for pre-Medicare retirees with monthly allowances, similar to the program for Medicare retirees.

SINGLE AUDIT

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**INDEPENDENT AUDITORS' REPORT ON INTERNAL CONTROL OVER
FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS
BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED
IN ACCORDANCE WITH *GOVERNMENT AUDITING STANDARDS***

Board of Trustees
The University of Toledo
Toledo, Ohio

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the business-type activities and the discretely presented component unit of The University of Toledo (the University) (a component unit of the State of Ohio, as of and for the year ended June 30, 2022, and the related notes to the financial statements, which collectively comprise the University's basic financial statements, and have issued our report thereon dated October 31, 2022. The financial statements of the discretely presented component unit were not audited in accordance with *Government Auditing Standards*, and accordingly, this report does not include reporting on internal control over financial reporting or instances of reportable noncompliance associated with the discretely presented component unit.

Report on Internal Control Over Financial Reporting

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

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


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

Report on Compliance and Other Matters

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

Purpose of this Report

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



CliftonLarsonAllen LLP

Toledo, Ohio
October 31, 2022



**INDEPENDENT AUDITORS' REPORT ON COMPLIANCE FOR EACH MAJOR
FEDERAL PROGRAM, AND REPORT ON INTERNAL CONTROL OVER COMPLIANCE
REQUIRED BY THE UNIFORM GUIDANCE**

Board of Trustees
The University of Toledo
Toledo, Ohio

Report on Compliance for Each Major Federal Program

Opinion on Each Major Federal Program

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

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

Basis for Opinion on Each Major Federal Program

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

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

Responsibilities of Management for Compliance

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

Auditors' Responsibilities for the Audit of Compliance

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

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

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

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

Other Matters

The results of our auditing procedures disclosed an instance of noncompliance, which is 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. Our opinion on each major federal program is not modified with respect to these matters.

Government Auditing Standards requires the auditor to perform limited procedures on the University's response to the noncompliance finding identified in our compliance audit described in the accompanying schedule of findings and questioned costs. The University's response was not subjected to the other auditing procedures applied in the audit of compliance and, accordingly, we express no opinion on the response.

Report on Internal Control Over Compliance

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

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

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

Government Auditing Standards requires the auditor to perform limited procedures on the University's response to the internal control over compliance findings identified in our audit described in the accompanying schedule of findings and questioned costs. The University's response was not subjected to the other auditing procedures applied in the audit of compliance and, accordingly, we express no opinion on the response.

The 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.



CliftonLarsonAllen LLP

Toledo, Ohio
October 31, 2022

THE UNIVERSITY OF TOLEDO
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
JUNE 30, 2022

Federal Grantor/Pass-Through Grantor/ Program or Cluster Title	Federal Assistance Listing Number	Primary Sponsor	Award Number	Passed Through to Subrecipients	Total Federal Expenditures
STUDENT FINANCIAL ASSISTANCE CLUSTER:					
FSEOG	84.007			\$ -	\$ 1,269,195
Pell Grant	84.033			-	17,024,746
Federal Workstudy	84.033			-	684,256
Federal Teach Grant	84.379			-	82,522
Federal Direct Loans advances during fiscal year	84.268			-	106,647,180
Federal Perkins Loans outstanding balance at 07/01/2021	84.038			-	5,718,045
				<u>-</u>	<u>131,425,944</u>
Disadvantaged Student Loans outstanding balance at 07/01/2021	93.342			-	223,423
Primary Care Loans outstanding balance at 07/01/2021	93.342			-	336,674
Primary Care Loans advances during the fiscal year	93.342			-	-
Nurse Faculty Loans outstanding balance at 07/01/2021	93.264			-	184,754
Nurse Faculty Loans advances during fiscal year	93.264			-	5,245
				<u>-</u>	<u>750,096</u>
Total Student Financial Assistance Cluster				-	132,176,040
Education Stabilization Fund					
COVID-19 Subgrants for Nonprofit or Community-based Student Learning and Remote Education Partners Student engagement and Intervention via remote learning	84.425X	Ohio Department of Education		25,874	94,876
COVID-19 Emergency Fin Aid Grants to students (CARES)	84.425E	U.S. Department of Education	P425E200954 - 20A Ac	-	19,328,872
COVID-19 STAR Prevention Program (GEER) Passed Through From Ohio Department of Higher Education	84.425C	U.S. Department of Education		-	34,621
COVID-19 Governor's Emergency Education Relief (GEER) Passed Through From Ohio Department of Higher Education	84.425C	U.S. Department of Education		-	296,477
COVID-19 CARES Act - GEER fund FAFSA 21	84.425C	U.S. Department of Education	S425C200040	-	825
COVID-19 CARES-Institutional Portion of the Higher Education Emergency Relief Fund	84.425F	U.S. Department of Education	P425F200739	-	6,525,796
Total Education Stabilization Fund				<u>25,874</u>	<u>26,281,466</u>
U.S. Department of the Treasury					
COVID-19 Dormitory wastewater monitoring of SARS-CoV-2 at Universities and Colleges in the State of Ohio	21.019	Ohio State University	45502_GR122232	-	(8,609)
COVID-19 CARES Act - Coronavirus Relief Fund – Ohio Higher Education	21.019	Ohio Department of Higher Education		-	11,940
COVID-19 - Coronavirus Relief Fund - Rural Providers Passed Through From Ohio Grants Partnership	21.019			-	9,923,909
Total U.S. Department of the Treasury				<u>-</u>	<u>9,927,240</u>
RESEARCH AND DEVELOPMENT CLUSTER:					
U.S. Department of Agriculture					
Research Support Agreement-Acquisition of Goods and Services	10.001	U.S. Department of Agriculture	58-5082-8-009	-	4,731
Analysis of mechanisms involved in induction of abiotic and biotic stress tolerance through nutrition and temperature	10.001	U.S. Department of Agriculture	58-5082-6-012	-	86,725
Exploring the virome and RNAi strategies for disease control	10.001	U.S. Department of Agriculture	58-5082-1-008	-	10,386
Immune Evasion in Aquatic Rhabdoviral Pathogens	10.001	U.S. Department of Agriculture	58-5090-6-057	-	10,490
Immune Evasion in Aquatic Rhabdoviral Pathogens	10.001	U.S. Department of Agriculture	58-5090-6-057	40,540	30,213
Molecular and cellular analysis of the effects of silicon on stress tolerance in crop plants	10.001	U.S. Department of Agriculture	5082-21000-001-042S	-	97,014
Reducing Impacts of Disease on Rainbow Trout Aquaculture Production	10.001	U.S. Department of Agriculture	58-5090-1-019	-	196,890
Biomonitoring of Iron Deficiency and Toxicity in Ornamental Plants	10.001	U.S. Department of Agriculture	58-5082-8-011	-	2,683
Investigating leaf angle response to temperature and carbon dioxide	10.001	U.S. Department of Agriculture	58-5082-9-019	-	75,838
NACA: Effects of algal toxins on plants	10.001	U.S. Department of Agriculture	58-5082-1-009	-	37,132
RSA for student employment	10.001	U.S. Department of Agriculture	58-5082-1-018	-	14,404
Research Support Agreement-Acquisition of Goods and Services	10.001	U.S. Department of Agriculture	58-5082-8-007	-	178
Centriolar Biomarkers of Bull Sperm	10.310	U.S. Department of Agriculture	2021-67015-33403	-	151,352
A new technology for high yield conversion of biomass carbohydrates to furans for bioproducts	10.310	U.S. Department of Agriculture	2018-67021-27953	-	84,378
Industry Clusters and Location of Agriculture: Establishing a Theoretical Base for Economic Development Practice Passed Through From Rutgers University	10.310	U.S. Department of Agriculture	0250	-	2,576
Upward Bound Food Grant Passed Through From Ohio Department of Education	10.559	U.S. Department of Agriculture		-	2,839
Total U.S. Department of Agriculture				<u>40,540</u>	<u>807,829</u>

See Notes to the Schedule of Expenditures of Federal Awards.

THE UNIVERSITY OF TOLEDO
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
JUNE 30, 2022

Federal Grantor/Pass-Through Grantor/ Program or Cluster Title	Federal Assistance Listing Number	Primary Sponsor	Award Number	Passed Through to Subrecipients	Total Federal Expenditures
National Oceanic and Atmospheric Administration					
An Exceptionally Low Lake Level in the Lake Erie Basin ca. 300 Years Ago Passed Through From Ohio State University	11.417	National Oceanic and Atmospheric Administration	NA18OAR4170100	\$ -	\$ 6,163
On-site and in laboratory quantitative analysis of pharmaceuticals and PFAS in fish by solid-phase microextraction technology coupled to mass spectrometry Passed Through From Ohio State University	11.417	National Oceanic and Atmospheric Administration	60074859	-	51,853
Assessing the impact of shore management on the resilience of coastal environmental microbiomes Passed Through From Ohio Sea Grant Program	11.417	National Oceanic and Atmospheric Administration	60074861	-	58,489
Locating agricultural drainage tiles at large field scale using UAV imagery - A proof of concept study Passed Through From Ohio State University	11.417	National Oceanic and Atmospheric Administration	SPC-1000005522 GR124	-	1,186
Recalibration for Improved Historical Toxicity Measurement in Western Lake Erie Passed Through From Ohio State University	11.417	National Oceanic and Atmospheric Administration	GR120800 60078677	-	3,718
Structural controls on wetlands' hydrological capacity for nutrient attenuation within the Maumee watershed Passed Through From Ohio State University	11.417	National Oceanic and Atmospheric Administration	GR120799_60078676	-	2,889
Building Resilient Shorelines—Shoreline Alterations and Nearshore Habitat Passed Through From Ohio Department of Natural Resources	11.419	Administration	DNRFH220A	-	15,801
Engaging Students and Teachers Through GLOBE: Authentic Watershed Studies in the Maumee and Lake Erie Watersheds	11.429	National Oceanic and Atmospheric Administration	NA19NOS4290024 B-WET	-	3
Great Lakes Bay Watershed Education and Training (B-WET) program FY21	11.429	National Oceanic and Atmospheric Administration	NA21NOS4290009	8,980	30,160
Great Lakes Bay Watershed Education and Training (B-WET) program FY21	11.429	National Oceanic and Atmospheric Administration	NA21NOS4290009	-	5,276
Great Lakes Student Research Campaign: Engaging Students and Teachers in Authentic Watershed Studies	11.429	National Oceanic and Atmospheric Administration	B-WET-NA20NOS4290013	9,500	11,972
Great Lakes Student Research Campaign: Engaging Students and Teachers in Authentic Watershed Studies	11.429	National Oceanic and Atmospheric Administration	B-WET-NA20NOS4290013	-	954
Using Microcystin Degrading Bacteria and their Enzymes for Water Treatment	11.478	National Oceanic and Atmospheric Administration	NA20NOS4780182	-	321,418
Portable toxin detection technology to support Great Lakes decision support tools Passed Through From Bowling Green State University	11.478	National Oceanic and Atmospheric Administration	10010367-UT	-	62,967
Total National Oceanic and Atmospheric Administration				18,480	572,848
U.S. Department of Commerce					
High-throughput analysis of human toxicity and therapeutics targets of emergent chemicals of concern across gut, liver, and kidney systems in health and disease Passed Through From Ohio State University	11.417	U.S. Department of Commerce		-	26,167
Total U.S. Department of Commerce				-	26,167
U.S. Department of Defense					
Photovoltaic Sheets for High Specific Power Space-Based Energy Harvesting (PVS-EH)	12.000	Air Force Research Laboratory	FA9453-21-C-0056	-	1,248,591
Seed Program: Investigation of Power Electronics and Control Systems for Nuclear/Renewable Energy Parks Passed Through From Idaho National Labs	12.000	U.S. Department of Energy	DE-AC07-05ID14517_26	-	177,339
Development of Hot Non-Vitiated Air for Hypersonic Testing Passed Through From Teledyne	12.000	Office of Naval Research	N00014-20-C-1069	-	64,929
Hot Air Tunnel (HAT Program) Passed Through From Teledyne Continental Motors	12.000	U.S. Department of the Army		-	368,428
Hot Air Tunnel (HAT Program) Passed Through From Teledyne Continental Motors	12.000	U.S. Department of the Army		-	93,397
NURTURING STEM in Early Childhood for Military Connected Families	12.006	Office of Naval Research	HQ0034-20-S-FO01	179,078	781,567
NURTURING STEM in Early Childhood for Military Connected Families	12.006	Office of Naval Research	HQ0034-20-S-FO01	-	82,663
High Specific Power Multi-JunctionThin Film PV	12.114	Air Force Research Laboratory	FA9453-18-2-0037	-	146,074
PROMPT: Process for Rapid Optimization and Modeling of Power Transistors.	12.300	Office of Naval Research	N00014-21-1-2832	-	121,744
Fundamental and Applied WBGs Device Modeling Investigation for Next Generation Naval Applications	12.300	Office of Naval Research	N00014-18-1-2676	-	37,536
Ultra-wideband and Highly Efficient Plasma-Matched Small HF Antennas	12.300	Office of Naval Research	N00014-21-1-2449	-	104,435
Wideband and High-Power Reconfigurable Plasma Matching Network for Compact and Efficient Phased Array Emitters Passed Through From Purdue University	12.300	Office of Naval Research	N00014-19-1-2549	-	(3,707)
Air Wave Bearings for Turbine Engines	12.300	Office of Naval Research	N00014-19-1-2743	-	286,911
Reconfigurable Plasma Protection against High Power Microwaves Passed Through From Purdue University	12.300C	Office of Naval Research	N00014-21-1-2441	-	79,032
A Novel Nuclear Interaction between Androgen Receptor and TM4SF3	12.420	U.S. Department of Defense	W81XWH-17-1-0263	-	79,659
Development of an Attenuated Vaccine for the Prevention of Lyme Disease	12.420	U.S. Department of Defense	W81XWH2110967	-	171,831
Development of Novel Inducers of Non-Apoptotic Cell Death to Target TNBC	12.420	U.S. Department of Defense	W81XWH2110053	-	243,576
Tumor metabolism as the new Achilles' heel in prostate cancer	12.420	U.S. Department of Defense	W81XWH2010794	-	195,087
Active Early Detection and Diagnosis of HABs with Scalable Biological Treatment Strategies	12.630	U.S. Army Corps of Engineers	W912HZ2120015	-	373,091
Development of Low Cost Materials and Devices for Flexible Tandem Space Solar Cells (ROSET)	12.800	Air Force Research Laboratory	FA9453-19-C-1002	-	146,837
Development of Low Cost Materials and Devices for Flexible Tandem Space Solar Cells (ROSET)	12.800	Air Force Research Laboratory	FA9453-19-C-1002	-	1,465,988
A Global Hybrid LES/RANS Model for High Speed Aerodynamic Applications Passed Through From Southwestern Ohio Council for Higher Education	12.800	Air Force Research Laboratory	DAGSI RQ11-UT-19-2	-	(53)
Assured Digital Microelectronics Education & Training Ecosystem (ADMETE) Passed Through From Wright State University	12.910	Air Force Research Laboratory	FA8650-20-2-1136	-	449,517
CHEETA: Center for Heuristic Evaluation of Emerging Technology Advancement Passed Through From National Technology and Engineering Solutions of Sandia, LLC	12.RD	Sandia National Laboratory	2294290	-	23,198

See Notes to the Schedule of Expenditures of Federal Awards.

THE UNIVERSITY OF TOLEDO
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JUNE 30, 2022

Federal Grantor/Pass-Through Grantor/ Program or Cluster Title	Federal Assistance Listing Number	Primary Sponsor	Award Number	Passed Through to Subrecipients	Total Federal Expenditures
Molecular Design of Lead Acid Battery Model Expanders	12.RD	Argonne National Laboratory	DE-AC02- 06CH11357	\$ -	\$ 187,212
Modular Designs for New Facilitated Transport Membranes in Olefin Production Passed Through From Battelle Memorial Institute	12.RD	Idaho National Labs	DE-AC07-05ID14517_24	-	96,209
SONIC: Sensor Operations via Naturalistic Interactive Control Passed Through From Aptima, Inc	12.RD	U.S. Air Force	FA8501-18-C-0004	-	25,221
Intelligent and Resilient Structures Passed Through From Eaton Corporation	12.RD	U.S. Army Corps of Engineers	W912HZ-21-C-0030	-	67,615
Plasma Impedance Matching Networks Passed Through From Lockheed Martin	12.RD	U.S. Department of Defense	4105131951	-	77,218
IORE: fNIRS Operational Readiness Estimation Passed Through From Aptima, Inc	12.RD	U.S. Department of Defense	W81XWH21C0083	-	1,893
Total U.S. Department of Defense				179,078	7,193,038
U.S. Department of the Interior					
BLM Contract Solicitation L17PS00986: Production of PZP-22 Contraceptive Vaccine Assessment of Sandusky River habitat for walleye spawning Passed Through From Ohio State University	15.229	Bureau of Land Management	L17PC00154	-	2,475
Enhancement of Turtle Recruitment in the Kalamazoo River Passed Through From U.S. Fish and Wildlife Service	15.605	U.S. Fish and Wildlife Service	60077350	-	(1,368)
Removal of invasive grass carp from Lake Erie and tributaries: targeted collection and modeling to improve catch Passed Through From Ohio Department of Natural Resources	15.658	U.S. Department of the Interior	F17AC00677	-	41,889
Removal of invasive grass carp from Lake Erie and tributaries: targeted collection and modeling to improve catch Passed Through From Ohio Department of Natural Resources	15.662	U.S. Fish and Wildlife Service	F18AP00885_DNRPFPGX0	-	179,255
Removal of invasive grass carp from Lake Erie and tributaries: targeted collection and modeling to improve catch Passed Through From Ohio Department of Natural Resources Advisory Services to the Great Lakes HABs Collaboration Passed Through From Great Lakes Commission	15.662	U.S. Fish and Wildlife Service	F19AP00647	-	238,965
Advisory Services to the Great Lakes HABs Collaboration Passed Through From Great Lakes Commission	15.808	U.S. Geological Survey	G18AC00279	-	559
Assessment of the responses of fish communities and ecosystems in Great Lakes connecting channels to restoration and other environmental change	15.808	U.S. Geological Survey	G18AC00279	-	751
Foodweb Dynamics in Western Lake Erie Associated with CSMI Sampling	15.808	U.S. Geological Survey	G19AC00415	-	15,956
Foodweb Dynamics in Western Lake Erie Associated with CSMI Sampling	15.808	U.S. Geological Survey	G19AC00415	-	3,400
Grass Carp Reproduction in Lake Erie	15.808	U.S. Geological Survey	G19AC00415	-	154,811
Identification of Optimal Sites for Maumee AOC Restoration Actions in the Lower Maumee River	15.808	U.S. Geological Survey	G21AC10095-00	-	78,102
Lake Sturgeon survival, habitat use, and movements in Lake Erie	15.808	U.S. Geological Survey	G19AC00077	37,630	85,817
Transitioning to a Long-Term Ecosystem Monitoring Program in the St. Clair-Detroit River System	15.808	U.S. Geological Survey	G20AC00447	10,000	61,280
Transitioning to a Long-Term Ecosystem Monitoring Program in the St. Clair-Detroit River System	15.808	U.S. Geological Survey	G19AC00427	-	178,438
Vegetation Surveying in Support of Grass Carp Spawning Potential in the Sandusky River Basin	15.808	U.S. Geological Survey	G19AC00427	-	(6,365)
Surficial Geology Mapping of Glacial Lake Agassiz Strandlines, Polk County, Minnesota, dated 11/18/2019	15.808	U.S. Geological Survey	G17AC00404 Mod 0002	-	90,997
Total U.S. Department of the Interior				47,630	1,142,440
U.S. Department of Justice					
The University of Toledo Program to Address Sexual Assault and Violence on Campus: UT Awareness & Prevention Project	16.525	U.S. Department of Justice	2020-WA-AX-0018 (OVW)	-	78,668
LGBTQA+ Programming Initiative Passed Through From Criminal Justice Coordinating Council	16.588	U.S. Department of Justice	2020-WF-VA5-8846	-	4,977
Focus on Runaways Passed Through From Ohio Office of Criminal Justice Services	16.738	U.S. Department of Justice		-	63,470
Focus on Runaways Passed Through From Ohio Office of Criminal Justice Services	16.738	U.S. Department of Justice		-	8,767
Lucas County Reentry Program	16.812	Criminal Justice Coordinating Council	2016-BJ-SCA-1605	-	15,151
COSSAP Evaluation Passed Through From Lucas County Sheriff's Office	16.838	U.S. Department of Justice	2020-AR-BX-0065	-	64,116
Total U.S. Department of Justice				-	235,149
National Aeronautic Space Administration					
Unlocking Far-Infrared Metal Abundances in NGC628 Passed Through From Universities Space Research Association	43.RD	National Aeronautics and Space Administration		-	2,905
Compact Gas Turbine Compressor CFD Analysis Passed Through From HX5, LLC	43.RD	National Aeronautics and Space Administration		-	118,860
Compact Gas Turbine Compressor CFD Analysis Passed Through From HX5, LLC	43.RD	National Aeronautics and Space Administration		-	66,098
Scalable Production of Boron Nitride Nano-sheets (BNNS) using Compressible Flow Exfoliation	43.RD	National Aeronautics and Space Administration	80NSSC20P0785	-	27,798
SMA Database	43.RD	NASA John H. Glenn Research Center at	80NSSC20P1548	-	4,411
Spacesuit Water Membrane Evaporator (SWME) Model Development and Data Evaluation Passed Through From Analytical Mechanics Associates, Inc.	43.RD	National Aeronautics and Space Administration	80LARC17C0003	-	28,781
Modeling Supermassive Black Hole Seed Formation and Growth on Cosmological Scales	43.RD	National Aeronautics and Space Administration	80NSSC22K0629	-	5,112
Dynamical Black Hole Masses for a Complete Volume-Limited Hard X-Ray Sample	43.001	Jet Propulsion Laboratory	1673175	-	6,521
18-ADAP18-0200; Orion The Final Epoch	43.001	National Aeronautics and Space Administration	80NSSC19K0591-P0001	40,237	96,457
4274Infrared Abundances and the Chemical Enrichment of the Universe	43.001	National Aeronautics and Space Administration	80NSSC18K0730 P00005	22,316	121,110
A Spitzer, Herschel and WISE Census of Protostars within 500 pc of the Sun	43.001	National Aeronautics and Space Administration	80NSSC18K1564 - P000	681	58,718

See Notes to the Schedule of Expenditures of Federal Awards.

THE UNIVERSITY OF TOLEDO
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
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Federal Grantor/Pass-Through Grantor/ Program or Cluster Title	Federal Assistance Listing Number	Primary Sponsor	Award Number	Passed Through to Subrecipients	Total Federal Expenditures
Bow-shocks and Jets in the Far-IR: Velocity Resolved Passed Through From Universities Space Research Association	43.001	NASA Ames Research Center	Cycle 26 Program GO - - HST-GO-15649.001-A	\$ -	\$ 21,061
Clusters, Clumps, Dust and Gas in Extreme Star-Forming Galaxies	43.001	Space Telescope Science Institute		-	39,384
Improved Constraints on Grain Growth from a Survey of Phosphorus and Chlorine Depletions in the Diffuse ISM	43.001	Space Telescope Science Institute	HST-AR-15807.002	-	3,851
The 6 pc DASH: A WFC3 1.6 micron Survey of the Orion Integral Shaped Filament	43.001	NASA John H. Glenn Research Center at Lewis Field	HST-GO-15141.001-A	-	27,872
Passed Through From Space Telescope Science Institute	43.001	National Aeronautics and Space Administration	80NSSC21K0851	-	43,684
The Spitzer IRS Mapping Legacy Archive Passed Through From University of California at San Diego	43.001	National Aeronautics and Space Administration	80NSSC20K0454	759	105,330
Two Decades of Protostellar Variability in the IR: An ISO, Herschel, Spitzer, SOFIA and NEOWISE Archival Study	43.001	National Aeronautics and Space Administration	A18-1779-S001	-	12,971
UV Laboratory Measurements of Oscillator Strengths, Radiative Lifetimes, and Dissociation Products of CH, C2, and CS Passed Through From The University of California at Davis	43.001	National Aeronautics and Space Administration	NNX16AC54A	903,709	1,382,450
Mission Earth: Fusing GLOBE with NASA Assets to Build Systemic Innovation in STEM Education	43.001	National Aeronautics and Space Administration	NNX16AC54A	-	31,211
Mission Earth: Fusing GLOBE with NASA Assets to Build Systemic Innovation in STEM Education	43.001	National Aeronautics and Space Administration	1641181	-	1,556
GaN-Based Power Bus Converter with Autonomous Control for Deep Space Small Spacecraft Power Subsystems Passed Through From Jet Propulsion Laboratory	43.001	National Aeronautics and Space Administration		-	53,993
Investigation of GaN Devices Radiation Effects and Solar Array Maximum Power Point Tracking for Breakthrough Distributed Power Architecture for In Situ Lunar Missions	43.002	Space Telescope Science Institute	HST-GO-14695.001-A	-	5,040
Passed Through From Jet Propulsion Laboratory	43.002	NASA John H. Glenn Research Center at Lewis Field	WO-0178	-	206,690
WFC3 Imaging of 24 micron Dopout Protostars in Orion	43.002	NASA John H. Glenn Research Center at Lewis Field	WO-0065	-	366,723
Advanced Computational Tools for the Simulation of Multistage Turbomachinery in Support of Aeropropulsion Passed Through From HX5, LLC	43.002	NASA John H. Glenn Research Center at Lewis Field	WO-0100	-	247,440
Advanced Microscopy and Microstructural Analysis Passed Through From HX5, LLC	43.002	NASA John H. Glenn Research Center at Lewis Field	WO-0017	-	216,668
Analysis and Testing of Advanced Materials & Structures Passed Through From HX5, LLC	43.002	NASA John H. Glenn Research Center at Lewis Field	WO-0179	-	153,669
Analysis for Future Aircraft Propulsion Systems Passed Through From HX5, LLC	43.002	NASA John H. Glenn Research Center at Lewis Field	WO-0090	-	38,359
Compact Gas Turbine Compressor CFD Analysis Passed Through From HX5, LLC	43.002	NASA John H. Glenn Research Center at Lewis Field	WO-0058	-	192,109
Experimental and Computational Investigation of Turbine Aerodynamics & Heat Transfer for CGT Power Extraction and High Power Density Core	43.002	NASA John H. Glenn Research Center at Lewis Field	WO-0063	-	168,874
Passed Through From HX5, LLC	43.002	NASA John H. Glenn Research Center at Lewis Field	WO-0104	-	101,597
High Temperature Materials & Coatings for Extreme Environments Passed Through From HX5, LLC	43.002	NASA John H. Glenn Research Center at Lewis Field	WO-0285	-	1,188
Nondestructive Evaluation for Aerospace Materials & Structures Passed Through From HX5, LLC	43.002	NASA John H. Glenn Research Center at Lewis Field		-	1,188
Research and Engineering Support for Advanced Seals Development Passed Through From HX5, LLC	43.002	NASA John H. Glenn Research Center at Lewis Field		967,702	3,958,491
SA-Reimbursable Research and Engineering Support for Development and Testing of High Temperature Seals for Air Force High-Speed Vehicle Program Passed Through From HX5, LLC	43.002	NASA John H. Glenn Research Center at Lewis Field		-	1,188
Total National Aeronautics and Space Administration				967,702	3,958,491
National Science Foundation					
DMREF: Collaborative Research: Hard Coating Synthesis	47.041	National Science Foundation	NSF 1711534	-	27,790
CAREER: Dual Function Materials for Capture and Conversion of CO2 into Methanol and Higher Alcohols	47.041	National Science Foundation	1629239	-	37,699
CAREER: Dual Function Materials for Capture and Conversion of CO2 into Methanol and Higher Alcohols Passed Through From Clemson University	47.041	National Science Foundation	1847391	-	20,307
Electrochemical Interaction of Nano-Cerium Oxide Composites with Hydroxyl Radicals	47.041	National Science Foundation	2154386	-	25,372
Electrochemical Interaction of Nano-Cerium Oxide Composites with Hydroxyl Radicals	47.041	National Science Foundation	1817294 (REU)	-	26,226
I-Corps: A Super-Sensitive Real-Time Sensor for Reactive Oxygen Species (ROS)	47.041	National Science Foundation	1817294 (REU)	-	17,529
NSF I-Corps Injectable Gel for Bone Healing	47.041	National Science Foundation	2023102	-	5,112
PFI TT: A hand-held device for rapid and accurate determination of cancerous tumor margins during surgical resections	47.041	National Science Foundation	2040076	-	16,552
GOALI/Collaborative: Engineering Biofilm Dynamics for Cyanotoxins in Biological Water Treatment	47.041	National Science Foundation	2141183	-	32,981
	47.041	National Science Foundation	CBET1605185 Amend 0	-	2,660

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GOALI/Collaborative: Engineering Biofilm Dynamics for Cyanotoxins in Biological Water Treatment	47.041	National Science Foundation	CBET1605185 Amend 0	\$ -	\$ 9,172
GOALI/Collaborative: Engineering Biofilm Dynamics for Cyanotoxins in Biological Water Treatment	47.041	National Science Foundation	CBET1605185 Amend 0	-	17,106
Research Initiation: Measuring mental demand of interactive textbooks using wearables and web analytics	47.041	National Science Foundation	2025088	-	83,056
Ultra-High Efficiency Microwave Plasma for Extreme Low-Power Applications	47.041	National Science Foundation	2102100	-	65,522
Collaborative Research: Dry-Wet Phase Inversion Pathway of Graphene Oxide (GO)-Based Mixed-Matrix Membranes for Mineral Ions Separation by Membrane Distillation	47.041	National Science Foundation	2002310	-	38,258
I-Corps: Additively manufactured NiTi aerospace actuators	47.041	National Science Foundation	2109572	-	29,133
NSF I-Corps Hub: Great Lakes Region Passed Through From University of Michigan	47.041	National Science Foundation	2048612	-	9,433
Scalable Nanomanufacturing of Two-Dimensional Materials by High Speed Compressible Gas Flow					
Exfoliation	47.041	National Science Foundation	1762507	-	3,976
Bench Top Protocol to Evaluate Growth Rods in a Plastic Vertebra Mode	47.041	Spider Spine	1916636	-	14,191
Biomechanics of Cervical Spine with Artificial Disc During Pilot Ejection Passed Through From Infocitex	47.041	National Science Foundation		-	4,284
Biomechanics of Pediatric Scoliosis Correction using Various Tethering Devices Investigating the Effectiveness of DisCure? Treatment Using A Human Disc Organ Culture Under Physiologically Relevant Mechanical Loading Conditions Passed Through From Rainbow Medical, Ltd.	47.041	Auctus Surgical, LLC		-	4,123
NSF ICORPS: Biomimetic Engineered Space Technology (BEST) Platform	47.041	National Science Foundation		-	8,365
Phase II IUCRC The University of Toledo: Center for Disruptive Musculoskeletal Innovations (CDMI)	47.041	National Science Foundation	2132369	-	47,174
Phase II IUCRC The University of Toledo: Center for Disruptive Musculoskeletal Innovations (CDMI)	47.041	Rosies Base, Inc.	1916636	-	3,393
Phase II IUCRC The University of Toledo: Center for Disruptive Musculoskeletal Innovations (CDMI)	47.041	National Science Foundation	1916636	-	12,706
Phase II IUCRC The University of Toledo: Center for Disruptive Musculoskeletal Innovations (CDMI)	47.041	National Science Foundation	1916636	-	164,536
Phase II IUCRC The University of Toledo: Center for Disruptive Musculoskeletal Innovations (CDMI)	47.041	National Science Foundation	1916636	-	500
Phase II IUCRC The University of Toledo: Center for Disruptive Musculoskeletal Innovations (CDMI) Passed Through From Spinal Solution Technologies	47.041	National Science Foundation	1916636	-	5,283
Phase II IUCRC The University of Toledo: Center for Disruptive Musculoskeletal Innovations (CDMI) Passed Through From University of California at San Francisco	47.041	National Science Foundation	1916636	-	23,366
Spino-pelvic Biomechanics for the Treatment of Spinal Disorders - A Finite Element Study (In Collaboration with UCSF if feasible) Passed Through From Depuy Synthes	47.041	National Science Foundation		-	10,917
I-Corp Node: Activating the Midwest I-Corps Network Passed Through From University of Michigan	47.041	National Science Foundation	3004362736	-	36,670
Cold Gas Around Black Holes: Fueling and Feedback in Galaxy Mergers Passed Through From National Radio Astronomy Observatory	47.049	National Science Foundation		-	21,758
Collaborative Research: The End of Star Formation: Gauging the Impact of Feedback on Dense Gas	47.049	National Science Foundation	2107827	-	63,162
Modeling the Abundance and Distribution of the First Stars and Galaxies	47.049	National Science Foundation	2009309	-	59,326
Tracking the Causes and Effects of Galactic Winds with Resolved Spectroscopy	47.049	National Science Foundation	2009416	-	31,325
CAREER: Expanding the Toolbox for Olefin Functionalization and Difunctionalization Reactions	47.049	National Science Foundation		-	139,129
Fundamental study of synthetic and transformational reactions of molecular silver and gold nanoparticles	47.049	National Science Foundation	1905262	-	89,535
Understanding molecular mechanisms underlying chemical behavior of pollutants in heterogeneous environmental systems	47.049	National Science Foundation	2144591	-	34,934
Lead free organic-inorganic halide perovskite ferroelectrics with large piezoelectric responses	47.049	National Science Foundation	1807818	-	125,344
Quantum theories of atomic and molecular interactions, and their applications	47.049	National Science Foundation	1912489 PHY	-	83,014
REU Site: Research Experiences for Undergraduates in Physics and Astronomy at the University of Toledo	47.049	National Science Foundation		-	66,068
ATD: Collaborative Research: Spatio-temporal data analysis with dynamic network models	47.049	National Science Foundation	NSF 17-510 - 1830412	-	-
LEAPS MPS: Surface subgroups of outer automorphism group of the free group and dynamics on the boundary	47.049	National Science Foundation	2137611	-	29,342
Biological and Geochemical Controls on Phosphorus Bioavailability in Arctic Tundra	47.050	National Science Foundation		-	61,737
Biological and Geochemical Controls on Phosphorus Bioavailability in Arctic Tundra	47.050	National Science Foundation		-	45,722
Collaborative Research: Winter snow depth as a driver of microbial activity, nutrient cycling, tree growth and treeline advance in the Arctic	47.050	National Science Foundation	1503939	-	1,240
Collaborative Research: Winter snow depth as a driver of microbial activity, nutrient cycling, tree growth and treeline advance in the Arctic	47.050	National Science Foundation	1503939	-	3,696

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CAREER: Model-based Analysis of Dynamic Networks using Continuous-time Network Models	47.070	National Science Foundation	2047955	\$ -	\$ 58,446
CPS: Breakthrough: Analysis, Identification and Mitigation of Delay Performance Bottlenecks of Network Infrastructure in Cyber-Physical Systems	47.070	National Science Foundation	2146968	51,650	86,649
CRII: III: Generative Models for Robust Real-Time Analysis of Complex Dynamic Networks	47.070	National Science Foundation	1755824	-	9,679
RESEARCH - PGR: Elucidating Maize Gene Regulatory Networks to Accelerate Translational Genomics Passed Through From Michigan State University	47.074	National Science Foundation		-	2,500
RESEARCH - PGR: Elucidating Maize Gene Regulatory Networks to Accelerate Translational Genomics Passed Through From Michigan State University	47.074	National Science Foundation		-	160,071
Stress response mechanisms in Vibrio	47.074	National Science Foundation	2151127	-	24,422
CAREER: The Effects of Liquid-Liquid Phase Separation on Ubiquitin Chaperone and Triage Activity	47.074	National Science Foundation	2143412	-	88,345
Addressing Environmental Challenges and Proposing Sustainable Solutions at the Lake Erie Land-Lake Interface	47.074	National Science Foundation	1852245	-	14,228
Addressing Environmental Challenges and Proposing Sustainable Solutions at the Lake Erie Land-Lake Interface	47.074	National Science Foundation	1852245	-	95,465
Developing problem solving skills using student-generated problems that reverse engineer YouTube videos	47.076	National Science Foundation	1712186	-	11,475
Developing problem solving skills using student-generated problems that reverse engineer YouTube videos	47.076	National Science Foundation	1712186	-	2,375
Greater, Equity Access, and Readiness for Success for Engineering and Technology (GEARSET)	47.076	National Science Foundation	1930478	-	40,118
Greater, Equity Access, and Readiness for Success for Engineering and Technology (GEARSET)	47.076	National Science Foundation	1930478	-	28,424
Collaborative Research: CyberMUG: Cybersecurity Modules aligned with UG Computer Science and Engineering Curriculum	47.076	National Science Foundation	2021264	-	34,486
EXperiences in STEM and Computational Thinking: Improving Teaching and IEarning (EXCITE)	47.076	National Science Foundation	DRL-1741784	7,000	28,687
EXperiences in STEM and Computational Thinking: Improving Teaching and IEarning (EXCITE)	47.076	National Science Foundation	DRL-1741784	-	13,566
NURTURES Phase II: Expansion and Evaluation	47.076	National Science Foundation	1721059	-	642
SaTC: EDU: Collaborative: Visualization and Practice based Cybersecurity Curriculum and Training framework for transforming High School Students into the Next Generation Cyber-aware and Cyber-savvy Workforce	47.076	National Science Foundation	1903419	-	56,569
NSF Graduate Research Fellowship Program	47.076	National Science Foundation	2041857	-	36,368
The Northern Ohio Alliance for Advancing Graduate Education in the Professoriate	47.076	National Science Foundation	HRD 1432878	-	196
The Northern Ohio Alliance for Advancing Graduate Education in the Professoriate	47.076	National Science Foundation	HRD 1432878	-	11,440
SaTC: EDU: Collaborative: Visualization and Practice based Cybersecurity Curriculum and Training framework for transforming High School Students into the Next Generation Cyber-aware and Cyber-savvy Workforce	47.076	National Science Foundation	1903419	-	258
Collaborative Research: IRES: Life Cycle Management and Ecosystem Services Applied to Urban Agriculture	47.079	National Science Foundation	OISE 1559394	-	37,900
Prevention of Snow Accumulation and Facilitating Its Removal	47.084	National Science Foundation	2219905	-	12,253
Total National Science Foundation				58,650	2,562,337
U.S. Environmental Protection Agency					
Reducing the impacts of Chloride on aquatic species in the Maumee Area of Concern	66.469	U.S. Environmental Protection Agency		-	4,091
Passed Through From Ohio Environmental Protection Agency	66.469	U.S. Environmental Protection Agency	GL00E02862	-	7,165
Functional Litter-acy: Trash Trappers for a Cleaner Toledo Passed Through From City of Toledo	66.472	U.S. Environmental Protection Agency	CU00E52610-0	-	(186)
Lake Erie Bathing Beach Monitoring Passed Through From Ohio Department of Health	66.472	U.S. Environmental Protection Agency	10E52611	-	4,283
Lake Erie Bathing Beach Monitoring Passed Through From Ohio Department of Health	66.516	U.S. Environmental Protection Agency	84014801	-	20,690
Wet Wipes That Turn into Toilet Paper When Flushed				-	36,043
Total U.S. Environmental Protection Agency					
U.S. Department of Energy					
Harmful Algae Microbiome Passed Through From Lawrence Livermore National Laboratory	81.000	U.S. Department of Energy		34,835	63,818
Harmful Algae Microbiome Passed Through From Lawrence Livermore National Laboratory	81.000	U.S. Department of Energy		13,349	18,554
Center for Hybrid Organic-Inorganic Semiconductors for Energy (CHOISE) Passed Through From Alliance for Sustainable Energy LLC	81.000	U.S. Department of Energy	XGJ-9-92008-01	-	167,531
Improving Durability in the Next Generation of Photovoltaic Materials Through Discovery and Mitigation of Interface-Based Degradation Mechanisms	81.000	Lawrence Livermore National Laboratory	DE-AC52-07NA27344	-	130,556

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Transactive Campus Passed Through From Battelle Memorial Institute	81.000	U.S. Department of Energy	439239	\$ -	\$ 6,973
COMPASS FME Passed Through From Battelle Memorial Institute	81.000	U.S. Department of Energy	551866	-	7,106
COMPASS FME Passed Through From Pacific Northwest National Laboratory	81.000	U.S. Department of Energy	567057	-	832,309
COMPASS GLM Passed Through From Battelle Memorial Institute	81.000	U.S. Department of Energy	570387	-	46,286
High Fidelity Simulations of Membrane Gas Separation Modules--Subproject No. 02 Passed Through From Oak Ridge Assoc Univs	81.000	U.S. Department of Energy	606096	-	39,490
Integrating and Optimizing Red Rock Biofuels' Feedstock Handling & Feed Systems Using State-of-the-Art Computational Tools Passed Through From Alliance for Sustainable Energy LLC	81.000	U.S. Department of Energy	NGZ-8-82127-01	-	2,919
Membrane Gas Separation Module Simulations for Process Simulators Passed Through From Oak Ridge Assoc Univs	81.000	U.S. Department of Energy	606316	-	21,935
VOLTRON User Interface for Toledo Passed Through From Pacific Northwest National Laboratory	81.000	U.S. Department of Energy	DE-AC05-76RL01830	-	39,339
Microwave Photoconductance Spectrometer for Thin-Film Deposited Semiconductor Materials Passed Through From Tau Science Corporation	81.049	U.S. Department of Energy	S1-DE-SC0020718	-	13,323
A New Low-Temperature Approach for Efficient and Low-Cost Group V Doping in CdTe	81.087	U.S. Department of Energy	DE-EE0009368	-	74,457
Thin Film Solar Cells Passed Through From University of Alabama	81.087	U.S. Department of Energy	DE-EE0009368	-	304,392
Back-Contact Interface Engineering for Higher Efficiency CdTe PV Passed Through From Colorado State University	81.087	U.S. Department of Energy	DE-EE0008751:0001	-	53,985
Investigation of Defect Physics for Efficient, Durable and Ubiquitous Perovskite Solar Cells Passed Through From University of California at Los Angeles	81.087	U.S. Department of Energy	DE-EE00009330	-	212,029
Low-cost Manufacturing of Semitransparent CdTe PV for Building Integration Passed Through From Toledo Solar	81.087	U.S. Department of Energy	3004665465	-	13,023
Monolithically Integrated Thin-Film/Silicon Tandem Photoelectrodes for High Efficiency and Stable Photoelectrochemical Water Splitting. Passed Through From University of Michigan	81.087	U.S. Department of Energy	DE-EE0008837	-	193,500
Perovskite/Perovskite Tandem Photoelectrodes For Low-Cost Unassisted Photoelectrochemical Water Splitting	81.087	U.S. Department of Energy	EE0008970	33,915	590,043
Toward Low-Cost, Efficient and Stable Perovskite Thin-Film Modules	81.087	U.S. Department of Energy	EE0008970	-	127,076
Ultra-High Efficiency and Stable All-Perovskite Tandem Solar Cells	81.087	U.S. Department of Energy	U.S. Department of Energy	-	-
A comprehensive strategy for stable, high productivity cultivation of microalgae with controllable biomass composition	81.087	U.S. Department of Energy	U.S. Department of Energy	268,722	520,157
High pH/high alkalinity cultivation for Direct Atmospheric Air Capture and Algae Bioproducts Passed Through From Montana State University	81.087	U.S. Department of Energy	DE-EE0009273	-	13,933
Natural Gas/Direct Air Capture Hybrid Plant Passed Through From University of Pittsburgh	81.135	U.S. Department of Energy	U.S. Department of Energy	-	102,578
Cadmium Telluride Photovoltaics Accelerator Consortium Passed Through From Alliance for Sustainable Energy LLC	81.RD	U.S. Department of Energy	DE-AC36-08GO28308	-	2,258
Digital Twin Reinforcement Learning Project Passed Through From Lawrence Livermore National Laboratory	81.RD	U.S. Department of Energy	DE-AC52-07NA27344_B6	-	104,325
Shape memory alloy Passed Through From Oak Ridge National Laboratory	81.RD	U.S. Department of Energy	DE-AC05-00OR22725_40	-	1,669,626
Total U.S. Department of Energy				350,820	5,371,521
U.S. Department of Health and Human Services					
National Institutes of Health					
A Multicenter Platform Evaluating Putative Therapeutics for the Treatment of COVID-19 in Hospitalized Adults Passed Through From Social & Scientific Systems, Inc.	93.000	National Institute of Allergy & Infectious Diseases	-	-	102,994
Behavioral and Neurological Effects of Developmental Pyrethroid Exposure in Rodents Lake Erie Center for Fresh Waters and Human Health--BGSU NIH subaward Passed Through From Bowling Green State University	93.113	National Institute of Environmental Health Sciences	R00 - ES - 027869	-	194,175
The role of platelets in oral candidiasis	93.121	National Institutes of Health National Institute of Dental and Craniofacial Research	10009736-UT08	-	13,964
Particle topography and aerosol size distribution in dental settings in COVID19 era Passed Through From University of Alabama at Birmingham	93.121	National Institute of Dental and Craniofacial Research	R01 - DE - 027343	-	344,103
Identifying the mechanisms of latent inhibition to prevent dental fear Passed Through From University of Texas Rio Grande Valley	93.121	National Institute of Dental and Craniofacial Research	3U19DECO28717-02S1	-	20,449
Distance Education and Training on Emerging Contaminants and Technologies (DETECT) Passed Through From Purdue University	93.143	National Institute of Environmental Health Sciences	R01 - 1R01DE031117	-	50,023
MINHC project Passed Through From University of Illinois at Chicago	93.153	National Institute of Environmental Health Sciences	R25 - 033045	-	13,617
Gut-brain axis: functional link between microbial metabolites and neurogenic hypertension	93.213	Health Resources & Services Administration	-	-	10,563
Passed Through From University of Florida at Gainesville	93.242	National Center for Complementary and Integrative Health	R21 - R21AT010192	-	16,497
CO2 Inhalation enhances the lability of fear memory	93.242	National Institutes of Health	5 - R01 - MH - 113986	-	511
206463Cell-specific analysis of sub-kinomes in schizophrenia	93.242	National Institutes of Health	5 - R01 - MH - 107487	-	105,132
A large sample machine learning network analysis of vertex cortical thickness measures for high resolution definition of PTSD related cortical structure abnormalities	93.242	National Institute of Mental Health	R21 - 125277	1,114	6,467

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CO2 Inhalation enhances the lability of fear memory Passed Through From University of Tennessee	93.242	National Institutes of Health		\$ -	\$ 12,897
Study of early brain alterations that predict development of chronic PTSD Passed Through From National Institutes of Health	93.242	National Institute of Mental Health	5 - R01 - MH - 110483	26,563	206,552
Study of early brain alterations that predict development of chronic PTSD Passed Through From National Institutes of Health	93.242	National Institute of Mental Health	5 - R01 - MH - 110483	-	186,343
The effect of SHANK3 mutation in transgenic prairie voles on natural social behaviors and genetic mechanisms	93.242	National Institute of Mental Health	1 - R21 - MH - 127500	-	51,222
Translational assessment of brain bioenergetic function in schizophrenia Passed Through From University of Maryland at Baltimore	93.242	National Institutes of Health	R01 - MH121102_3000303	-	180,199
Mapping treatment components to targets in dialectical behavior therapy Passed Through From University of Massachusetts Amherst	93.242	National Institute of Mental Health	R21 - 119530	-	11,330
Using pre-pandemic baseline data in people with and without PTSD to study effects of the COVID-19 pandemic on mental health and brain emotion circuits	93.242	National Institute of Mental Health	R21 - 126172	-	8,635
Educating a Community Within a Community: Mental Health First Aid and Green Zone Training at the University of Toledo and Beyond	93.243	Services Administration	H79 - SM - 081323	-	43
Educating a Community Within a Community: Mental Health First Aid and Green Zone Training at the University of Toledo and Beyond	93.243	Services Administration	H79 - SM - 081323	-	56,028
How Non-Transcriptional IRF3 Prevents ALD	93.273	National Institutes of Health	5 - R21 - AA - 026017	-	64,135
Transcriptional and non-transcriptional functions of IRF3 in ALD Passed Through From Cleveland Clinic	93.273	National Institutes of Health	R01 - R01AA027456_ 1391-SUB	-	15,083
Optimizing HEALing in Ohio Communities (OHIO) Passed Through From Case Western Reserve University/Case Medical Center	93.279	National Institute on Drug Abuse	DA049417 (60071381)	-	32,354
Optimizing HEALing in Ohio Communities (OHIO) Passed Through From Case Western Reserve University/Case Medical Center	93.279	National Institute on Drug Abuse	SPC-1000004810/GR122	-	90,922
Bio-design-based learning platform fortified with clinical immersion and medical device commercialization pathway	93.286	National Institutes of Health	5 - R25 - EB - 029385	-	42,865
Development of novel approaches for stereoselective construction of glycosidic linkages Passed Through From University of California - Santa Barbara	93.310	National Institute of General Medical Sciences	KK1807-1U01GM125289-	-	31,484
Novel methods and Technologies for Synthesis of Biomedically Relevant Carbohydrates Passed Through From University of Georgia at Athens	93.310	National Institutes of Health		-	10,363
Dormitory wastewater monitoring of SARS-CoV-2 at Universities and Colleges in the State of Ohio	93.323	Ohio State University	GR124539 / SPC-10000	-	374,915
Resource for Rat Genetic Models of Aerobic Capacity	93.351	National Institutes of Health	3 - P40 - OD - 021331	-	(20,584)
Resource for Rat Genetic Models of Aerobic Capacity	93.351	National Institutes of Health	3 - P40 - OD - 021331	-	2,065
Anti-viral actions of interferon Passed Through From Cleveland Clinic Foundation	93.393	National Cancer Institute	R01 - 68782	-	(596)
ATR Isomerization in Cellular Responses to UV Damage of DNA	93.393	National Cancer Institute	5 - R01 - CA - 219342	-	382,639
Interplay between Dietary Fiber and Gut Microbiota in Hepatocellular Carcinoma	93.393	National Cancer Institute	3 - R01 - CA - 219144	-	14,645
Interplay between Dietary Fiber and Gut Microbiota in Hepatocellular Carcinoma	93.393	National Cancer Institute	3 - R01 - CA - 219144	-	154,596
Interplay between Dietary Fiber and Gut Microbiota in Hepatocellular Carcinoma	93.393	National Cancer Institute	3 - R01 - CA - 219144	-	(5,667)
Normalizing arginine metabolism with sepiaptein for immunostimulatory-shift of HER2+ breast cancer	93.393	National Cancer Institute	R01 - CA - 248304	-	278,149
Sequencing Familial Lung Cancer Passed Through From Baylor Research Institute	93.393	National Institutes of Health	R01 - CA - 243483	-	36,120
LTP2 Passed Through From Boston University	93.394	National Cancer Institute	214182	-	10,089
Parent Site: Case Comprehensive Cancer Center Passed Through From Case Western Reserve University/Case Medical Center	93.394	National Cancer Institute		-	11,152
The Early Detection Research Network: Data Management and Coordinating Center Passed Through From Fred Hutchinson Cancer Research Center	93.394	National Cancer Institute		-	9,532
Novel Ferroptotic Compounds to Target Mesenchymal Breast Cancer and Cancer Stem Cells Passed Through From National Institutes of Health	93.395	National Cancer Institute	1 - R15 - CA - 213185	-	83,806
Targeting of eIF4A along with immunotherapy to overcome chemoresistance	93.395	National Cancer Institute	R21 - CA - 256462	-	48,880
CDHR5 tumor suppressor function in the intestine	93.396	National Cancer Institute	1 - R15 - CA - 264735	-	95,848
Regulation of MLK3 by LATS	93.396	National Cancer Institute	3 - R15 - CA - 241898	-	119,750
Regulation of MLK3 by LATS	93.396	National Cancer Institute	3 - R15 - CA - 241898	-	48,954
Understanding and targeting MELK overexpression in breast cancer cells	93.396	National Cancer Institute	1 - R15 - CA - 238894	1,643	138,130
Influence of bone microenvironment on drug resistance in prostate cancer bone metastasis	93.396	National Institutes of Health	R01 - CA230744	-	256,225
Molecular targeting the translational control axis in Wnt/ β -catenin signaling pathway	93.396	National Cancer Institute	5 - R01 - CA - 211904	-	416,229
A transcription-independent role of HSF1 in tumorigenesis via suppression of AMPK	93.398	National Cancer Institute	1 - K22 - CA - 248616	-	162,783
Targeting Gut Microbiota Metabolites to Prevent Liver Cancer	93.398	National Cancer Institute	F31 - 260842	-	8,132
Toledo Community Clinical Oncology Program (TCCOP) Passed Through From Toledo Community Hospital Oncology Program	93.399	National Cancer Institute		-	4,595
Autophagy regulates β -hydroxybutyrate synthesis to prevent hypertension-associated premature vascular aging	93.837	National Heart, Lung & Blood Institute	1 - K99 - HL - 151889	-	27,419
Counter Regulatory Mechanisms of Cardiotonic Steroids in Cardio-Renal Syndrome Passed Through From National Institutes of Health	93.837	National Heart, Lung & Blood Institute	5 - R01 - HL - 137004	-	240,720
Formyl peptide receptor activation induces vascular plasticity and remodeling in hypertension	93.837	National Heart, Lung & Blood Institute	1 - R01 - HL - 149762	-	3,762
Genetic, Epigenetic and Dietary Salt effects on Microbiota and Hypertension Passed Through From National Heart, Lung & Blood Institute	93.837	National Institutes of Health	1 - R01 - HL - 143082	-	551,481
Mechanical Control of Coronary Angiogenesis in Myocardial Adaptation to Ischemia	93.837	National Heart, Lung & Blood Institute	R01 - HL - 148585	-	399,699

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Neural mechanisms of host-microbiota interaction in hypertension: a potential for bio-electronic medicine	93.837	National Heart, Lung & Blood Institute	1 - R01 - HL - 152162	\$ 164,290	\$ 465,133
Primary cilia dysfunction and cardiovascular complications in Polycystic Kidney Disease	93.837	National Institutes of Health	3 - R15 - HL - 140523	-	10,859
Primary cilia dysfunction and cardiovascular complications in Polycystic Kidney Disease	93.837	National Institutes of Health	3 - R15 - HL - 140523	-	15,950
Primary cilia dysfunction and cardiovascular complications in Polycystic Kidney Disease	93.837	National Institutes of Health	3 - R15 - HL - 140523	-	-
Randomized Trial to Prevent Vascular Events in HIV - REPRIEVE" ("Study") under Grant Number 5U01HL123336-02 Passed Through From Massachusetts General Hospital	93.837	National Heart, Lung & Blood Institute	5U01HL123336-06	-	27,397
Evaluation of alternative complement activity within an ARDS cohort Passed Through From University of Pittsburgh	93.838	National Heart, Lung & Blood Institute	R21 - AWD00002771 (135130-	-	12,689
Inhalation Exposure to Aerosolized Cyanotoxins Worsens Pre-Existing Asthma via Activation of Granulocytic Inflammation	93.838	National Heart, Lung & Blood Institute	1 - F31 - HL - 160178	-	23,958
Gfi1-mediated inhibition of the cytoskeletal effect of TGPb in the hematopoietic system Passed Through From National Institutes of Health	93.839	National Heart, Lung & Blood Institute	1 - R15 - HL - 135695	-	808
The Erk1/2-c-Fos/Egr1 Pathway in Neutrophil Versus Monocyte Lineage Specification	93.839	National Heart, Lung & Blood Institute	1 - R15 - HL - 156109	-	111,066
Myocardial Ischemia and Transfusion (MINT) Passed Through From Rutgers University	93.839	National Institutes of Health	5U01HL133817-05	-	31,817
APOL1 studies in kidney transplantation consortium clinical centers (ASK-CCC) Passed Through From Cleveland Clinic Foundation	93.847	National Institutes of Health	1427-SUB_U01DK116097	-	(135)
APOL1 studies in kidney transplantation consortium clinical centers (ASK-CCC) Passed Through From Cleveland Clinic Foundation	93.847	National Institutes of Health	1427-SUB_U01DK116097	-	3,921
Molecular and Functional Analysis of Hirschsprung Defects in Humans and Mouse Passed Through From University of Pittsburgh	93.847	National Institutes of Health	1R01DK122798	-	56,214
Molecular characterization of novel insulin sensitizers Passed Through From Scripps Research Institute	93.847	National Institute of Diabetes, Digestive & Kidney Diseases	R01 - DK - 105825	-	(1,160)
Nuclear Receptor Chaperones in Signaling & Metabolism	93.847	National Institute of Diabetes, Digestive & Kidney Diseases	3 - R01 - DK - 121017	-	37,068
Optimization and Simulation of Kidney Paired Donation Programs Passed Through From University of Michigan	93.847	National Institute of Diabetes, Digestive & Kidney Diseases	R01 - DK - 093513	-	(2,416)
Role of histone Methyltransferase EZH3 in Acute and Chronic Renal Injury Passed Through From Rhode Island Hospital	93.847	National Institutes of Health	R01 - 7017137411	-	9,308
The Melanocortinergic pathway in glomerular disease	93.847	National Institute of Diabetes, Digestive & Kidney Diseases	5 - R01 - DK - 114006	-	369,850
Cofilin Signaling in Hemorrhagic Stroke	93.853	National Institute of Neurological Disorders and Stroke	R01 - NS - 112642	-	430,558
Pre- and postsynaptic pathways underlying the stress response in the adrenal medulla	93.853	National Institutes of Health	7 - R01 - NS - 122534	-	118,405
A Multi-Center, Double-Blind, Randomized Study Comparing the Combined Use of Interferon Beta-1a and Glatiramer Acetate to Either Agent Alone in Patients with Relapsing Remitting Multiple Sclerosis (CombiRx-Phase III) Passed Through From Mount Sinai Hospital	93.853	National Institute of Neurological Disorders and Stroke	1 - U01 - NS - 045719	-	15,687
Insulin Resistance Intervention after Stroke (IRIS) Trial Passed Through From Yale University	93.853	National Institute of Neurological Disorders and Stroke	U01 - NS - 44876	-	6,300
A novel model to study COVID-19 and Hypertension	93.855	National Institute of Allergy & Infectious Diseases	5 - R21 - AI - 164449	-	253,027
Anti-Inflammatory Functions of Non-Transcriptional IRF3	93.855	National Institute of Allergy & Infectious Diseases	R01 - AI - 155545	-	88,842
Dissecting catalytic and regulatory functions of nonsegmented negative strand RNA viral polymerases	93.855	National Institute of Allergy & Infectious Diseases	5 - R01 - AI - 146172	-	333,752
Functional Genetic Analysis of Klebsiella pneumoniae Hypervirulence	93.855	National Institute of Allergy & Infectious Diseases	1 - K22 - AI - 145849	-	133,300
Integration of Leukotriene and Prostaglandin Receptor Signaling in Mast Cell Activation and Pulmonary Inflammation during Asthma	93.855	National Institute of Allergy & Infectious Diseases	R01 - AI - 144115	-	291,538
Intravital assessment of B. burgdorferi immune clearance in skin Passed Through From National Institutes of Health	93.855	National Institute of Allergy & Infectious Diseases	5 - R01 - AI - 121970	-	107,553
Understanding the proviral role for TRAF6 interaction with the viral protease in flavivirus replication and pathogenesis	93.855	National Institute of Allergy & Infectious Diseases	R01 - AI - 153496	-	542,583
Virulence inducing signals of Vibrio cholerae	93.855	National Institutes of Health	1 - R21 - AI - 144567	-	98,073
Methods to synthesize oligosaccharide-fusion protein conjugates and enhancement of their antigenicity	93.855	National Institute of Allergy & Infectious Diseases	R01 - 148570	-	207,576
Methods to synthesize oligosaccharide-fusion protein conjugates and enhancement of their antigenicity	93.855	National Institute of Allergy & Infectious Diseases	R01 - 148570	-	246,401
Synthesis of natural product scaffold selectively active against dormant Mycobacterium tuberculosis	93.855	National Institutes of Health	5 - R21 - AI - 135313	2,503	38,318
Trehalose and Mycolic Acid Use in Mycobacteria Passed Through From University of Nebraska Medical Center	93.855	National Institutes of Health	7R01AI105084-07	-	180,809
Centrosome-localized tyrosine kinase JAK2 regulates cell proliferation	93.859	National Institutes of Health	1 - R15 - GM - 131382	-	18,840
Regulation of epithelial junctions and lumen morphogenesis by the Scribble/SGEF/Dlg1 complex	93.859	National Institutes of Health	1 - R15 - GM - 131239	-	122,145
Regulation of epithelial junctions and lumen morphogenesis by the Scribble/SGEF/Dlg1 complex	93.859	National Institute of General Medical Sciences	R01 - GM - 136826	15,669	287,825
Regulation of epithelial junctions and lumen morphogenesis by the Scribble/SGEF/Dlg1 complex	93.859	National Institute of General Medical Sciences	R01 - GM - 136826	-	6,773
Regulation of Ferroptosis by the p53/CDK/Rb Axis	93.859	National Institute of General Medical Sciences	1 - R15 - GM - 141712	-	178,711
The molecular roles of polycystin in cytokinesis	93.859	National Institute of General Medical Sciences	1 - R15 - GM - 134496	-	208,027
Effective targeting surviving dimerization interface with small molecule inhibitors	93.859	National Institute of General Medical Sciences	5 - R01 - GM - 127656	33,601	265,101
Identification of the Elusive NAADP Receptor	93.859	National Institutes of Health	1 - R15 - GM - 131329	10,988	126,347
Intrarenal Arteries Sense N-formyl Peptides Leading to Vascular Injury in Sepsis	93.859	National Institute of General Medical Sciences	5 - R00 - GM - 118885	-	12,629

See Notes to the Schedule of Expenditures of Federal Awards.

THE UNIVERSITY OF TOLEDO
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
JUNE 30, 2022

Federal Grantor/Pass-Through Grantor/ Program or Cluster Title	Federal Assistance Listing Number	Primary Sponsor	Award Number	Passed Through to Subrecipients	Total Federal Expenditures
Discovery and Characterization of Novel Halogenases from the Human Microbiome	93.859	National Institute of General Medical Sciences	1 - R15 - GM - 144877	\$ -	\$ 137,019
Diverse membrane affinities of Gy members differentially modulate the GBy effectors and cell behaviors	93.859	National Institute of General Medical Sciences	1 - R15 - GM - 126455	-	84,442
Late Stage Derivatization of Complex Molecules via Hydrogen Bond-Directed C-H Functionalization	93.859	National Institute of General Medical Sciences	1 - R15 - GM - 131362	-	206,326
Mechanistic Investigation of Proteostasis at the Outer Mitochondrial Membrane	93.859	National Institutes of Health	5 - R35 - GM - 137904	-	176,765
Mechanistic Investigation of Proteostasis at the Outer Mitochondrial Membrane	93.859	National Institutes of Health	5 - R35 - GM - 137904	-	329,191
Mechanistic Investigation of Proteostasis at the Outer Mitochondrial Membrane	93.859	National Institutes of Health	5 - R35 - GM - 137904	-	4,281
Optical control of endogenous G protein Coupled Receptor and G Protein Signaling	93.859	Sciences	R01 - GM - 140191	-	90,646
Optical control of endogenous G protein Coupled Receptor and G Protein Signaling	93.859	National Institute of General Medical Sciences	R01 - GM - 140191	-	257,789
Optical control of endogenous G protein Coupled Receptor and G Protein Signaling	93.859	National Institute of General Medical Sciences	R01 - GM - 140191	-	74,143
Region- and Enantioselective Alkene Difunctionalizations for the Synthesis of Bioactive Molecules	93.859	National Institute of General Medical Sciences	1 - R15 - GM - 139156	-	184,372
Structural and proton dynamics of pyridoxal-5'-phosphate dependent enzymes Passed Through From University of Georgia at Athens	93.859	National Institutes of Health	R01 - SUB00002438	-	90,493
Regulation of epithelial junctions and lumen morphogenesis by the Scribble/SGEF/Dlg1 complex	93.859	National Institute of General Medical Sciences	R01 - GM - 136826	-	222
Functional architecture of intracellular Ca2+ signals Passed Through From Medical College of Wisconsin	93.859	Sciences	R01GM088790	-	4,302
MicroRNA regulation of guidance receptors in axonal pathfinding	93.865	National Institutes of Health	1 - R15 - HD - 097620	-	202,749
Molecular Marker for Centrioles Remodeling in Human Reproduction	93.865	National Institute of Child Health & Human Development	5 - R03 - HD - 098314	-	51,770
The Role of MicroRNAs in Axon Pathfinding	93.865	National Institute of Child Health & Human Development	5 - R03 - HD - 099272	-	23,599
Astrocyte insulin resistance-induced neuroendocrine defects in pubertal delay and hypogonadotropic hypogonadism	93.865	National Institutes of Health	R01 - 104418	-	218,223
Defective melanocortin signaling underlying T2D-associated erectile dysfunction Passed Through From National Institutes of Health	93.865	National Institute of Child Health & Human Development		-	(3,637)
Mechanisms of developmental regulation of affective behaviors	93.865	National Institute of Child Health & Human Development	5 - R01 - HD - 076914	-	54,101
Predictors of Parents' Feeding Behaviors: A Dyadic Perspective	93.865	National Institute of Child Health & Human Development	5 - R03 - HD - 096095	24,809	29,772
The Development of Eating Behavior in Infancy: Associations with Behavior, Diet, and Growth to Age 6 years Passed Through From University of Michigan	93.865	National Institutes of Health	2 R01 HD084163-06	-	21,128
Transactional neurobiological influences on parent-child kindergarten adjustment Passed Through From Miami University (Ohio)	93.865	National Institutes of Health	R15	-	9,781
Development of Attenuated Furoxans as Novel Therapies for Alzheimer's Disease Passed Through From National Institutes of Health	93.866	National Institute on Aging	R01 - AG - 057598	-	213,363
PPARG regulates osteocyte bioenergetics and function during aging	93.866	National Institute on Aging	1 - R01 - AG - 071332	-	67,468
Machine Learning and Network Science for Predicting Kidney Transplant Survival	93.879	National Institutes of Health	5 - R01 - LM - 013311	-	253,514
Signal shaping via multiple allosteric sites on oligomeric muscarinic receptors Passed	93.886	National Institutes of Health	R56 - AG - 005214	-	5,085
Role of telehealth in improving maternal and infant health outcomes Passed Through From Lucas County Regional Health District	93.926	Health Resources & Services Administration	6 H49MC27825-08-00	-	3,773
Healthy Start Initiative: Eliminating Racial/Ethnic Disparities Passed Through From Lucas County Regional Health District	93.926	Health Resources & Services Administration	H49MC27825-08	-	11,518
Toledo Clinic Affiliation Agreement Passed Through From Toledo Clinic	93.926	National Cancer Institute		-	462
Total U.S. Department of Health and Human Services				<u>281,180</u>	<u>14,026,528</u>
National Institutes of Health					
Total Research and Development Cluster				1,944,081	35,932,391
TRIO CLUSTER:					
U.S. Department of Education					
UT Student Support Services	84.042	U.S. Department of Education	P042A200760 Action 1	-	5,558
UT Student Support Services	84.042	U.S. Department of Education	P042A200760 Action 1	-	273,463
Upward Bound Math & Science Program	84.047	U.S. Department of Education	P047M170558 - 21 Act	-	187,562
Upward Bound Math & Science Program	84.047	U.S. Department of Education	P047M170558 - 21 Act	-	84,567
Upward Bound Program	84.047	U.S. Department of Education	P047A171403 - 19	-	111,273
Upward Bound Program	84.047	U.S. Department of Education	P047A171403 - 19	-	413,315
Total U.S. Department of Education				-	<u>1,075,738</u>
Total TRIO Cluster				-	<u>1,075,738</u>

See Notes to the Schedule of Expenditures of Federal Awards.

THE UNIVERSITY OF TOLEDO
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
JUNE 30, 2022

Federal Grantor/Pass-Through Grantor/ Program or Cluster Title	Federal Assistance Listing Number	Primary Sponsor	Award Number	Passed Through to Subrecipients	Total Federal Expenditures
MEDICAID CLUSTER					
U.S. Department of Health and Human Services					
Cardi-OH	93.778	Case Western Reserve University/Case Centers for Medicare and Medicaid Services	G-1819-05-0094/ RES5	\$ -	\$ (460)
Clinical Lead QI (Federal) Passed Through From Ohio State University	93.778	Case Western Reserve University/Case Centers for Medicare and Medicaid Services	G-2021-05-0069 (ODM2)	-	11,350
Interactive Game-Based Virtual Patient Encounters with Adaptive Training/Education Passed Through From Ohio State University	93.778	Case Western Reserve University/Case Centers for Medicare and Medicaid Services	GR124662	-	185,963
Medicaid Equity Simulation Project MEDTAPP Providers As Allies In EquityAnd Care (PAEC) Passed Through From Ohio State University	93.778	Case Western Reserve University/Case Centers for Medicare and Medicaid Services	60072600	-	39,710
Medicaid Equity Simulation Project MEDTAPP Providers As Allies In EquityAnd Care (PAEC) Passed Through From Ohio State University Research Foundation	93.778	Case Western Reserve University/Case Centers for Medicare and Medicaid Services	60077775	-	5,336
MEDTAPP Diabetes QI/Consortium	93.778	Case Western Reserve University/Case Centers for Medicare and Medicaid Services	UT22049	-	277,664
Addressing Implicit Bias and Cultural Humility in Healthcare through Cinematic Virtual Reality Passed Through From Ohio University	93.778	Case Western Reserve University/Case Centers for Medicare and Medicaid Services	G-2021-05-0069 / RES	-	12,058
Cardi-OH	93.778	Case Western Reserve University/Case Centers for Medicare and Medicaid Services	G-2021-05-0069 / RES	-	61,777
Cardi-OH	93.778	Case Western Reserve University/Case Centers for Medicare and Medicaid Services	G-2223-05-0063_RES51	-	204,990
Ohio State Opioid Response (SOR) Project 2.0 Passed Through From Mental Health and Recovery Services Board	93.788	Substance Abuse and Mental Health Services Administration		-	44,666
Total U.S. Department of Health and Human Services				-	<u>825,185</u>
Total Medicaid Cluster				-	825,185
U.S. Highway Planning and Construction					
Evaluation of the Perpetual Pavement Concept Passed Through From Ohio University	20.205	U.S. Department of Transportation		-	26,482
Task 3: Analysis of Transportation Data for Locals in the State of Ohio Using AI/Machine Learning and Computer Vision for Transportation Data Collection	20.205	Ohio University	UT21701	-	5,404
Passed Through From Ohio Department of Transportation	20.205	U.S. Department of Transportation	33599	-	99,203
FOCUS on Runaways Passed Through From Toledo Area Regional Transit Authority	20.530	U.S. Department of Transportation		-	34,547
Total U.S. Highway Planning and Construction				-	<u>165,636</u>
OTHER AWARDS					
Department of Defense					
ASEE SMART Program Team	12.631			-	6,612
Total Department of Defense				-	<u>6,612</u>
U.S. Department of state Bureau of Educational and Cultural Affairs					
Institute of International Education (Fulbright Programs)	19.401			-	47,515
Total U.S. Department of state Bureau of Educational and Cultural Affairs				-	<u>47,515</u>
U.S. DEPARTMENT OF EDUCATION					
Launching Educators for All Learners: UToledo's Dual License Initiative Passed Through From University of Cincinnati	84.027	U.S. Department of Education	H027A210111	-	92,994
CTE Teacher Preparation and Retention Passed Through From Ohio Department of Education	84.048	U.S. Department of Education	VEPD-TPR-12-063099	-	44
CTE Teacher Preparation and Retention Passed Through From Ohio Department of Education	84.048	U.S. Department of Education	VEPD-TPR-12-063099	-	86,010
BVR- Bureau of Vocational Rehabilitation	84.126			-	61,108
Project LEA: Leading Educators in Advancing Inclusive Early Education	84.325	U.S. Department of Education	H325D130075	-	-
Project LEA: Leading Educators in Advancing Inclusive Early Education	84.325	U.S. Department of Education	H325D130075	-	2,239
Project Prepare	84.325	U.S. Department of Education	H325K190061_Action 7	-	61,736
Project Prepare	84.325	U.S. Department of Education	H325K190061_Action 7	-	159,029
Great Start Higher Education (GSHE)	84.325	U.S. Department of Education	H325N180008	25,534	120,340
Ohio School Leaders Professional Development Grant Passed Through From Ohio Department of Education	84.325	U.S. Department of Education	H325L200008	-	468
Ohio School Leaders Professional Development Grant Passed Through From Ohio Department of Education	84.325	U.S. Department of Education	H325L200008	-	47,286
Gaining Early Awareness and Readiness for Undergraduate Programs (GEAR UP) Passed Through From Ohio Department of Education	84.334	U.S. Department of Education		-	44,131
DCTAG Award	84.000	U.S. Department of Education		-	4,680
Total U.S. Department of Education				-	<u>680,066</u>

See Notes to the Schedule of Expenditures of Federal Awards.

THE UNIVERSITY OF TOLEDO
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
JUNE 30, 2022

Federal Grantor/Pass-Through Grantor/ Program or Cluster Title	Federal Assistance Listing Number	Primary Sponsor	Award Number	Passed Through to Subrecipients	Total Federal Expenditures
NATIONAL SCIENCE FOUNDATION					
IPA Assignment	47.000	National Science Foundation	EEC-1948460	\$ -	\$ 300,945
Topic II: NSF I-Corps Site at The University of Toledo	47.041	National Science Foundation	1644631	-	16,412
Topic II: NSF I-Corps Site at The University of Toledo	47.041	National Science Foundation	1644631	3,333	97,389
Advance & I-Corps Joint Program	47.070	National Science Foundation	1937340 Armd 002	21,916	232,265
Total National Science Foundation				50,783	647,011
DEPARTMENT OF HEALTH AND HUMAN SERVICES					
AHEC Point of Service Maintenance and Enhancement	93.107	Health Resources & Services Administration	U77 - HP - 23072	242,732	305,158
AHEC Point of Service Maintenance and Enhancement	93.107	Health Resources & Services Administration	5 U77HP23072-11-00	496,034	571,879
AHEC Point of Service Maintenance and Enhancement	93.107	Administration Health Resources & Services	U77 - HP - 23072	5,012	5,012
Designed for DATA	93.243	Services Administration Substance Abuse and Mental Health	H79 - TI - 081657	-	-
Designed for DATA	93.243	Services Administration Substance Abuse and Mental Health	H79 - TI - 081657	-	61,164
Increasing Access of Trauma-Informed Care by CPS-Involved Youth and Families Passed Through From ProMedica Health System	93.243	Services Administration National Institute for Occupational Safety and Health	1U97SM063115-05	-	5,329
NIOSH Training Grant Project: Industrial Hygiene-UniversityToledo	93.262		5T03OH008605-16	-	60,073
Project Open House-Better Child Care for the Student with Developmental Disabilities Passed Through From Ohio Developmental Disabilities Planning Council	93.630	Administration for Children and Families	22CH04SC22	-	15,800
Project Open House-Better Child Care for the Student with Developmental Disabilities Passed Through From Ohio Developmental Disabilities Planning Council	93.630	Administration for Children and Families	17CH01SC21	4,199	22,010
Child Welfare Workforce Professional Education Program Passed Through From Ohio Department of Jobs and Family Services	93.645	Administration for Children and Families	1501OHFOST (G-2021-0	-	5,166
Child Welfare Workforce Professional Education Program Passed Through From Ohio Department of Jobs and Family Services	93.667	Administration for Children and Families National Institute for Occupational Safety and Health	1501OHFOST (G-2021-0	-	62,742
Psychometric and statistical support for NIOSH research projects in U.S. middle and high schools (IPA)	93.000			-	21,872
COVID-19 Provider Relief funds	93.498			-	7,550,000
Training in Molecular and Translational Cell Dynamics	93.859	National Institutes of Health	T32 - 144873	-	90
Program Income Account for Ryan White Part C Passed Through From University of Toledo Physicians	93.918	HIV/AIDS Bureau		-	381
Ryan White 340b Pharmacy Revenue Program UTMIC	93.918	HIV/AIDS Bureau		-	1,882,734
Ryan White Part C (Title III) HIV Early Intervention Services (EIS) Program	93.918	HIV/AIDS Bureau	H76 - HA - 00732	-	(5,797)
Ryan White Part C (Title III) HIV Early Intervention Services (EIS) Program	93.918	HIV/AIDS Bureau	H76 - HA - 00732	-	348,954
Ryan White Part C (Title III) HIV Early Intervention Services (EIS) Program	93.918	HIV/AIDS Bureau	H76 - HA - 00732	-	103,691
Healthy Start Initiative: Eliminating Racial/Ethnic Disparities Passed Through From Lucas County Regional Health District	93.926	Health Resources & Services Administration	H49MC27825-08	-	66,054
Social Marketing Advertising CTR Passed Through From Lucas County Regional Health District	93.940	Centers for Disease Control and Prevention		-	27,000
Social Marketing Advertising CTR Passed Through From Lucas County Regional Health District	93.940	Centers for Disease Control and Prevention	04810012HP1522	-	946
Congenital Syphilis Warmline Passed through from Lucas County Regional Health District Randomized, Multicenter, Controlled Trial to Compare Best Endovascular versus Best Surgical Therapy in Patients with Critical Limb Ischemia	93.940	Centers for Disease Control and Prevention	04810012ST1422	-	25
The National Nursing Home COVID Action Network Passed Through From University of New Mexico	98.837	National Heart, Lung & Blood Institute Agency for Healthcare Research and Quality		-	9,184
	98.U01		75Q80120C00003	-	7,723
Total Department of Health and Human Services				747,977	11,127,191
U.S. DEPARTMENT OF HEALTH AND HUMAN SERVICES					
National Institutes of Health					
Program Income Account for Ryan White Part D Passed Through From University of Toledo Physicians	93.153	HIV/AIDS Bureau		-	381
Ryan White HIV/AIDS Program Part D Grants for Coordinated HIV Services and Access to Research for Women, Infants, Children, and Youth (WICY)	93.153	U.S. Department of Health and Human Services	H12 - HA - 24838-08-03	-	48,515
Ryan White Title IV Women, Infants, Children, Youth and Affected Family Members AIDS Healthcare (WICY--Part D)	93.153	U.S. Department of Health and Human Services	H12 - HA - 24838-08-03	-	380,511
Total U.S. Department of Health and Human Services National Institutes of Health				-	429,407
Corporation for National and Community Service					
Government Training (Americorp)	94.006			-	21,137
Total Corporation for National and Community Service				-	21,137
Other					
Military Service Center Student Support	12.000	U.S. Department of Veterans Affairs		-	5,205
Low Income Taxpayer Clinic	21.008	U.S. Department of the Treasury	20-LITC0492-01-00	-	76,467
The University of Toledo Low Income Taxpayer Clinic	21.008	U.S. Department of the Treasury	22-LITC0597-01	-	47,679
Ohio Space Grant Consortium (OSGC) Scholarships and Fellowships for Fellowships for 2006-2007 to University of Toledo	43.002	Ohio Aerospace Institute		-	51,338
Toledo Tinkers Passed Through From Imagination Station	45.301	Institute for Museum and Library Services		-	(1,362)
Total Other				-	179,328
Total Federal Expenditures				<u>\$ 2,768,714</u>	<u>\$219,521,966</u>

See Notes to the Schedule of Expenditures of Federal Awards.

THE UNIVERSITY OF TOLEDO
NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
JUNE 30, 2022

NOTE 1 BASIS OF PRESENTATION

The accompanying schedule of expenditures of federal awards (the Schedule) includes the federal grant activity of The University of Toledo under programs of the federal government for the year ended June 30, 2022. The information in this Schedule is presented in accordance with the requirements of 2 CFR 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (the Uniform Guidance). Because the Schedule presents only a selected portion of the operations of The University of Toledo, it is not intended to and does not present the financial position, changes in net assets, or cash flows of The University of Toledo.

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Expenditures reported on the Schedule are reported on the same basis of accounting as the basic financial statements. Such expenditures are recognized following the cost principles contained in the Uniform Guidance, with the exception of Assistance Listing Number No. 21.019, which follows criteria determined by the Department of the Treasury for allowability of costs. Under these principles, certain types of expenditures are not allowable or are limited as to reimbursement. Negative amounts shown on the Schedule represent adjustments or credits made in the normal course of business to amounts reported as expenditures in prior years. Pass-through entity identifying numbers are presented where available.

The University has elected not to use the 10% de minimis indirect cost rate allowed under the Uniform Guidance.

NOTE 3 ADJUSTMENTS AND TRANSFERS

During the year ended June 30, 2022, there were the following:

Transferred from	Amount	Transferred to
Federal Work Study	\$ 684,256	FSEOG

NOTE 4 LOAN BALANCES

Loans outstanding at the beginning of the year and loans made during the year are included in the federal expenditures presented in the schedule of federal expenditures. The balances of loans outstanding at June 30, 2022 consists of the following:

Cluster/Program Title	ALN	Loan Balance
Federal Perkins Loans	84.038	\$ 3,836,285
Nurse Faculty Loan Program	93.264	161,183
Disadvantaged Student Loans	93.342	217,685
Primary Care Loans	93.342	285,245
Total Loans Outstanding		\$ 4,500,398

THE UNIVERSITY OF TOLEDO
NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
JUNE 30, 2022

NOTE 5 PROVIDER RELIEF FUND RECONCILIATION

The financial statements reflect revenue recognized from the Provider Relief Fund of \$1,895,000 for the year ended 2022. The SEFA includes Provider Relief Funds of \$7,550,000 that were received in Period 2 in accordance with the requirements of the compliance supplement for assistance listing number 93.498.

**THE UNIVERSITY OF TOLEDO
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
YEAR ENDED JUNE 30, 2022**

Section I – Summary of Auditors’ Results

Financial Statements

1. Type of auditors’ report issued: Unmodified
2. Internal control over financial reporting:
- Material weakness(es) identified? _____ yes x no
 - Significant deficiency(ies) identified? _____ yes x none reported
3. Noncompliance material to financial statements noted? _____ yes x no

Federal Awards

1. Internal control over major federal programs:
- Material weakness(es) identified? _____ yes x no
 - Significant deficiency(ies) identified? x yes _____ none reported
2. Type of auditors’ report issued on compliance for major federal programs: Unmodified
3. Any audit findings disclosed that are required to be reported in accordance with 2 CFR 200.516(a)? x yes _____ no

Identification of Major Federal Programs

Assistance Listing Number(s)	Name of Federal Program or Cluster
84.425E, 84.425F, 84.425X, 84.425C	Education Stabilization Fund
Various	Research and Development Cluster
93.498	Provider Relief Fund

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

Auditee qualified as low-risk auditee? x yes _____ no

**THE UNIVERSITY OF TOLEDO
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
YEAR ENDED JUNE 30, 2022**

Section II – Financial Statement Findings

Our audit did not disclose any matters required to be reported in accordance with *Government Auditing Standards*.

Section III – Findings and Questioned Costs – Major Federal Programs

2022-001 National Student Loan Data System (NSLDS) Enrollment Reporting

Federal Agency: U.S. Department of Education

Federal Program Title: Student Financial Assistance Cluster

ALN Number: 84.033, 84.268

Award Period: July 1, 2021 – June 30, 2022

Type of Finding:

- Significant Deficiency in Internal Control Over Compliance
- Other Matters

Criteria or Specific Requirement: Per U.S. Department of Education (ED) regulations, all schools participating (or approved to participate) in the Federal Student Assistance programs must have an arrangement to report student enrollment data to the National Students Loan Data System (NSLDS) through a roster file.

The school is required to report enrollment status at both the school and program level. The school is required to report changes in the student's enrollment status, the effective date of the status and an anticipated completion date. An academic program is defined as the combination of the school's Office of Postsecondary Education Identification (OPEID) number and the program's Classification of Instructional Program (CIP) code, credential level, and published program length. ED requires the University to report changes in enrollment status and indicate the date that the changes occurred (34 CFR 685.309).

Changes in enrollment status must be reported within 30 days. However, if a roster file is expected within 60 days, you may provide the date on that roster file. In addition, regulations require that an institution make necessary corrections and return the records within 10 days for any roster files that do not pass the NSLDS enrollment reporting edits. ED requires the University to report changes in enrollment status within thirty or sixty days that the University determined the changes occurred (34 CFR 682.610).

Condition: An instance was noted where an incorrect enrollment effective date was reported to the NSLDS.

Questioned Costs: None

Context: One out of a sample of forty students had an incorrect enrollment date reported.

**THE UNIVERSITY OF TOLEDO
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
YEAR ENDED JUNE 30, 2022**

Section III – Findings and Questioned Costs – Major Federal Programs (Continued)

2022-001 National Student Loan Data System (NSLDS) Enrollment Reporting (Continued)

Cause: The University mis-keyed the effective date reported to NSLDS therefore the student's actual last date of attendance did not match the date reported. They also did not have a process in detect manual entry errors.

Effect: The enrollment effective date reported to NSLDS is used to determine when the student's grace period should begin. By not reporting a correct effective date, the grace period begin date for the student will be incorrect.

Repeat Finding: Yes, 2021-001

Recommendation: We recommend the University add a procedure to help detect any data entry errors.

Views of Responsible Officials: There is no disagreement with the audit finding and the University has already implemented a corrective procedure.



U.S. Department of Education

The University of Toledo respectfully submits the following summary schedule of prior audit findings for the year ended June 30, 2021.

Audit period: July 1, 2020 – June 30, 2021

The findings from the prior audit's schedule of findings and questioned costs are discussed below. The findings are numbered consistently with the numbers assigned in the prior year.

FINDINGS—FINANCIAL STATEMENT AUDIT

There were no financial statement findings in the prior year.

FINDINGS— FEDERAL AWARD PROGRAMS AUDITS

2021–001 National Student Loan Data System (NSLDS) Enrollment Reporting

Condition: During our testing, we noted fifteen (4) of 40 students were reported to NSLDS with an incorrect enrollment effective date.

Status: See current year finding 2022-001.

Reason for finding's recurrence: The noted issue surfaced during the University's federal program review. The Office of Financial Aid (OFA) and the Registrar's Office investigated the issue and developed a solution.

Corrective Action: The University updated its procedures and implemented the necessary training to ensure the enrollment reporting dates will be accurate and reported timely.

If the U.S. Department of Education has questions regarding this plan, please call Matt Schroeder, Executive Vice President for Finance and Administration and CFO, at 419-530-1448.

2021-002 Schedule of Expenditure of Federal Awards

Condition: The University does not have an adequate process in place to ensure completeness of its Schedule of Expenditures of Federal Awards.

Status: Resolved on the 2021 Schedule of Expenditure of Federal Awards

If the U.S. Department of Health and Human Services (HHS) has questions regarding this plan, please call Matt Schroeder, Executive Vice President for Finance and Administration and CFO, at 419-530-1448.



The University of Toledo respectfully submits the following corrective action plan for the year ended June 30, 2022.

Audit period: July 1, 2021 – June 30, 2022

The findings from the schedule of findings and questioned costs are discussed below. The findings are numbered consistently with the numbers assigned in the schedule.

FINDINGS—FEDERAL AWARD PROGRAMS AUDITS

SIGNIFICANT DEFICIENCY

2022-001 National Student Loan Data System (NSLDS) Enrollment Reporting

Recommendation: We recommend the University add a procedure to help detect any data entry errors.

Explanation of disagreement with audit finding: There is no disagreement with the audit finding.

Action planned/taken in response to finding: Student Financial Aid investigated the issue and developed a solution. The University updated its policies and procedures and implemented the necessary training to ensure data entry errors are detected and corrected.

Name of the contact person responsible for corrective action: Dave Meredith, Vice President for Enrollment Management

Planned completion date for corrective action plan: September 30, 2022

If the U.S. Department of Education has questions regarding this plan, please call Dave Meredith, Vice President for Enrollment Management at 419-530-5704.

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OHIO AUDITOR OF STATE KEITH FABER



UNIVERSITY OF TOLEDO

LUCAS COUNTY

AUDITOR OF STATE OF OHIO CERTIFICATION

This is a true and correct copy of the report, which is required to be filed pursuant to Section 117.26, Revised Code, and which is filed in the Office of the Ohio Auditor of State in Columbus, Ohio.



Certified for Release 12/6/2022

88 East Broad Street, Columbus, Ohio 43215
Phone: 614-466-4514 or 800-282-0370

This report is a matter of public record and is available online at
www.ohioauditor.gov